

FIREFIGHTERS' PENSIONS – Scottish Proposals



SCOTTISH
FIRE AND RESCUE SERVICE
Working together for a safer Scotland



The attached pulls together the key points from recent correspondence as an aide for discussion. It does not supplant those letters, which should be referred to for the full detail and context on each point, and the formal offer remains that set out in the document issued on 24th September - "Firefighters' Pension Scheme Scotland 2015."

The lines in *italic* summarise the 8 points in the trades dispute as set out in Matt Wrack's letter of 16th May and 17th July. The Scottish Government have also guaranteed that there will not be any compulsory redundancies, and that there will be no mutualisation or privatisation of the Fire Service in Scotland.

The offer from the Scottish Government and the SFRS addresses the following points raised in the trades dispute

a. *Protection arrangements which are a substantial improvement on the Proposed Final Agreement –*

[Scottish Government] "are willing to extend the current transitional protection arrangements proposed for firefighters to match those proposed for the police. This means that, in addition to firefighters who, as at 1 April 2012, were within 10 years of their scheme's normal pension age of 55, we will include those firefighters who were within ten years of reaching both age 50 and 30 years' service. This will remove the current anomaly between the proposals for fire and police, and ensure that all firefighters who were within ten years of being able to take an unreduced pension will be fully protected from the current changes. We will fund that additional protection from Government spending, not by asking the remaining firefighters to fund it through higher contributions as has been suggested in England"

[ref – Ms Cunningham's letter of 29th August]

b. *Scheme provision so that any member above the age of 55 who, not being eligible for ill health retirement, is dismissed for reasons of fitness, efficiency or any other reason except misconduct, will receive immediate payment of an unreduced pension amounting to the full pension accrued at the date of dismissal –*

Ministers have said that "No firefighter will face dismissal in response to failing a fitness test." The SFRS have provided the following note to explain how that commitment will be taken forward:

27 September 2013

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“Scottish Fire and Rescue Service: Firefighter Fitness Standards and Assessments: Key Principles

The creation of the Scottish Fire and Rescue Service (SFRS) has provided an opportunity to review current practices in all areas of occupational health and wellbeing. In relation to Firefighter fitness, we have commenced a review of working practices within antecedent service areas with a view of providing equitable and consistent practice across the SFRS. This review will enable the development of harmonised policies and protocols, which recognise best practice whilst ensuring our focus remains on protecting the safety of our Firefighters as we work together for a safer Scotland. As such, we are actively engaging with the FBU on this matter and are wholly committed to working together on the standards to be applied and the practical arrangements for their implementation.

The key principles upon which the fitness assessment policy and associated processes will be based are as follows:

1. Firefighting is a physically demanding occupation and it is essential that firefighters have sufficient levels of fitness to enable them to carry out their tasks as safely and effectively as possible. As such, this requires higher levels of fitness than most other occupations and therefore the NJC role maps set out a specific requirement for operational personnel to maintain levels of personal fitness.
2. Fitness standards must reflect the occupational demands of firefighting and the SFRS commits to working with the FBU to determine both the minimum and optimum safe standard.
3. A process of fitness assessment and development is required to ensure that operational personnel maintain a minimum standard of personal fitness in order to safely perform operational duties.
4. The SFRS commits to ensuring that all operational personnel are provided with adequate support to maintain the fitness standard.
5. Fitness levels may decline with age and whilst this may be mitigated by fitness training, diet and other lifestyle changes it is acknowledged that there may be a general decline in fitness as a result of the ageing process. All operational personnel will be provided with support to maintain their levels of fitness for the duration of their career.
6. The SFRS has no intention of putting operational personnel in a situation where they face “no job, no pension” and no individual will automatically face dismissal if they do not achieve the minimum standard required.

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7. In those circumstances where operational personnel do not achieve the minimum agreed fitness standard the individual will be stood down from operational duties until such time as the minimum agreed standard is achieved.
8. The SFRS commits to providing a minimum of 6 months of development and support to enable individuals who do not achieve the minimum agreed standard to regain the necessary levels of fitness.
9. Where underlying medical reasons are identified that restrict/ prevent someone from achieving the necessary fitness then a referral will be made to occupational health and the individual will again receive the necessary support to allow a return to operational duties.
10. Where the medical condition does not allow a return to operational duties the SFRS will fully explore opportunities for reasonable adjustments or redeployment within role. In those circumstances where there are no opportunities for reasonable adjustments or redeployment within role then the SFRS will commence an assessment for ill-health retirement through the IQMP process.
11. If no underlying medical issues are identified and following a programme of development and support it becomes apparent that an individual will be unable to regain the necessary levels of fitness then the SFRS will fully explore opportunities for reasonable adjustments and/or redeployment within role. In those circumstances where there are no opportunities for reasonable adjustments or redeployment within role then the SFRS will commence the authority initiated early retirement process.

c. Flexible retirement with members being able to retire and draw their pension from the age of 55 and new scheme benefits taken before 60 being actuarially reduced with reference to the NPA of 60 –

Ms Cunningham's letter of 29th August confirms that on early retirement options, Scottish Firefighters will not be at a disadvantage compared to their peers in the rest of the UK. FBU sought clarity in particular about the CLG proposal to extend enhanced actuarial reduction arrangements to allow firefighters to retire at 55 with a pension actuarially reduced from 60 rather than from state pension age, and whether this would be retained in the Scottish scheme. As set out in Brandon Lewis' letter to Matt Wrack of 19th June, this change to the "reference scheme" is fully paid for by a matching change in the accrual rate to 1/59.7. In Scotland, SG have therefore offered to continue these enhanced early retirement options, alongside that accrual rate, within the cost envelope, regardless of the final settlement in England – if that is what scheme members would prefer to do.

[Ref: Richard Dennis letter of 17th September]

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d. Retained Duty Service part-time firefighters to have backdated scheme membership

On the modified scheme for Retained Firefighters, Scottish Government have now issued draft regulations for consultation – which are available on the Scottish Public Pensions Agency website at the following address:

http://sppa.gov.uk/index.php?option=com_content&view=article&id=716&Itemid=260.

With the FBU's agreement, a reduced consultation period has been used ending on 18th October, and SG would hope to have the regulations in force before the end of the current financial year.

[Ref: Richard Dennis letter 17th Sept]

The Scottish Government does not address the following points in the trade dispute because of Westminster constraints in the current devolved arrangements.

- e. No further contribution increases;*
- f. Commutation arrangements which are a substantial improvement of the Proposed Final Agreement; and, the cost ceiling is set so that there are no reduction in pension benefits consequential upon the above provision; and*
- g. the cost ceiling is set so that there are no reductions in pension benefits consequential upon the above provisions; and*
- h. an improved Contribution ratio between employee and employer.*

Should further progress on these aspects be made in negotiations at a UK level, the Scottish Government has committed to ensuring that Scottish Firefighters also receive the benefit of any national-level changes to the proposed pension scheme.



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