Justice Committee

Proposed integration of the British Transport Police in Scotland into Police Scotland

Supplementary written submission from the National Association for Retired British Transport Police Officers

In response to your email of 20 December 2018, we have considered our response and attach the following two documents.

1. Proposed integration response
2. Response to consultation by National Association for Retired British Transport Police Officers (NARBTPO) initially submitted in 2016

We only have a remit to speak on pensions, and whilst we hope that the documents will show our views on the proposed integration it is difficult for us to give a comprehensive view on where the proposed integration stands, that difficulty arises due to the fact we have not been a full part of the process.

We know the merger has been halted but the legislation remains. Therefore, it is likely in the future, this whole issue of a merger might return to the table.

Martyn Ripley OBE
Secretary
NARBTPO
PROPOSED INTEGRATION OF BTP INTO POLICE SCOTLAND – RESPONSE

National Association for Retired British Transport Police Officers

The National Association for Retired British Transport Police Officers represents all retired members of the Force. It was established in 1994.

The British Transport Police Force Superannuation Fund (BTPFSF) has a Management Committee made up of six employer representatives and six-member representatives. The Management Committee is constituted under Appendix 6 of the Fund’s Rules and has various powers delegated to it by the Trustee under Appendix 7 of the Fund’s Rules. Two members of the NARBTPO Executive sit on the British Transport Police Force Superannuation Fund ‘Management Committee’. They are elected every 5 years by all BTPFSF Pensioners. It is in this capacity that we respond to the ‘Proposed Integration’ and welcome the opportunity to do so.

Submission to The Scottish Government - July 2016

We attach our submission made in 2016 during the initial consultation undertaken by the Scottish Government. We would ask that this is again considered alongside this paper.

NARBTPO feel many of the original points in that paper remain relevant in terms of the proposed integration.

We also wish to point out that several of our executive members have served on the ‘Pensions Committee’ of the BTPFSF for many years. We can contribute on behalf of our members, when pensions are discussed.

Emerging Questions in Response to the Proposed Integration.

Communications

Whilst NARBTPO acknowledges that communications have greatly improved, and we have been invited as members of the ‘Partners Meetings’ and as delegates at the recent seminar in Edinburgh, communications remain patchy.

We often learn of written circulations via serving colleagues instead of direct contact with us as a bona fide stakeholder.

An example is the most recent ‘Newsletter’ from the J.P.B. surrounding the meeting in Edinburgh. This ‘Newsletter’ was NOT sent to us and we were not included on the circulation list.

Included along with the ‘Newsletter’ was a letter between the Scottish Government and the BTPFSF Pension Trustees. This contained information which informed stakeholders of important issues surrounding the ‘Proposed Segregated Pension’.

Therefore, this omission not only caused disappointment to us, but also raised concern.
From the start of the consultation process we as an ‘Association’ have had to battle to gain recognition as a legitimate stakeholder. Whilst there have been improvements there is still further work needed. Such omissions promote member cynicism which we as an ‘Association’ must manage with our members.

We feel NARBTO is often overlooked. Police pensioners along with serving officers and the employer are one of the largest stakeholders in this debate.

**Joint Programme Board**

NARBTO have asked, that when it is relevant, that we be allowed a place on the Joint Programme Board.

Whilst we accept our remit surrounds pensions only, it would be helpful to know we have a place on the ‘Board’ when pension issues are to be discussed.

In the early days it was felt in some quarters that police pensioners were represented by the British Transport Police Federation, (Who we have an excellent and professional relationship with) NARBTOs position was not understood. Simply, the police federation represent serving officers. Not those in retirement.

Terms and conditions and the wider challenges are not a matter for us. The British Transport Police Federation do a magnificent job in stating the case for serving officers. They are the professional and competent body to represent serving ranks. The issues for pensioners are somewhat different.

**Clarity around the status of any segregated proposed pension**

NARBTO feel that some clarity surrounding the proposed segregated pension scheme, would be helpful. Police Scotland have their police pensions protected. They are covered under Police Regulations and the Police Act (Scotland). We have asked for similar guarantees either statutorily or by Crown Guarantee. This issue is at the heart of our concerns. If this could be satisfactorily resolved, NARBTO would cease to have any issues surrounding the ‘Proposed Merger’.

**Protected Rights of British Transport Police Pensioners**

During the initial consultation stage in 2016 we raised the subject of ‘Protected Rights’ These are outlined in:

**The Railways Act 1993**

**The Railways Pensions (Protection and Designation of Schemes) Order 1994**

The above afford ‘Protected status’ to those officers who were serving in the British Transport Police at midnight on 4 November 1993.

Many our members are covered by this.

At no time have we been advised on how the Scottish Government view this?
Conclusion

NARBTPO wish to formally record our thanks in having been invited to make comment surrounding the proposed integration.

We wish to continue to be a supportive partner in relevant discussions. We look forward to hearing how we might take this forward.
RESPONSE TO CONSULTATION BY NATIONAL ASSOCIATION FOR RETIRED BRITISH TRANSPORT POLICE OFFICERS (NARBTPO)

1. NATIONAL ASSOCIATION FOR RETIRED BRITISH TRANSPORT POLICE OFFICERS

The National Association for Retired British Transport Police Officers represents all retired members of the Force. It was established in 1994.

1.2 Its objectives are:
   - To bring retired B.T.P. Officers and Staff into the ‘Association’.
   - To foster and maintain friendships formed during active police service.
   - To establish a means of communication between members relative to their common interests, with particular reference to pensions and travel facilities.
   - To organise social events in accordance with wishes to members.

The British Transport Police Force Superannuation Fund (BTPFSF) has a Management Committee made up of six employer representatives and six member representatives. The Management Committee is constituted under Appendix 6 of the Fund’s Rules and has various powers delegated to it by the Trustee under Appendix 7 of the Fund’s Rules. Two members of the NARBTPO Executive sit on the British Transport Police Force Superannuation Fund ‘Management Committee’. They are elected every 5 years by all British Transport Police Force Superannuation Fund Pensioners. It is in this capacity that we respond to the ‘Consultation’

2. WHAT ARE THE MAIN POINTS TO CONSIDER WHEN DISCUSSING THE FUTURE OF PENSIONS FOR BTP OFFICERS AND STAFF?

2.1 This submission is made in respect to retired officers. We have no mandate to speak on behalf of serving officers. With regard to this consultation the members who are likely to be affected are those that belong to three funds within the British Transport Police Force Superannuation Fund 1968 section, 1970 (Preserved) and 1970 Contributory section of the scheme.

2.2. The last occasion when officers changed their employer was as a result of ‘Railway Privatisation’ in order to protect their pension and rights those employed before ‘Privatisation’ were designated ‘Safeguarded Staff’.

2.3. Members of the BTPFSF were on 4th November 2004 transferred to the new employer and their pension conditions remained unaltered. Their pensions are managed by RPMI and overseen by the Railway Pension Trustee Company Limited (The Trustee)

2.4. The Railways Act 1993 ensured that members up to that date were ‘Protected Persons’ which assured them that they had a legal right to pension provisions for their future employment which would be ‘No less favourable than the relevant pension provision for their future employment rights, which they had under their present 1968 and 1970 scheme'
2.5. This provision is retained unless and until they voluntarily withdraw from their present pension scheme or waive their protected status. An individual who voluntarily moved from one part of the railway to another loses protected status for future accrual, but not the ‘indefeasible right’ to participate in ‘Railway Pension Schemes’.

Q. Does this mean they have the right to remain if they wish in the BTPFSF?

2.6. Whilst it is accepted that para 2.5 may appear to apply to serving officers, it has a possible impact on retired officers of the British Transport Police, as any change could possibly impact on the numbers of contributors along with employer’s contributions, who remain in the BTPFSF scheme. In particular, the present contributions of officers and employer, will be lost to the fund. (It should be noted that the employer does not now make contributions to closed schemes which are the 1968 and 1970 (Preserved) sections.

Q. Therefore. If any existing officer of the 1970 section (Who may have accrued up to 23 years’ service or more) wishes to remain in the BTPFSF schemes, will this be permissible and will Police Scotland pay in the employer contributions?

2.7. Like all funded pension schemes, the assets of the BTPFSF are subject to market fluctuations. This means at times it may be in deficit. The scheme is operated under rules subject to the Finance Act 2004 (and subsequent Finance Acts) and relevant legislation, so it requires an actuarial valuation at least every three years. The 2009 and 2012 actuarial valuations revealed deficits and the present British Transport Police agreed with the Trustee a series of employer lump sum payments to address the shortfalls. The next valuation is currently being carried out as at 31st December 2015.

2.8. There are three categories of member within the 1970 Contributory section. These are the original 1970 members, members who joined on or after 1st April 2007 and members who joined on or after 1st April 2015 who have benefits calculated on a Career Averaged Revalued Earnings (CARE) basis. These each have differing contribution rates. The 1970 (30-year section) members currently contribute 16% of scheme pay (Scheme pay being pensionable salary less 1.5 times the basic state pension) with the employer contributing 24%. The 2007 (35-year scheme) members contribute 12% of pensionable pay with the employer contributing 18%. The CARE members contribute 10% of pensionable salary with the employer contributing 15%.

Q. Will Police Scotland ensure an actuarial valuation is conducted prior to any take-over of B.T.P. Scotland? And in the event of any deficit will they ensure the remaining fund is in a fit and proper state to pay those pensioners who are retired or about to retire?

Q. Will the Scottish Government in future, take on any responsibility for the fund or seek to be part of the ‘Management Committee’ in the event they allow officers to remain in the present fund as per para 2.6?
2.9. The Railways Pensions (Protection and Designation of Schemes) Order 1994 is further legislation which protects members of the BTPFSF scheme. This gives ‘Protected Persons’ including existing pensioner’s, certain rights in the event of such a takeover. This in essence, for serving officers, will be to offer a replacement scheme, which would be the Police Scotland pension scheme. However, it also says that the scheme actuaries’ opinion should be sought before any transfer, so no less favourable pension rights are impacted upon.

Q. Will Police Scotland consider existing pensioner’s rights, and ensure they are not left in a less favourable position as a result of the proposed transfer?

2.10. On 23rd May 1994 during the final stages of the Railways Bill (House of Commons debate 23 May 1944 vol 244 cc128-54) The Minister, Mr Freeman said ‘I can assure the House that the pensions of all railwaymen and railway woman (This included British Transport Police who are mentioned in the 1993 Act) both past and present, earned in the service of BR (B.T.Ps employer at that time) are safe, and that the future arrangements will give them security.

Q. Will Police Scotland in the form of the Scottish Government be prepared to make a similar statement and to guarantee the safety of Scottish B.T.P. pensioners?

3. CONCLUSION

3.1 Existing B.T.P pensioners have given loyal service to Scotland and England and Wales, also to the travelling public. They have often been injured or killed as a result. They deserve to enjoy the pensions they have contributed to. The NARBTPPO is one of the bodies along with the ‘Employer, and Staff Associations’ who represent their concerns. They wish to know that in no way will they be disadvantaged by the proposed takeover by Police Scotland.

3.2 They would seek reassurance on the points raised. Removal of a percentage of contributing members in the current scheme, may over time, have a detrimental impact on a fund which at present, is not only fit for purpose but delivers and provides a good pension, which will secure financial security into old age.

3.3. There is currently anxiety fed by stories such as B.H.S. and Tata Steel pensions. The B.T.P. fund has been managed well and is healthy. At present no such fears exist.

3.4 A perception may exist as a result of the proposals, that in the future the reduction of contributing members to the British Transport Police Force Superannuation Fund, might at some point impact upon the present 1970 Section.

3.5 We would like to be reassured that you are taking these issues into consideration and that professional financial advice is being sought and that contact will be made with the Railways Pension Trustee Company Limited who govern the Fund.
The National Association for Retired British Transport Police Officers

President: Mr Trevor Steward
Hon. Chairman: Mr John D. Bryant
Hon. General Secretary: Mr Martyn Ripley
Hon. Treasurer: Mr Michael J. Barry
Hon. Assistant Treasurer: Mr Ronald Aston