



FIRE BRIGADES UNION

General Secretary: Matt Wrack

Bradley House, 68 Coombe Road,
Kingston upon Thames, Surrey, KT2 7AE

Telephone:

020-8541-1765

Facsimile:

020-8546-5187

E-Mail :

office@fbu.org.uk



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TO: ALL MEMBERS

Dear Brother/Sister

HANDS OFF OUR PENSIONS CAMPAIGN: GOVERNMENT SETS DEADLINE AND THEN FAILS TO COMPLY WITH IT

You will be aware that the Government set a deadline of 20 January 2012 for the conclusion of discussions around Fire Service pensions (see circular 2011HOC0645MW on the FBU website). Following this we had been told to expect a document from the Government outlining their position on future pension arrangements. In relation to the deadline, we have continuously raised concerns that the arbitrary timescales being imposed are totally unacceptable.

Late on 20 January we were informed that a delay had occurred as a result of an error by the Government Actuary's Department (GAD) in its costing of the proposals and for this reason no proposals would be presented. The Ministerial Statement planned for Monday 23 January was also cancelled.

The Union was subsequently invited to a meeting on 23 January where an explanation of this delay was presented. It was explained that one of the financial tests required by HM Treasury on the draft proposals had not been carried out. As a result of this failure the draft proposals from CLG could not be presented as previously planned.

As a result of this we are informed that a revised set of proposals will be drawn up and presented as soon as possible. These documents are expected shortly and the Government has now decided to extend the deadline for the process until 8 February 2012 with a Ministerial Statement now expected on 9 February 2012. However, in view of these latest developments, FBU members are likely to be cautious about any such timeframe.

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Talks Continue

In our most recent meetings with Government officials and employers we have pressed our arguments on the issue of Normal Pension Age. We have previously explained the significance of this both for individual members and for the wider funding of pensions.

We have submitted a huge amount of evidence focusing on the fact that the Government plans for the Normal Pension Age (NPA) of 60 for all Firefighters in the future is totally unworkable. We have yet to receive any evidence to support the Government's proposals. We have also written personally to Lord Hutton asking him for his evidence to support his recommendations for increasing the NPA and seeking to discuss this matter with him.

As a result of these recent discussions the Local Government Association (LGA) - representing English Fire Service Employers wrote to the CLG proposing that before there is any change to the current NPA's that they should undertake a review of the unique characteristics of the work involved in all roles covered by the Firefighter pension schemes. We will now explore what such a review might involve.

In addition to this, the Government is now suggesting that there could be a review of the impact of the first year contribution changes including the effects of opt-outs before deciding on subsequent increases.

We have explained to Government officials that while these review suggestions may be a welcomed acknowledgement of our concerns, a great deal more detail is required. In addition to this we have informed them that the logical position would be to have a review of the potential impact of the increase in contributions *before* any increases are imposed. Failure to do this would create an extremely high risk of the review being nothing more than a post-mortem highlighting how many scheme members have actually left rather than looking at potential problems to be avoided.

The Executive Council is due to meet again next week where any further developments will be reported.

This is a critical stage of the campaign which will involve members making a decision on the proposals put forward by the Government and the options that are available. It is extremely important that you are up to speed with the current position so that any decision is made on an informed basis.

Please ensure you attend any meetings arranged and that you keep up-to-date with circulars and updates on the website www.fbu.org.uk.

Best wishes.

Yours fraternally



MATT WRACK
GENERAL SECRETARY