

FBU Pensions Bulletin



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OFFICERS HIT HARD

At least £5,000 over three years £100-£200 a month extra contributions

The Westminster government's cash-grab on public sector pensions will cost officers at least **£5,000** over three years, starting from April 2012. They want to phase in extra contributions of £100 a month, rising to £200 a month by 2014.

The government plans to make these increased contributions a permanent part of a new firefighters' pension scheme, and make every firefighter work until we are 60. To add insult to injury, they plan to scrap our final salary schemes and reduce pension payouts, with officers hit hardest by these changes. The FBU says: hands off our pensions!

Not gold-plated

The changes to firefighters' pension schemes can only be described as attacks. Contrary to the spin by ministers, public sector pensions are not "first class" nor do they provide for "gilt-edged" or "gold-plated" payouts. They are in fact, reasonable pension schemes, worthy of being protected and in some aspects, in need of improvement.

It is true that some public sector pension schemes are better than some others in the private sector. This is not a reason to change the public sector schemes. It should serve as a clarion call to a progressive government to ensure improvements in the pension provision for workers in all sectors.

Instead, this government adopts the view that all workers in any industry, hazardous or not, in the public or the private sector, should be worsened. They promote a "race to the bottom" by worsening public sector schemes.

We want real discussions

The FBU has already begun the necessary discussions with the relevant ministers, civil servants and fire service stakeholders to explain our case and to discover whether the Westminster government is prepared to withdraw its attack on firefighters.

It is the FBU's genuine hope that an acceptable outcome will result from discussions. We have no desire to engage in strike action. But we will also take the necessary steps to protect our members' interests, should the government simply plough ahead regardless.

What we need officers to do:

- **Make clear to principal managers that you will not be providing fire cover or working in any capacity in the event of strikes that are called by the FBU;**
- **FBU officer members should encourage non FBU members to join/rejoin the FBU;**
- **Let other FBU members know that you all stand shoulder to shoulder to defend all of our pensions;**
- **If you aren't currently a member of the FBU, have a re-think. Join the FBU. A division within fire service personnel is itself a factor which encourages governments and employers to initiate attacks and discourages them from resolving them.**

How much extra they expect you to pay

On 19 July 2011, the Treasury announced that public sector workers, including all firefighters whatever pension scheme they are in, are expected to pay increased firefighters' pension contributions over the next three years.

There are technically four schemes in the UK fire and rescue service. The overwhelming majority of officers are members of the Firefighters Pension Scheme (FPS).

Members of the FPS currently pay 11% of salary. This equates to at least £250 per month for a competent firefighter – and significantly more for officers. These are the highest contribution rates of any public sector pension scheme – equalled only by the police pension scheme.

The government plans to make all firefighters, whether in the FPS, new FPS and control members in the Local Government Pension Scheme pay up to 3.2% extra contributions. Its plan is to phase in these increases over three years. This will cost every full-time firefighter around **£2,000** over three years, or over £70 a month.

The government plans to hit officers even harder. They also want to impose additional contributions up to **6.2%** for “higher earners”. These so-called “tiered” contributions are also intended to be phased in over three years, with different leaps depending on your rank or role.

The tables on this page are based on the latest information obtained by the FBU from CLG's Firefighters Pension Committee. The salary figures do not include local allowances. Middle manager salaries include 20%

flexi-duty. The calculations assume no pay increase over the three year period. It is not clear at this stage whether the devolved governments in Scotland, Wales and Northern Ireland will follow the Westminster diktat.

Astronomical sums

Government plans indicate that even junior officers will face massive increases, whilst middle managers are expected to shoulder an astronomical burden.

A wholtime watch manager will be expected to give the Treasury around **£2,500** in additional contributions, with even less to show for it when they finally retire. This ends up being almost £100 per month by 2014 – and for the rest of their career if the government can get away with it.

A wholtime station manager on flexi-duty is expected to pay 5.2% additional contributions by 2014. The extra contributions over these years amount in total to over **£5,000**. This will amount to additional pension contributions of £200 per month from 2014, on top of current contributions in excess of £400 a month.

For a group manager on flexi-duty, the government expects an extra **£6,000** to be paid over three years, or nearly £250 in additional contributions every month to the end of your career.

At area manager, contributions would increase by the highest amount, from 11% of salary to 17.2%. This equates to over **£8,000** in extra contributions over the next three years. It will amount to over £300 every month to the end of service.

Wholtime watch manager in FPS					
Annual salary	Contributions 2011 (11%)	2012-13 (12.28%)	2013-14 (13.56%)	2014-15 (14.2%)	Total extra contributions
£34,961	£3,846	£447 extra	£895 extra	£1,118 extra	£2,460

Wholtime station manager in FPS on 20% flexi-duty					
Annual salary	Contributions 2011 (11%)	2012-13 (13.4%)	2013-14 (14.6%)	2014-15 (16.2%)	Total extra contributions
£48,131	£5,294	£1,156 extra	£1,733 extra	£2,503 extra	£5,392

Wholetime group manager in FPS on 20% flexi-duty					
Annual salary	Contributions 2011 (11%)	2012-13 (13.4%)	2013-14 (14.6%)	2014-15 (16.2%)	Total extra contributions
£55,714	£6,129	£1,337 extra	£2,005 extra	£2,897 extra	£6,239

Wholetime area manager in FPS on 20% flexi-duty					
Annual salary	Contributions 2011 (11%)	2012-13 (13.4%)	2013-14 (15.6%)	2014-15 (17.2%)	Total extra contributions
£64,721	£7,119	£1,554 extra	£2,977 extra	£4,013 extra	£8,544

An insult to the workforce, no matter what role

Sacrifice and selflessness are attributes common to all who work in the fire and rescue service. Across the UK, officers are overworked, short-staffed and taken for granted. Long hours, restrictions on leave and infringement on family life and on terms and conditions are commonplace.

The Fire Brigades Union has always been the union for all ranks in the fire service and the natural home for all uniformed employees of whatever role, duty system or job function. Whether working in the control rooms, the departments or in the fire stations, the FBU has demonstrated our commitment to represent all – on an individual and collective basis.

Attacks on the service

For some considerable time there have been attempts by various chief officers, fire authorities and civil servants to peel members away from the FBU. Their motives have been simple. If successful in dividing the workforce, then they have a better opportunity to slash services, butcher terms and conditions, cut pay and most poignantly, attack our pensions.

Some have been wooed by false promises or intimidated by threats, while others have left perhaps because of failings by the FBU to explain our position adequately. Whatever their reasons, it is ironic that the more this trend continues, the more likely it is that employers and government will proceed with attacks, which require the FBU to contemplate and take industrial action.

Don't blackmail officers

To be candid, where strike action has taken place, it is the officers that principal managers turn to first. They expect officers to leave the union and strike break. Principal management essentially blackmail officers.

Many of those principal managers have rewarded themselves handsomely with huge pay rises and in some cases, very generous resignation and re-engagement arrangements.

The result is an assault by government aimed at all

in the service, but with an especially harsh and spiteful assault on officers who have taken promotion and on those who rightly aspire to promotion in the future.

Attacks on our pensions

The government plans to:

- **Increase the pension contributions of all firefighters by 3.2%, phased in from April 2012 over three years;**
- **Increase even higher tiered contributions on officers by up to 6.2%, phased in from 2012;**
- **Impose these increases in pension contributions from 2015 thereafter for the rest of your career;**
- **Increase the normal retirement age for FPS members to age 60;**
- **Ignore the FBU's argument that firefighters in the NFPS should also retire at 55;**
- **Worsen accrual rates;**
- **Worsen commutation factors;**
- **Introduce cost-ceilings, with additional costs falling solely on employees;**
- **Cut pension benefits by 15%, by changing the way pensions are uprated for inflation using the lower rate of consumer prices (CPI) instead of retail prices (RPI);**
- **Scrap final salary arrangements and introduce career average earnings (known as CARE) to reduce pension benefits.**

The FBU: protecting the fire service and those who work in it

The vast majority of officers, whether crew and watch managers or station, group and area managers, are members of the FBU. They belong for good reason. Only the FBU has the commitment, expertise and desire to protect all uniformed members in the fire service.

The FBU's record

Only the FBU was prepared to challenge for fair pay in 2002. Only the FBU was prepared to take the steps to protect members of the FPS in 2006.

It was the FBU that took the steps to secure part-time status for retained firefighters and to oppose the FiReControl project. It is the FBU alone that protected ill-health pensions, in the face of employer and CLG-led initiative to scrap them and to effectively sack all permanently unfit and injured firefighters on the grounds of capability.

It is only the FBU that has campaigned for and secured higher commutation for retiring and previously retired firefighters. We are still pursuing the second phase of that action to secure higher payments for a wider band of retired firefighters.

The FBU initiated the legal challenge against the switch from retail prices (RPI) to consumer prices (CPI) indexation, which would reduce pension payouts by 15%. We remain the only fire service trade union to have challenged this change.

Only the FBU is taking the steps to convince CLG to treat firefighters in all ranks with respect when it comes to pensions. Only the FBU is taking the steps to defend our pensions, should talks prove inadequate.

Only the FBU

We must ask starkly – where are the mis-named FOA? As the governments race ahead with their plans, FOA has taken no steps to ballot its members. Ballots and mandates to ballot don't happen overnight. It takes a genuine commitment to meet and discuss with members. The FBU does not take its members for granted, and is prepared to lead.

Since the Westminster government announced scheme-specific talks on 19 July 2011, there has been only one

meeting between CLG, employers and all representative bodies. Other than to confirm when the next meeting would be, the FOA representatives didn't utter a word. Their silence and lack of opinion was matched only by the total silence of the RFU. That isn't representation – it's taking their members' subscriptions under false pretences.

The attacks on pensions affects every firefighter, whatever their rank, role or duty system. Officers can make a crucial contribution to the FBU to secure a successful outcome, whether that results from consultation, or from strike action.

What members can do:

- **Attend FBU branch and other members' meetings to discuss the pension attacks;**
- **Support the model resolution at those meetings;**
- **Contact your councillors, MSP's (Scotland) and AM's (in Wales and Northern Ireland) to urge them to take a public position opposing detrimental changes to the pension schemes in the fire service;**
- **Contact your MP in writing, and preferably in person at their surgeries to sign Early Day Motion 2049.**

