

#### **4. New Scheme Options Exercise**

4.1 We will be issuing more specific guidance about the options exercise available to existing firefighters in due course but we are planning that within 6 months of the NFPS coming into effect, FRAs should provide statements to firefighters, including those who are not members of the existing pension scheme, setting out the options available. Thereafter, firefighters should have 3 months from receipt of their statements to make their decisions. They will be expected to acknowledge receipt of the statement package to avoid any later disputes about the information made available to them.

4.2 The option to transfer from the existing scheme to the NFPS will be a one-off exercise. FRAs will need to set up a record of the actions taken.

4.2 The following options would be available to existing firefighters, who are members of the existing scheme:-

- Stay in the existing scheme; or
- Join the NFPS.

If they join the NFPS, they would have a further two options:-

- Defer any pension accrued in the existing scheme, which would be payable at age 60 (the deferred pension age for the existing scheme is remaining at age 60 for the foreseeable future); or
- Transfer it into the NFPS.

4.4 Existing firefighters, who are not members of the FPS, would be able to:-

- opt to join the NFPS, providing they have not been refused (re-) entry to the existing scheme unless this was on grounds of age as the existing scheme has an upper age limit of 45 for those who opt out and then seek to rejoin; and
- they satisfy the requirements for rejoining the NFPS.

4.5 RDS firefighters serving immediately before 6<sup>th</sup> April 2006 would need to:-

- opt into the NFPS and should receive a statement regarding the new arrangements as set out below before making any decision. Their options exercise will take place at the same time as that for members of the FPS. They will not be able to join the new scheme immediately, but on joining the new scheme, they will be able to seek retrospective membership to 6 April 2006. Further advice about this group will be issued later.

In the recent House of Lords judgement concerning the case of RDS firefighters having access to the existing scheme the case was remitted back to the Employment Tribunal for reconsideration. This has still to be heard.

4.6 New entrant RDS firefighters joining between 6 April 2006 and the coming into operation of the Order would need to:-

- opt into the NFPS and should receive a statement regarding the new arrangements as set out below. They will be able to back date their entry to the scheme to 6 April 2006. Arrangements will need to be made for the payment of contributions for the back-dated period. In the event that during

the period they are unable to join the scheme they suffer a qualifying injury payments would be in accordance with the existing injury benefit rules.

4.7 The NFPS will provide survivor benefits for nominated dependent partners. The benefits will be the same as for a widow(er) or surviving civil partner. There will be a requirement for the firefighter and his/her partner to have completed an appropriate nomination and made a joint declaration. The FRA must be satisfied that, at the date of the firefighter's death that the nominated partner was living with the firefighter in an exclusive, committed, long-term relationship and that the conditions for making the nomination and joint declaration are still met.

4.8 It is expected that some members of the FPS will be interested in transferring to the NFPS to gain access to these benefits. Whilst options for transfer from the FPS to the NFPS will not be available until later this year, firefighters may seek information about the arrangements and a guidance note with appropriate nomination/declaration forms are attached at Annex.

## **5. Statement Packages**

5.1 ODPM has had discussions with representatives of Human Resource and Pension Practitioners to consider the guidance and documentation which will be necessary for the NFPS. The guidance notes referred to in paragraph 3.5 and section 6 are being discussed with this Group, and will be available to all FRAs to badge and issue.

5.2 The Group has agreed that a Statement Package should be issued to each firefighter which is set out at Annex A.

## **6. Guidance Notes**

6.1 ODPM have prepared the following Guidance Notes that FRAs can badge and issue dealing with the following –

- Scheme guide.
- Guide insert for information for regular firefighters appointed on or after 6 April 2006.
- Guide regarding nomination of dependent partner for survivor's pension.
- Guide to persons who are not allowed to marry or enter into a civil partnership in the Scotland
- Guide for Death Grant and balance of guaranteed pension.

Copies of the above are at Annex B. Although changes to these notes may be necessary when the Scheme Order is made to reflect the terms of the Scheme as approved by Parliament, we hope that they will assist FRAs in preparing for implementation.

6.2 Further guidance notes are in course of preparation including:

- Guide regarding ill health retirement arrangements.
- Guide for RDS Firefighters.
- Examples of Statement Package that should be made available.

- 6.3 It is expected that FRAs will use the notes and other documentation without alteration beyond “badging” and adding contact details and other local information which may be appropriate. If there are concerns about the accuracy of any of the material it should be raised with us and we will consider the need to amend.
- 6.4 In preparing the material, advice has been taken from members of the Firefighters’ Pension Committee and a Communications Working Group which includes HR and pension practitioners from the FRS. Part of the brief has been to ensure that guidance complies with the requirements of Regulation 4 and Schedule 1 of the Occupational Pension Schemes (Disclosure of Information) Regulations 1996 and any subsequent regulations setting out the basic information to be provided to Scheme members.
- 6.5 ODPM do not intend at this stage to provide a commentary on the NFPS although it recognises that it may be helpful in due course to collect the guidance and other advice into a single document. The commentary on the FPS will be maintained.