

NATIONAL ASSOCIATION OF RETIRED POLICE OFFICERS

PUBLIC SERVICE PENSIONS - BROKEN PROMISES

PRE-ELECTION.

The Public Services Pensioners' Council (of which NARPO is a founder member) launched its Election Manifesto at a meeting in London on the 16th March, 2010. All three parties were represented at the launch by their front bench spokespersons on pension matters. All three addressed the meeting and also answered questions from the floor.

Angela Eagle (Labour) defended public sector pensions as affordable, sustainable and fair and that much of the publicity surrounding future costs was not balanced.

Nigel Waterson (Conservative) said that public sector pensions needed to be reduced in costs and that a review was necessary. He did, however, state five principles in any review, i.e. (1) Transparency; (2) Accrued benefits to be protected. (3) Gradual changes following best practice; (4) Full and proper consultation; (5) Never lose sight of recruitment and the retention value of pension.

Steve Webb (LibDem) also stated that a review of public service pensions was necessary but was firm in his views that accrued rights would be protected and that consultation over change was essential. He specifically said that "a pension promise made was a pension promise to be kept" and in answer to a specific question on index linking said that he believed index linking to be an accrued right and therefore would be protected.

Because of concern over the approach of Nigel Waterson we wrote direct to David Cameron for clarification, in particular of the Conservative attitude to index linking. In a written response on behalf of his party, Philip Hammond said, **"Indexation of pensions in payment is an established part of pension legislation. The Conservative Party has no plans to change the current index linking of public sector pensions in payment. We agree with the view that the rights to indexation of pensions already accrued is part of the accrued pensions rights and those rights will be protected"**

POST-ELECTION

The Conservative/LibDem coalition agreement includes the following :-
"The restoration of the earnings link for the basic state pension from April, 2011 with the triple guarantee that pensions are raised by the higher of earnings, prices or 2.5%. The parties commit to establishing an independent commission to review the long term affordability of public sector pensions, while protecting accrued rights."

Without notice, debate or consultation the index linking of our pensions was changed in a single line in the emergency budget speech on 22nd June, 2010. This is a clear interference with accrued rights and a clear breach of the assurances previously given by lead members of the coalition Government.