FIRE AND RESCUE SERVICE MATTERS

A PARLIAMENTARY BULLETIN FOR MPS FROM THE FIRE BRIGADES UNION | MARCH 2020

TAXATION CHANGES UNDER THE FINANCE ACT 2017 FOR UK FIRE AND RESCUE SERVICE OFFICERS

FIRE BRIGADES UNION

FIRE OFFICERS PENALISED BY NEW TAX LAW WHEN USING A VEHICLE FOR THEIR DUTIES TO RESPOND TO EMERGENCIES, SAVE LIFE AND PROVIDE HUMANITARIAN AID

The Finance Act 2017 contained provisions that are now due to be implemented in April 2020. This will introduce detrimental changes to the way that operational officers employed by fire and rescue services will be taxed when using a vehicle that is contractual for on-call, managerial and operational response capabilities.

The crux of this change is that fire officers will be taxed if their vehicle is an asset. This means the level of taxation applied is the equivalent to the officer being taxed for a second home, luxury yacht or valuable work of art.

The changes were originally intended to be introduced earlier. However a temporary reprieve was put in place. An adjustment made by HMRC resulted in a transition period lasting up until 5 April 2020.

DETRIMENTAL CHANGES

In summary the changes are:

- application of tax according to the tax banding in which the fire officers falls based on the P11D value of the vehicle
- removal of exemptions for tax and NICs for mileage where the fire officer is travelling to work for the vehicle to be used for business use.

The effect of any changes has been calculated as a loss for the affected fire officers amounting to thousands of pounds each year.

Essentially, fire officers caught by the changes will be penalised for subsidising fire and rescue services.

Fire officers, with the support of the Fire Brigades Union (FBU), are seeking:

- fairness
- no introduction of the changes contained within the Finance Act 2017 affecting officers
- an end to the uncertainty facing the affected fire officers through an explicit commitment not to introduce the changes that will bring into effect these harsh and unjustified financial penalties.

UNFAIR TO OFFICERS

The FBU believes that this was probably an oversight and an unintended consequence of the Finance Act, due to be implemented on 1 April 2020. Politicians are probably unaware of the changes. However the union believes it is still unfair, unjust and a very real reduction in income for our members who are carrying out their contractual obligations.

The changes will impact on those fire officers who are either provided with or lease a vehicle that is used for both business and private purposes, in order to fulfill their contractual obligations as an emergency first responder and fire officer.

Fire officers attend a diverse range of emergency incidents at a moment's notice using their vehicles. Contractually, providing positive and negative hours requires them to respond from their home address or prescribed locations to duty for serious and complex incidents (including major incidents) for extended periods of up to 72 hours.

This includes terrorism, natural disasters and major crises nationwide. These vehicles must also be capable of transporting their personal protective equipment (PPE) and associated specialist rescue equipment, often this includes breathing apparatus.

Their attendance at these incidents is primarily for vital command, control and safety activities. Fire officers also provide specialist information to incident commanders and key stakeholders, nationally and regionally, to ensure that an incident is stabilised, controlled and resolved safely, to allow our communities to return to business as usual as soon as the situation dictates.

In some cases, they also attend to carry out specialist "hands-on" emergency response activities due to the skills, experience and attributes they possess, particularly in relation to urban search and rescue (USAR), hazardous substances (HAZMAT) and also, whilst not contractual, marauding terrorist incidents (MTFA/MTA).

Fire officers also have to travel to strategic command points to ensure a greater level of control (known as Silver and Gold) often ensuring that the correct and proportionate level of strategic command is implemented at the earliest possible opportunity.

This allows for incidents to swiftly be brought under control alongside other agencies whilst utilising Joint Emergency Services Interoperability Principles (JESIP) and ensuring the safety of the public and firefighters.

It is imperative that these officers can attend such incidents independently, as quickly and safely as possible without incurring personal financial penalty.

CHANGES TO CURRENT TAX LEGISLATION

The Finance Act 2017 contains provisions that when introduced will result in an effective pay cut for fire officers, which were never intended.

These changes do not reflect the essential work undertaken by emergency service workers Fire officers are required by their contracts of employment to drive a vehicle to fulfill their duties protecting our communities and some of the most vulnerable within our society.

It should be noted that most fire and rescue services in the UK have differing arrangements and have purchased provided cars for their officers for business purposes only, exempting them from the forthcoming tax changes. However this is dependent on the service they are employed within and the current financial constraints placed on respective service budgets.

Other services allow private use so once again it is apparent that there is no standardisation. This means that services are often making decisions based on opinion as opposed to guidance or protocol.

There is an inconsistent approach nationally with regards to our officer members. As a union we have has also witnessed attempts by some fire and rescue services to tax officers for the installation of vital work related communications and safety equipment to their vehicles. This illustrates the necessity for national guidance and control with regard to taxation issues.

It should not be forgotten that where fire officers use cars for on-call use, their families are subsequently deprived of a vehicle for those periods.

THREAT LEVELS

The vehicles are purposely not 'liveried' and in most circumstances have covert blue-lights fitted attached. This is imperative, because when not on-call, members of the public should not mistakenly believe that the occupants of the vehicle are on-duty fire officers.

Unfortunately, in recent times, we have witnessed the rise of attacks on emergency service workers and our officers are essentially lone workers. Therefore, whilst not being used for an emergency, we must ensure the vehicles retain their anonymity.

At any time, the threat level to fire officers can change and increase. Whilst traveling to and from incidents and carrying out non-emergency-call duties, fire officers invariably are lone workers.

For this reason, fire officers and their families are at risk from attack from vehicle identification whether on-duty or off-duty.

Some control measures are implemented in support of this including guidance issued by individual services advising and sometimes instructing there employees not to wear service uniform outside of fire service premises.

WHAT WE WOULD LIKE YOU TO DO

The delayed implementation of changes was welcome, but these changes are only partial and do not address the fundamental and unintended consequences of the changes made in 2017. Therefore we seek:

- the immediate restitution of the tax exemption for emergency service workers as they existed prior to the specific change in the Finance Act 2017
- support from all ministers and MPs at Westminster and all AMS and MSPs in Northern Ireland, Wales and Scotland
- fair treatment for emergency service workers should not be a party-political matter.

Accordingly, we seek cross-party support for the restitution of the pre-2017 provisions at the earliest opportunity. The best solution would be to abolish the taxation of emergency service workers whilst using their vehicle for any business use including national guidance to ensure fair application across FRSs in the UK.

The provision of a vehicle for emergency response is not a privilege but in fact a contractual employment condition. Therefore, taxation on this matter is unjust and results in a very real reduction in pay for our members.

FIRE BRIGADES UNION

Bradley House
68 Coombe Road
Kingston upon Thames
Surrey KT2 7AE
twitter: @fbunational
website: www.fbu.org.uk

For more information contact:

Dave Green: Dave.Green@fbu.org.uk
Mary Wedgwood: Mary.Wedgwood@fbu.org.uk