

Firefighters' Consultees

7 Tweedside Park  
Tweedbank  
GALASHIELS  
TD1 3TE

[www.sppa.gov.uk](http://www.sppa.gov.uk)

Tel: 01896 893000  
Fax: 01896 893214  
Claire.McGow@scotland.gsi.gov.uk

Your ref:  
Our ref:

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Dear Colleagues

**The Police and Fire Reform (Scotland) Act 2012 – proposed amendments to Firefighters' Pension Schemes**  
**Automatic Enrolment – proposed amendments to the New Firefighters Pension Scheme**

The purpose of this letter is to seek your views on draft amendments to Firefighters' Pension Schemes to reflect:

- (i) the establishment of the Scottish Fire and Rescue Service.
- (ii) to enable the implementation of automatic enrolment.

**Single Fire Authority**

The Scottish Government published an initial consultation paper in February 2011 seeking views on the future of the police and fire service. A further consultation paper setting out proposals for how the new single Scottish services will work in practice, and seeking views on the detailed legislative provisions to be taken forward to Parliament, was published in September 2011. The Police and Fire Reform (Scotland) Act 2012 was granted Royal Assent on 7 August 2012.

The Police and Fire Reform (Scotland) Act 2012 creates a single Police Service of Scotland and a single Scottish Fire and Rescue Service to serve local communities and meet the demands and challenges of the 21<sup>st</sup> century.

The Scottish Fire and Rescue Service goes live on 1 April 2013 and is a change in organisational structure, **there will be no changes to the pension benefits available to firefighters**. More detail on the proposed amendments to the regulations can be found at Annex A. Relevant draft Scottish Statutory Instruments can be found on this [link](#).



## **Automatic Enrolment**

The Pensions Act 2008 introduces a number of new employer duties to give improved access to pension provision. A key requirement is to automatically enrol eligible jobholders into a qualifying pension scheme. Firefighters are “eligible jobholders” and minor amendments to the relevant Order are required to ensure that firefighters pension arrangements fully comply with the legislation. Under the Act, employers must offer a qualifying pension scheme. In common with the other public service schemes, the firefighters scheme meets the conditions specified.

The 2008 Act laid the foundations for a fundamental reform of workplace pensions (“Workplace Pension Reform”) by requiring every employer to automatically enrol their eligible workers into a qualifying pension scheme, if they are not already in one, and to contribute to that pension. These reforms are being introduced on a rolling basis from October 2012 with large employers (and, in turn, their staff) being subject to the new requirements first. More detail on the proposed amendments can be found at Annex A. The draft Scottish Statutory Instrument can be found on this [link](#).

Any responses to this consultation should be sent by email to:

[Claire.McGow@scotland.gsi.gov.uk](mailto:Claire.McGow@scotland.gsi.gov.uk) or by mail to the following address no later than 21 February 2013:

Fire Services Reform  
Policy Branch  
SPPA  
7 Tweedside Park  
Tweedbank  
Galashiels  
TD1 3TE

A copy of the consultation document will also be available on the Agency’s website at:  
[Firefighters' Consultations 2012](#)

Yours faithfully

Claire McGow  
SPPA



# **ANNEX A**

## **Single Fire Authority**

The Aims of reform are that single police and fire services for Scotland will:

- Protect and improve local services, by stopping duplication of support services and not cutting the frontline;
- Create more equal access to specialist support and national capacity – like murder investigation teams, firearms teams and flood rescue – where and when they are needed;
- Strengthen the connection between police and fire services and communities by creating a new formal relationship with all 32 local authorities, creating opportunities for many more locally elected members to have a formal say in police and fire services in their areas, and better integrating with community planning partnerships.

## **Amendments to the Regulations**

### **The Firemen's Pension Scheme Order 1992**

Rules A4, B1 and the Glossary of Expressions have been amended to reflect the new single service.

Rule F8A (transfer of pension history between Scottish fire and rescue authorities); this rule has been omitted.

Part LA (Firefighter's Pension Account) this part has been omitted and guidance is to follow. In consequence, a reference to rule LA3 in rule F2 has also been omitted.

### **The Firefighters' Compensation Scheme (Scotland) Order 2006**

Rules 2 and 4 of Part 1 (interpretation) have been amended to reflect the new single service.

Rule 1 of Parts 8 and 10 have been amended to reflect the new single service.

### **The Firefighters' Pension Scheme (Scotland) Order 2007**

Parts 1 to 3, 7, 9, 10, 12 and 13 have been amended to reflect the new single service.

Part 13B (Firefighters' Pension Account) has been omitted and guidance is to follow.



## **Automatic Enrolment**

### **Background**

The Scottish Fire and Rescue Service will be required to automatically enrol their eligible firefighters into the New Firefighters Pension Scheme (Scotland) from the 1 April 2017. This includes enrolling firefighters that were members of the 1992 Scheme and had elected not to pay pension contributions under that pension scheme. Rule 1 of Part 2 of the Scheme currently allows firefighters who were eligible to be members of the 1992 scheme but who left that scheme to elect to become a member of the New Firefighters Pension Scheme. For those firefighters that have previously opted out of the 1992 scheme, an amendment is required to ensure that automatic enrolment of these firefighters on an authority's staging date constitutes an election to join the scheme, meaning that they are then a member for the purposes of the scheme rules. All eligible firefighters not currently contributing to the New Firefighters Pension Scheme will be automatically enrolled on the Service's automatic enrolment/staging date. Firefighters can choose to opt out of the scheme once they have been automatically enrolled. Where a worker has opted out, employers have a duty under the legislation to re-enrol them automatically back into the scheme every three years and whenever they achieve eligibility under the legislation. The 2007 Regulations currently prevent certain people from being members and this amendment effectively removes that bar.

### **Proposals**

The amendments to the Scheme are set out in the draft Firefighters' Pension Scheme (Scotland) Amendment (No.2) Order 2013. Article 3 of the draft Order inserts new definitions into the Scheme and articles 4 to 7 amend the Scheme rules.

- (a) Article 4(a) of the draft Order is a consequential amendment following the proposed changes to rule 6 of part 2.
- (b) The proposed amendment in article 4(b) of the draft Order is to ensure that the automatic enrolment of firefighters, who were formerly members of the 1992 Scheme but who left that Scheme, constitutes an election to become a member of the New Firefighters' Pension Scheme.
- (c) SPPA do not propose in the Scheme rules to require members who have been automatically enrolled or re-enrolled in the Scheme, or who have opted in, to comply with all the formalities set out in the 2010 Regulations (for example, using a certain form in order to opt out within the first month, but instead proposes simply to require written notice.
- (d) However SPPA propose, as set out in article 5 of the draft Order, to require that the written notice should be signed, or where it is in electronic format, that it should include a statement that the jobholder personally submitted the notice.
- (e) The proposed amendment in article 6(a) of the draft Order is to ensure that the written notice given to the authority by a firefighter to cancel their 'contributions election' complies with the form of written notice required under the 2010 Regulations.
- (f) Article 6(b) of the draft Order ensures that when a firefighter, who has previously made a contributions election, is enrolled or re-enrolled in the New Firefighters' Pension Scheme then this constitutes a cancellation of a contributions election.
- (g) The proposed amendments in article 6(c) of the draft Order are to remove paragraphs (2) and (3) from rule 6 of Part 2 of the New Firefighters' Pension Scheme so that there are no restrictions on the Scottish Fire and Rescue Authority being able to re-enrol a firefighter into the Scheme. The amendment to rule 6(4) is a consequential amendment needed



because automatic enrolment or re-enrolment will constitute a cancellation of a contributions election.

(h) The proposed amendments in article 7 of the draft Order are to ensure that a firefighter who has previously been a member of the Scheme, and who, having been automatically enrolled or re-enrolled or having opted in (as the case may be), then makes a contributions election within 3 months, is entitled only to a return of any pension contributions made since being automatically enrolled or re-enrolled or opting in on that occasion.

