

# FBU

# NO<sub>2</sub>

Fire Deaths

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**FIRE BRIGADES UNION**  
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**AMENDED CIRCULAR: 2007HOC0224AD**

26 April 2007

TO : ALL MEMBERS

Dear Brother/Sister,

**Letter from CLG - Pensionability of CPD**

The NJC Joint Secretaries have now received a letter from Communities and Local Government (CLG) in their capacity as regulator of the firefighters' pension schemes (FPS and NFPS) and (Local Government Pension Scheme LGPS). It is pleasing to note that the principle of pensionability has now been assured however the content of the letter and its implications are now being considered by the General Secretary and will be discussed with the Executive Council at its next meeting.

The full text of the letter is reproduced overleaf.

Members will be kept informed of developments.

Best wishes,

Yours fraternally,



**ANDY DARK**  
**ASSISTANT GENERAL SECRETARY**

AD/ba

## [From Communities and Local Government to NJC Joint Secretaries]

24 April 2007

Dear Sarah and Matt

### Continual Professional Development

*I am replying to your letter of 8<sup>th</sup> February about the NJC agreement to the introduction of a Continual Professional Development (CPD) Scheme in which you ask whether CPD payments might be regarded as pensionable for the purposes of the Firefighters' Pension Scheme 1992 (FPS), the New Firefighters' Pension Scheme 2006 (NFPS) and the Local Government Pension Scheme (LGPS). We have subsequently exchanged several letters and e-mails about the proposition and I am grateful for your patience.*

*For the record, I must reiterate that, as was made clear to both the Employers and the FBU between 2003 and the end of 2006, if CPD payments are a temporary allowance, which would be subject to review and so could be withdrawn, we would not regard them as pensionable, but that if permanent, and not subject to withdrawal, they would be pensionable. The principal reason for this is that in a final salary scheme there is no benefit to the employee if he/she pays pension contributions on a temporary element of pay which may not form part of final pensionable pay. In this respect, the Department's position is consistent with other public service pension schemes and recognises that a person whose pension contributions reflect their receipt of a particular element of their remuneration has a legitimate expectation that they will ultimately receive a return on the contributions relevant to that element.*

*As you know, the firefighter pension schemes are statutory schemes for which the Secretary of State is the regulator. Changes to the schemes cannot be matters for agreement by representatives of the employers and employees without the prior approval of the Secretary of State.*

*Ministers have noted the statement that Fire and Rescue Authorities will be expected to ensure that CPD payments and related pension contributions are within their budgets for the Long Service Increment and that, therefore, the new arrangements will be cost neutral.*

*Notwithstanding their concerns about how the current position has been reached, Ministers are prepared, exceptionally on this occasion, to agree that CPD payments should be pensionable under the FPS and NFPS. To meet the objections in a final salary scheme, as discussed above, they propose that CPD payments should be treated as a separate entity for pension purposes, accruing each year a firefighter receives a CPD payment.*

*We are currently discussing with HM Treasury and the Government Actuary's Department how the new arrangements should work and will put in hand quickly the drafting of the necessary amendments to the FPS and NFPS as soon as possible. We intend that these will be effective from 1<sup>st</sup> April 2007. There will be the usual consultation with the Firefighters' Pension Committee on the draft amendment orders in due course.*

*Amendment to the LGPS will not be necessary because its handling of allowances already differs from that in the two firefighters' schemes.*

T B J Crossley