

## HOUSE OF COMMONS LONDON SWIA 0AA

5<sup>th</sup> February 2014

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Thank you for contacting me on the 21<sup>st</sup> January about the pension age of firefighters and EDM 946.

I recognise that firefighters provide the British public with a vitally important service and consistently put themselves in danger in order to protect us. I fully appreciate that the physical stresses of doing this require a careful evaluation of what constitutes a fair and reasonable pension age.

People are now living much longer and, as a result, the cost of public service pensions have increased by around a third. Despite recent reforms, most of these increased costs are being met by taxpayers. As a result, all public service pension schemes, including the firefighters' pension scheme, are being reformed.

After two years of discussions and improved terms, firefighters will still get one of the most generous public service pensions available -£26,000 a year after a full career, including the £7,000 state pension. Someone in the private sector would have to contribute twice as much to get the same pension. Furthermore, for every £1 a firefighter invests, taxpayers are paying in an extra £5 into the pension pot. Last year, this cost taxpayers over half a billion pounds. Firefighters' pensions must be fair to both firefighters and the taxpayer.

The Government is continuing to monitor opt outs from, and non-joiners to, the firefighters' pension scheme. Evidence suggests that opt out rates remain low and similar to previous years. Between April and September 2013 the total number of firefighters opting out of their scheme was 0.5 per cent of scheme membership (or 0.35 per cent of the overall paybill). During 2012/13, the number of opts outs from the firefighters' pension schemes was 0.6 per cent of overall membership (or 0.5 per cent of the overall paybill) - a much lower rate than claimed by the FBU's survey.

No one will be forced to work longer and firefighters will still be able to retire from age 55 with a fair pension. A greater proportion of firefighters are protected than any other large

public service workforce and it is important to remember that one in three firefighters already has a retirement age of 60 due to the pension scheme changes implemented in 2006. In addition, Dr Williams' independent review found that, based on current practices, 100 per cent of firefighters who remain physically active will still be operational at age 60.

A retirement age of 60 does not mean the introduction of a national fitness test and dismissal if a firefighter fails a fitness test. That is not on the cards. If a firefighter falls below the expected level of fitness, they are provided with a personal fitness training programme and re-tested until they pass. The Normal Pension Age report found that the vast majority of firefighters were able to regain their fitness levels following a period of extra training.

I believe the Government has made a fair offer to firefighters, balancing the need to be fair to both firefighters and taxpayers. Therefore I will not be signing EDM 946.

