

## Northern Ireland Fire & Rescue Service

# **PENSION UPDATE**

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### 1. Foreword

This Pension Update is to notify you that the **Department of Finance** has launched a consultation to address the discrimination associated with the reforms to Public Sector Pension Schemes which took place in 2015.

The consultation provides members with a choice of pension scheme benefits (those under their old scheme (FPS, NFPS and Modified Schemes) or the new 2015 scheme) they would like to have for the remedy period (between 1 April 2015 and 31 March 2022).

## 2. <u>Department of Finance Public Service Pension Schemes</u> <u>Consultation</u>

The Department of Finance is consulting on proposals to remedy discrimination in the main unfunded public service pension schemes made under the Public Service Pensions (Northern Ireland) Act 2014. Bespoke solutions are being developed separately for the schemes for the devolved judiciary and local government workers.

The NI Executive, Assembly Committee and departments have been alerted to the consultation as is the usual procedure.

A copy of the consultation is available on the DOF website and can be accessed by clicking the following link:

https://www.finance-ni.gov.uk/consultations/consultation-proposed-changes-transitionalarrangements-2015-schemes

The consultation is asking for views on the choices offered to pension scheme members.

#### Any questions or requests for further information pertaining to the consultation should be directed to Department of Finance at the address below.

#### How to respond to the consultation

This consultation will run for 12 weeks and will close at midnight on Wednesday 18 November 2020. Responses can be submitted by email to: <u>DoFpensionspolicy@finance-ni.gov.uk</u>

Alternatively, responses can be sent by post to:

Public Service Pensions, Policy and Legislation Branch Pensions Division Department of Finance Waterside House 75 Duke Street Londonderry BT47 6FP

## 3. Frequently Asked Questions

### 1. What are the next steps after the consultation?

• Following the consultation, the Department of Finance will publish its response, including options for legislative changes to the Public Service Pensions Act (Northern Ireland) 2014 to implement the solution. Individual schemes will draft and consult on scheme regulations to enact these changes in scheme rules.

### 2. What is the main purpose of this consultation?

 The consultation is the next step in the process of addressing the discrimination. The two proposals will allow members a choice of which set of scheme benefits they wish to have for the remedy period. The Department of Finance would like to gather views on how these proposals will impact members and the responses it receives will feed into the final policy decision.

### 3. Who is in scope of the consultation proposals?

- Scheme members who were in post on or before the 31 March 2012 and still in post on the 1 April 2015 will be in scope of these proposals.
- This includes those members who are currently active, deferred or retired.

### 4. What is meant by the 'remedy period'?

• The remedy period is the time period for which members will be able to retrospectively choose which scheme they are to be a member of. It will run from 1 April 2015 which is when the reforms were introduced, until 31 March 2022 which is the point when treatment will have been equalised going forward.

## 5. Why are scheme members being asked to make the choice between the different sets of pension benefits?

- The differences between the old and new pension schemes mean the set of benefits that is best for individuals depends on personal circumstances.
- We cannot simply extend transitional protection to all members and place them into the old schemes, because some members are better off in the new schemes.
- Members should make this choice and will be provided with information to allow them to make an informed choice based on whichever option is chosen as the final policy.

## 6. Why are the NI Judicial Pension Scheme and the Local Government Pension Scheme (NI) consulting separately?

- These schemes will have separate consultations due to particular features of how they introduced the previous reforms.
- The Department of Finance is working closely with the departments of both these schemes to ensure proposals line up, but the scheme differences mean separate consultations are the most appropriate way forward to allow for those schemes to consult fully.