

EXPLANATORY MEMORANDUM TO

The Firefighters' Pension Scheme (Consequential Provisions) (Amendment) Regulations (Northern Ireland) 2016

SR 2016 No. XXX

1. Introduction

- 1.1. This Explanatory Memorandum has been prepared by the Department of Health, Social Services and Public Safety to accompany the Statutory Rules (details above) which are laid before the Northern Ireland Assembly.
- 1.2. The Statutory Rules are made under powers conferred by sections 1(1) and (2)(f), 2(1) and 3(1), (2), (3)(a) and (4) of the Public Service Pensions Act (Northern Ireland) 2014 and is subject to the draft affirmative resolution procedure.

2. Purpose

- 2.1. The Firefighters' Pension Scheme (Consequential Provisions) (Amendment) Regulations (Northern Ireland) 2016 make consequential modifications to primary legislation which is required to ensure that the new Firefighters' Pension Scheme will operate as intended in terms of its interaction with the wider framework of pensions and tax legislation.

3. Background

- 3.1. This Department has policy responsibility for Firefighters' pensions, which are administered by the Northern Ireland Fire and Rescue Service (NIFRS). Firefighters' pensions have, in line with other public sector pension schemes in Northern Ireland, operated on the basis of parity with their counterparts in England, Scotland and Wales.
- 3.2. The Firefighters' Pension Scheme Regulations (Northern Ireland) 2015 was introduced from 1 April 2015. New pension schemes for other public service workers were also introduced from the same date.
- 3.3. Prior to the new scheme's introduction, HM Treasury (HMT) lawyers advised that consequential modifications had to be made to primary legislation to ensure that the new public service pension schemes operated as intended in terms of their interaction with the wider framework of pensions and tax legislation. As a result the Department introduced, under the affirmative

resolution process the Firefighters' Pension Scheme (Consequential Provisions) Regulations (NI) 2015: (S.R. 2015 No.166).

- 3.4. The purpose of this statutory rule is to introduce a further consequential amendment resulting from the abolition of "contracting-out" from 6 April 2016. It was not possible to introduce this amendment in S.R. 2015 No.166 as the abolition of contracting-out had not yet been provided for in NI legislation and its introduction was therefore deferred.
- 3.5. Schedule 13 to the Pensions Act (Northern Ireland) 2015 was introduced in June 2015. This now provides for the abolition of contracting-out from 6 April 2016 allowing the Department to introduce the consequential amendment as required.

4. Consultation

- 4.1. The Department ran a targeted 3 week consultation which closed on 18 December 2015 in relation to the HMT requirement to introduce modifications to primary legislation as a result of the introduction of the Firefighters' Pension Scheme Regulations (Northern Ireland) 2015.
- 4.2. The consultation was targeted at the main stakeholders namely The Northern Ireland Fire and Rescue Service, The Fire Brigades Union and The Retained Firefighter's Union
- 4.3. One response was received from the Fire Brigade Union (FBU). They had no comments on the proposals outlined.
- 4.4. A copy of the Consultation Report will be published on the Department's website.

5. Equality Impact

- 5.1. The Order will have no adverse differential impact on equality of opportunity.

6. Regulatory Impact

- 6.1. As the Order will impose no additional costs on businesses, charities or the voluntary sector a full Regulatory Impact Assessment has not been completed.

7. Financial Implications

- 7.1. There are no financial implications.

8. Section 24 of the Northern Ireland Act 1998

- 8.1. It is the view of the Department that this Order is compatible with section 24 of the Northern Ireland Act 1998.

9. EU Implications

9.1. Not applicable

10. Parity or Replicatory Measure

10.1. This Order will ensure Northern Ireland maintains parity with their counterparts in England, Scotland and Wales.