

NEWSLETTER-MARCH 07

PENSIONS SPECIAL

1. MARCH 31ST Deadline

It is important that all RDS personnel return their completed pension option forms by 31st March, (30th April in Wales) because if you do not:

- a) You will not be able to take advantage of backdated pension rights to 6/4/06
- b) You need to register your details, even if you decide not to join the New Firefighters Pension Scheme and/or decide not to backdate membership to April 2006. This is important as it will help to protect your dependents if anything happens to you, because there would still be some benefits due under the separate Compensation Scheme.

2. Possible Backdating to 1st July 2000

Many members will be aware of the RFU's efforts over the past 30 years to obtain pension rights for retained personnel. You may wish to know how this is progressing at the moment, although your choice to join or not join the New Firefighters Pension Scheme (NFPS) at this time should not be influenced by outstanding issues of possible backdating of pensions. Should backdating become possible in the future, you will have a further options choice to determine if you wish to take advantage of those backdating rights.

In 2000 the RFU submitted employment Tribunal applications for members in order to claim entry to the Firemen's Pension Scheme (FPS). This was based on the rights conferred by the European Union under the Part-time workers (Prevention of Less Favourable Treatment) Regulations 2000. This legislation indicated it was unlawful to apply less favourable treatment if the work undertaken by RDS personnel was broadly comparable with wholetime personnel.

The RFU claims were not only for the same pension rights as wholetime personnel, but also covered other issues, such as pay, sick benefits and other allowances, The RFU's intention was to persuade the national employers that legal action should be avoided and a settlement negotiated.

This strategy worked as far as pay and some other rights are concerned, as the national employers conceded that RDS personnel should be treated equally with wholetime personnel.

However, the FBU then submitted claims and decided to pursue these through the Courts. This effectively stopped the national employers coming to a negotiated settlement on pensions, as they will not negotiate while legal action is pending. The issues went first of all to an Employment Tribunal, then the Employment Appeals Tribunal and then the Court of Appeal. The FBU lost their case each time, partly because they had failed to pursue all of the inequalities applicable to retained, and partly because they picked the wrong brigades to use as comparators.

The FBU pursued this to the House of Lords, who referred it back to the original Employment Tribunal, and this case was heard at the beginning of March. The case was not concluded and it was decided to consider further evidence and to reconvene the hearing in November this year. This means a decision is unlikely until early in 2008, and could be subject to further appeal.

Members will no doubt be disappointed at this continuing delay, but should be aware that if they decide to join the NFPS now, this will not affect their subsequent right to join the FPS from 1/7/00, should this be the eventual outcome of the current legal action.

However, there could eventually be an effect on the entitlement of members to injury pensions and dependents benefits, as currently the safeguarding of these on equivalent wholetime salary rates only applies to RDS personnel in post prior to 6/4/06, and if they join the NFPS.

3. Professional Financial Advice

RFU members who have complicated pension arrangements are reminded that we have arranged for independent financial advice to be available (for which there could be a charge) – see our website for details.