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TO: **ALL MEMBERS**

Dear Brother / Sister

PENSIONS: OUR FIGHT CONTINUES IN CHALLENGE TO GOVERNMENT ON FIREFIGHTER PENSIONS

An all members circular issued on 1 July 2019 reported our landmark victory against government in relation to the transitional protection that was imposed on firefighters when the new scheme was introduced in 2015.

This circular provides a further update and highlights other areas that the FBU is challenging in relation to firefighter pensions.

Members of the 1992 Scheme (the FPS)
Working with our legal advisors, we have assessed the impact of our success in court. The assessment of our legal advisors is that the effect of the judgment is that members of the 1992 Scheme who were members on 31 March 2012, who were later transferred into the 2015 scheme are in fact still members of the 1992 Scheme. If they left on or after 1 April 2015, they left under the rules of the 1992 Scheme. That has not formally been recognised by the Home Office or the Fire and Rescue Authorities, and the consequences will be worked through at a remedies hearing. It may take some time to get the issues finally resolved.

It is likely that any resolution will require further legislation, but as and when this is made, it will have to recognise that members' benefits since 1 April 2015 up to the date of the new legislation must be calculated on the 1992 Scheme basis.

It is unlikely that you will notice any change in the short term, but we are looking at these issues in more detail.

Ill-Health Retirements
The exception to that is if you expect to retire on the grounds of ill health. Whether or not you qualify for an ill health pension should be tested on the basis of the 1992 Scheme rules. If you find yourself in this position it is important that you let your local FBU representatives know.

If you have been transferred to 2015 Scheme terms, you should note that once it is recognised that you are still a member of the 1992 Scheme it is likely that the employers will require payment of the higher rate 1992 Scheme contributions.

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Finally, you should note that, as part of the remedies claim we will seek payment of additional compensation for the non-financial losses that you have suffered, such as the stress and anxiety that you have been caused. If you have incurred any out-of-pocket expense as a result of the changes (such as fees for independent financial advice) you can make a claim for that too. If this applies to you it is important that you let us know so we can assist you in this.

Members of the 2006 Scheme (the NFPS)
The 2006 Scheme and the 2015 Scheme are quite similar. If you were a member of the 2006 Scheme on 31 March 2012, you are entitled to remain a member of the 2006 Scheme. This may be beneficial, in particular, if you are promoted so your pensionable pay is higher than the pensionable pay used to calculate your 2015 Scheme benefits.

In some respects the 2015 Scheme might be better than the 2006 Scheme. For example, the reduction that will be made to your pension if you retire early is higher in the 2006 Scheme, and 2015 Scheme members can draw some of their pension without having to give up work. In these circumstances 2006 Scheme members are entitled to demand a transfer to the 2015 Scheme terms. We have made that claim.

As with 1992 Scheme members, *it is unlikely that you will notice any change in the short term*. For the reasons stated above, in most cases that will not matter, but if you are applying for an ill health pension it is important that you let your local FBU representatives know.

The issues referred to above for 1992 Scheme members regarding arrears of contributions and additional compensation for stress and anxiety and out-of-pocket losses will also apply to 2006 Scheme claimants.

'Special Members' of the 2006 Scheme (the Modified Section)
This refers to RDS members who were RDS firefighters before 6 April 2006 and who chose to join the 2006 Scheme on the special terms offered as part of the part-time workers' settlement.

If this applies to you, you are in the same position as the 1992 Scheme members – see above.

Members of the 2015 Scheme – improvements
If you joined a firefighters' pension scheme for the first time on or after 1 April 2012 you are a member of the 2015 Scheme, and you will remain a member of the 2015 Scheme.

The 2015 Scheme should have been improved, however, on 1 April of this year. The regulations which govern the Scheme contain a mechanism which should automatically apply if it turns out that the benefits for 2015 Scheme members are less expensive than anticipated. The Government Actuary's Department (GAD) examined the cost of benefits earlier this year and advised the government that that was the case. The question of how these benefits should be improved was discussed and agreed by the England Scheme Advisory board. The discussion around how benefits should be improved also took place at Scheme Advisory Boards in Scotland, Wales and Northern Ireland but have not yet been agreed.

These improvements were put on hold pending the outcome of the transitional protection discrimination claims. The fact that we won those claims should make no difference to automatic improvements to the 2015 Scheme for 2015 Scheme members. We have now written to the government to demand that these improvements are now made. We expect to have their reply within the next two weeks.

We will keep you informed of developments.

Best wishes.

Yours fraternally

M. Wrack

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General Secretary

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