

L **O** **C** **A** **L** **P** **E** **N** **S** **I** **O** **N** **B** **O** **A** **R** **D**

FIREFIGHTER PENSION SCHEMES



Potential for Industrial Action – Pension Implications

The FBU is currently putting in place preparations for a ballot of their members for strike action. The LGA have set out what effect taking strike action will have on an members pension rights.

Contributions

The FPS 2015 regulations allows active scheme members to elect to pay contributions at their normal contribution rate, multiplied by the assumed pensionable pay that the member is treated as receiving for the period of industrial action.

In addition, the scheme employer may also require that the member pays the amount of employer contributions that the scheme employer would otherwise be required to pay by regulation 117(3) (employer contributions). Cleveland Fire Authority will be requiring members to pay the employer contributions.

Any contributions must be paid before the end of a six-month period starting with the date on which the member took strike absence. Only where contributions have been paid, will earned pension of 1/59.7th of the member's assumed pensionable pay during the absence due to industrial action be added to the active member's pension account.

Qualifying Service

As qualifying service in the FPS 2015 is added to qualifying service in the FPS 1992 or 2006 to determine whether a member with continuous transitional service qualifies for retirement benefits, any reduction in pensionable service due to industrial action will affect that date by the relevant number of days (for example, a member needs a minimum of 25 years across the FPS 1992/2015 combined to retire before age 55).

If strike absence takes the form of complete days, then each complete day of absence will be excluded from the total pensionable service. If strike absence takes the form of lesser periods, for example one-hour strikes, the LGA's informal view, is that, even though contributions have been paid for part of them, the days will not count at all because they are not fully completed days and an absence should therefore be recorded for the full day.