



Home Office

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Malcolm Eastwood
Chair of the Firefighters' Pension Scheme Advisory Board
Via email

31 OCT 2016

Firefighters' Pensions Conference – 10 October 2016

I write to you to pass on my apologies for missing the opportunity to speak at the Firefighters' Pensions Conference earlier this month. I was in London covering parliamentary business on behalf of the Home Secretary.

There were two main things that I planned to talk about last week, namely, the successful implementation of the 2015 Firefighters' Pension Scheme and the establishment of the Scheme Advisory Board and Local Pension Boards.

Implementation of the 2015 Scheme

It was Lord Hutton's report into public service pensions in 2011 which showed that public service pension schemes across the board needed to be reformed to ensure they were both fair and affordable, particularly in light of the fact that people are living longer. Like the rest of the public sector a new pension scheme was developed for firefighters taking account of Lord Hutton's recommendations. Firefighters do an important, and at times dangerous, job and the development of a good pension scheme that reflected the unique nature of their work was important. The 2015 Scheme is one of the best available and is fair to both firefighters and the taxpayer.

Equally important to the terms of the scheme is the effective administration of it, to ensure that the right contributions and benefits are being calculated and paid in good time. I understand that the introduction of the 2015 Scheme led to a lot of work for Fire and Rescue Authorities and pensions administrators. No doubt new processes were required and systems had to be updated and improved. It is a testament to the hard work of all of those involved that this came into force as planned in April last year and is working well. I'd like to personally thank the Fire and Rescue Authority officials, pensions administrators and advisers at the Local Government Association who have made this smooth implementation happen.

Enhanced Governance Arrangements

Lord Hutton also set out the need for a transparent and effective approach to the governance of pension schemes, one that ensures that scheme members, as well as employers, are properly represented in governance arrangements. It is good to hear that the Local Pension Boards have been set up across England, and similarly the Scheme Advisory Board has met three times and made a productive start.

Now the challenge is to take this forward and ensure the boards achieve what they were set up to do. Local Pension Boards need to provide strong oversight of the work of scheme managers, understanding their obligations, and assisting them to ensure compliance. The Scheme Advisory Board is there to advise the Home Secretary and me on the desirability of changes to the schemes, and to support Local Pension Boards in their work. It can also act as a forum for escalating issues that have been raised at a local level but may be best considered by the Scheme Advisory Board, who can communicate their views on a matter to help improve consistent administration across the country.

I look forward to hearing about how work has moved forward with the pension boards and I am happy to meet to discuss the matter further when appropriate.

A handwritten signature in black ink, appearing to read 'Brandon Lewis', with a long, sweeping underline that extends to the right and loops back under the text.

Rt Hon Brandon Lewis MP