EXPLANATORY MEMORANDUM TO

The New Firefighters' Pension Scheme (Amendment) Order (Northern Ireland) 2026

S.R. 2026 No. 150

1. Introduction

1.1. This Explanatory Memorandum has been prepared by the Department of Health, to accompany the Statutory Rule (detailed above) which is laid before the Northern Ireland Assembly.

1.2. The Statutory Rule is made under powers conferred by Article 10(1) and (3) of the Fire Services (Northern Ireland) Order 1984 and is subject to the negative resolution procedure.

2. Purpose

2.1. The Statutory Rule makes amendments to the New Firefighters' Pension Scheme Order (Northern Ireland) 2007. The Statutory Rule introduces payments following the death of eligible retained/former retained firefighters which occurred before they were able to purchase service in the Scheme which they were entitled to, amends the eligibility criteria for the purchase of service by retained firefighters who had previously opted-out of the NFPS and extends the deadline for the purchase of service in the NFPS for those persons who were employed in Northern Ireland as a retained firefighters.

3. Background and summary of proposals

3.1. This Department has policy responsibility for Firefighters' pensions, which are managed 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 Great Britain. These changes will align NI with similar changes which have been introduced to Firefighters' Pensions in England.

3.2. Before 2006, retained firefighters were not eligible to join any fire service pension scheme. This was challenged in court (the Matthews case) and a settlement was reached to provide current and former firefighters who were employed as a retained firefighter between 1 July 2000 and 5 April 2006 to be eligible to join the NFPS and to have special provisions which generally reflect the rules of the Firefighters' Pension Scheme (FPS). The amendment is generally known as the 'Modified Scheme' and came into operation on 1 April 2015.

3.3. While the benefits awarded to special members largely mirrored the benefits of the FPS, the NFPS was amended as the FPS was a closed scheme. A time-limited options exercise took place between 2014 and 2015 to allow eligible individuals to join the modified scheme, this was known as the 'first options exercise'.

3.4. Following the Matthews case, the European Court ruled separately that retained firefighters could "buy back" pensionable benefits from the start of their employment. It was also identified that the eligibility period in the first options exercise was incorrect and should have from 7 April 2000 when the Part-Time Workers Directive came into effect, not 1 July 2000.

3.5. Remedy for this ruling was to be provided by way of a second options exercise that will allow in-scope individuals the opportunity to purchase pension entitlements as a special member for some or all their service between 7 April 2000 and 5 April 2006 as well as any continuous service up to 7 April 2000 and/or continuous service from 5 April 2006.

3.6. The Department implemented the second options exercise through the Firefighters' Pension Schemes (Amendment) Regulations (Northern Ireland) 2023 which came into operation on 31 October 2023. The legislation provides that the Northern Ireland Fire and Rescue Service (NIFRS) were expected to complete the second options exercise by 30 April 2025, 18 months after the legislation came into operation.

3.7. In 2024, it became clear that NIFRS would not be able to fully implement the second Options Exercise by the 30 April 2025 deadline. This statutory rule provides an extension to the deadline of 12 months from the date on which it comes into operation.

3.8. It was also identified that some additional technical amendments were needed to ensure all eligible individuals received their full pension entitlement under the Matthews remedy. This statutory rule introduces the following:

- the payment of a missed lump sum payment/survivor's missed lump sum payment in respect of a deceased individual who would have been entitled to a pension (or a higher pension) under the Matthews remedy.
- the extension of the eligibility criteria for an additional death grant payment, so that it is payable in respect of those individuals who did not join (or did not get an opportunity to join) the modified scheme during the 2014 Options exercise.
- wider choices for individuals who joined the standard NFPS to convert the standard service accrued to special service in the modified scheme.
- the extension of the option to recognise standard NFPS service as service in the modified scheme for certain member cohorts who were unintentionally omitted in earlier changes.

- the option for members who joined the standard NFPS, and who subsequently opted out of the standard NFPS prior to 1 April 2015, to purchase periods of opted out service as special service.
- the payment of new awards under these changes to be paid after the options exercise closing date in circumstances where the individual has not received a notification from their employer
- the extension of the period for NIFRS to implement the Matthews remedy in circumstances where they were unable to meet the original 30 April 2025 deadline.
- flexibilities to provide NIFRS sufficient time to identify and notify eligible individuals of their pension entitlements under the modified scheme, and to extend the scope of the provisions to cover newly identified cohorts of eligible individuals.

3.9. These changes are being introduced in order to provide a full access to the Matthews remedy for all eligible cohorts.

4. Consultation

4.1. The Department ran a statutory consultation between 24 January 2025 and 21 March 2025 seeking views on the policy proposals. A copy of the consultation document and a summary of responses can be found on the DoH website.

New Firefighters Pension Scheme - Consultation - Retained Firefighters | Department of Health

5. Equality Impact

5.1. The Statutory Rule has been considered under Section 75 of the NI Act 1998 and fully complies with the legislation, with no adverse impact on any of the Section 75 Groups. There are no Human Rights or rural needs implications.

6. Regulatory Impact

6.1. A Regulatory Impact Assessment has not been completed for this Statutory Rule as it has no impact on businesses, charities or the voluntary sector.

7. Section 24 of the Northern Ireland Act 1998

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

8. EU Implications

8.1. Not applicable

9. Parity or Replicatory Measure

9.1. While pensions are a devolved matter, to ensure fairness across the UK the NI firefighters' scheme will generally act in parity with our English counterparts. This statutory rule will ensure that NI aligns with similar changes which have been introduced to Firefighters' Pensions in England.