



Northern Ireland
Assembly

Committee for the Environment

OFFICIAL REPORT (Hansard)

Public Service Pensions Bill: Departmental
Briefing

12 September 2013

NORTHERN IRELAND ASSEMBLY

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Members present for all or part of the proceedings:

Ms Anna Lo (Chairperson)
Ms Pam Brown (Deputy Chairperson)
Mr Cathal Boylan
Mr Tom Elliott
Mrs Dolores Kelly
Mr Barry McElduff
Mr Ian Milne
Mr Peter Weir

Witnesses:

Ms Marie Cochrane	Department of the Environment
Mr Patrick Smith	Department of the Environment

The Chairperson: I welcome Marie Cochrane and Patrick Smith. Thank you for coming. I am afraid that we are running short of time. Will five minutes be sufficient for your briefing? Members can then ask questions.

Ms Marie Cochrane (Department of the Environment): It will be a brief introduction. Thank you very much for inviting us. When the Executive decided to introduce a Northern Ireland Public Service Pensions Bill, the Department of Finance and Personnel, as the lead Department, set up an interdepartmental working group and invited the Departments with responsibility for a public sector scheme to send a nominee. Obviously, the Department of the Environment took part in that. The purpose of the working group was really so that the Bill could reflect scheme-specific circumstances. I should say that the policy remains a matter for the Minister of Finance and Personnel, but the working group allowed scheme representatives to make points about areas where things are a bit different. Provisions differ slightly across various public sector schemes.

The Department of Finance and Personnel also set up what it calls a collective consultation group for discussion with trade unions, and, again, nominees from Departments with responsibility for public sector pension schemes take part in that so that scheme-specific questions can be answered. Obviously, there has been quite a lot of discussion, but the Bill is now as presented. Are there any particular points on the Bill that members wish to raise?

Mrs D Kelly: I want to declare an interest. Somewhere in cyberspace or wherever, I have 22 years of superannuation public pension payments. Whether or not I get a pension out of that remains to be seen. I just wanted to have that interest noted.

The Chairperson: Thank you. Do members have any questions?

Mrs D Kelly: I am interested in the impact. Nursing staff in the mental health sector are, under their terms and conditions, able to retire at 55. Some of them are engrossed in ready reckoners on the internet and are very alarmed at the reductions and increased tax liability in relation to their pension post 2015. I do not know whether the briefing can cover any of that.

Ms M Cochrane: The position on the normal pension age for the schemes varies. The local government scheme, which we deal with, has always had a normal pension age of 65, but lots of others, such as the Civil Service scheme, have a normal pension age of 60. The Bill will bring matters to the point where members will have a normal pension age of 65 or the age at which they receive their state pension, whichever is the lesser. Therefore, for most members of existing schemes, it will mean moving to at least 65. The Bill allows for some variations to be made in certain categories, but you would have to ask Health colleagues whether that includes the staff that you referred to.

Mrs D Kelly: There has to be a recognition across the public sector that there are some jobs in which people are simply burnt out by a certain age. I do not know whether that applies to all civil servants, mind you, with all due respect to those present. What, therefore, are the criteria to be applied or the standards to be examined in allowing variances from 65?

Mr Weir: The only complication is that the main thrust of the Bill is going through the Finance Committee. I suppose that our remit is specific to the Northern Ireland Local Government Officers' Superannuation Committee. I appreciate that Dolores's points are pertinent in a broader sense, but they may not necessarily be for us.

The Chairperson: We look only at the local government side.

Ms M Cochrane: Yes, but I hope that members appreciate that retirement age is an issue that local government trade unions have raised with us. They are particularly concerned about those with more physically demanding jobs who may find staying on to the equivalent of state pension age more difficult, given the increase in the state pension age. The expectation for the policy of the Bill was that there would not be an exception.

Mrs D Kelly: OK. We can pick up on that at another time.

The Chairperson: There are no further questions. Thank you very much indeed.