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Our Ref: BN/BN/004733/12

23 FEB 2012

A handwritten signature in black ink, appearing to read "Brian Coleman".

Thank you for your letter of 7 February regarding your concerns about the pension scheme liability associated with retained firefighters' pensions.

My officials have been negotiating a settlement with the Fire Brigades Union on the pension's aspect of the Employment Tribunal to which you refer. There remain a number of outstanding issues between the Department and the Fire Brigades Union which we are working hard to resolve before we can proceed towards a statutory consultation. Our principle aim is to ensure that the costs to employers are kept to the minimum possible and only as far as is necessary to deliver the terms set out by the Tribunal.

The Department has been consulting with the Government Actuary's Department to try to establish the potential liability to the scheme. An estimate has been made so far but this is limited given the lack of information that is available on the membership profile, age, salary levels and proportion of retained firefighters that are likely to take up membership of the modified scheme.

I am grateful for the recent data that the LGA have supplied in relation to retained firefighters. This will help the Government Actuary's Department to firm up their calculations but there will still remain a number of key assumptions which we will need to make. I know my officials are discussing with yours whether a bespoke survey of Fire and Rescue Authorities may be of use. If so, this will help us further in determining the size of the liability arising from the Tribunal.

I have asked my officials to continue engaging with the sector on this important issue, and to explore all available options to help manage this liability over a suitable period.

A handwritten signature in black ink, appearing to read "Bob Neill".

A second handwritten signature in black ink, appearing to read "Bob Neill".

BOB NEILL MP