



PENSIONS TERMLY NEWS: AUTUMN TERM 2019

Judges and Firefighters Pension Case

The Government has been refused leave to appeal to the Supreme Court in the Judges and Firefighters' pension case.

The protection arrangements in those schemes were similar to those in other public service schemes (many of which were agreed by the unions concerned). Members who were less than 10 years from their scheme's normal pension age (NPA) as at 1 April 2012 were given full protection, which allowed them to remain on their existing final salary pension arrangements until retirement. Members who were between 10 and 13.5 years from NPA were given tapered protection, which allowed them to remain on final salary arrangements for a limited period but then moved them onto the new career average pension arrangements.

The Court of Appeal decided that protection arrangements in the pension schemes for judges and firefighters constituted unlawful age discrimination against younger scheme members who were excluded from protection.

The Government is now required to take action to compensate members of public sector pension schemes who were excluded from protection measures applied when schemes changed in 2014 and 2015.

At this stage, however, it is not clear what compensation will be payable to teachers and support staff in this position, when it will be payable, and more importantly what further consequences this court action will have for the future of public sector pension schemes. The position will vary depending on each member's employment history, age, salary length of pensionable service etc. If a member has not suffered a financial loss, there will be no compensation.

More information is available at <https://neu.org.uk/advice/judges-and-firefighters-age-discrimination-pension-case>

Individual employment tribunal cases re Judges and Firefighters pension case

The NEU is aware that members have been approached by external law firms regarding taking out their own employment tribunal cases.

The NEU view is that there is no need for members to lodge cases at the employment tribunal.

It has been confirmed by the Government that the remedy in the Judges and Firefighters case once determined will be applied to the Teachers' Pension Scheme and Local Government Pension Scheme. This will happen whether or not members lodge cases.

In some cases members are being asked to pay £1,500 for something which will be applied automatically (if compensation is payable). The NEU believes members have no need to incur the expense of taking out individual cases. If the position changes then members will be informed.

Spending Review

The Employer contribution to the Teachers' Pension Scheme rose from 16.4 per cent to 23.6 per cent on 1 September 2019. The Government had only guaranteed that this contribution increase would be funded until April 2020.

The Spending Review has confirmed that the Government will fund the employer contribution increase (approximately £1.5bn a year) until April 2023.

Langford Pension Case

This case is likely to extend the scope of payment for unmarried partners' pensions in the public sector. The Armed Forces Scheme denied benefits to Jane Langford on the grounds that she was still legally married to her ex-husband. Ms Langford had been estranged from her ex-husband, from whom she received no financial support, for 17 years, and had lived with her partner in "a relationship akin to marriage" for 15 years. The Court of Appeal found that the scheme rule denying benefits to surviving partners who remained married to a third party was discriminatory.

Public sector pension schemes have previously only provided an unmarried partner's pension to those in a position to marry or form a civil partnership. This court judgement is likely to mean Teachers' Pension Scheme rules will have to be amended to allow the payment of a partner's pension even if the claimant is already married.

Check your pension records

The NEU receives many reports of pension records being incorrect. The growing fragmentation of the school system means a growing number of small employers, and more changes of employer for teachers over their careers. These are perfect conditions for mistakes to be made.

Members should sign up with the Teachers' Pension Scheme's 'MyPensionOnline' service to check that their pension is correct. Teachers can register at www.teacherspensions.co.uk and will need their national insurance number and an email address. This is particularly important for members in the career average scheme. Each year is effectively a separate piece of the final pension so it is vital that each year's salary information is logged correctly – otherwise the final pension will be wrong.

It is important for older members still building up a final salary pension to check their records. These members should check salary details and that their contract and days out of service are correct. It is much simpler to deal with errors as they arise rather than shortly before retirement. It's therefore important to keep payslips and other salary records (like P60s).

NEU Pensions website material

Pensions materials can be found in the pensions part of the NEU website at <https://neu.org.uk/pensions>. This section includes news, briefing materials and Powerpoints (some with speaker notes!) intended for use by reps and district officials.

**NEU Employment and Bargaining Department
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