



Buckinghamshire & Milton Keynes Fire Authority

MEETING	Fire Authority
DATE OF MEETING	18 October 2017
OFFICER	Lynne Swift, Director of People and Organisational Development
LEAD MEMBER	Councillor Steven Lambert
SUBJECT OF THE REPORT	Scheme Manager Discretions for the Firefighters' Pension Scheme 2015
EXECUTIVE SUMMARY	<p>The Authority runs five different pension arrangements; 1992 Firefighters' Pension Scheme, 2006 Firefighters' Pension Scheme, 2006 Modified Firefighters' Pension Scheme, 2015 Firefighters' Pension Scheme and the Local Government Pension Scheme. As Scheme Manager the Authority is responsible for delivery of the Firefighters' Pension Schemes (1992, 2006, 2006 Modified and 2015).</p> <p>The main Regulations (Statutory Instrument 2014 No.2848 Public Service Pensions) introduced a new Firefighters' Pension Scheme, effective from 1 April 2015 and laid before Parliament on 28 October 2014.</p> <p>The Firefighters' Pension Scheme Regulations 2014 set out fifty-two pension discretions available to the Authority to consider. Appendix one provides a position on all discretions applicable under the 2015 Firefighters' Pension Scheme and Appendix two details a proposed Scheme Manager Pension Discretions (FPS 2015) document based on the recommendations made in Appendix one.</p> <p>An immediate position was required on three pension discretions within the Firefighters' Pension Scheme (England) Regulations 2014 (Regulations 5, 17 and 111) and a report was presented at the Fire Authority on 10 June 2015. The agreed position on these discretions has not been amended. The remaining forty-nine pension discretions have been added to the Scheme Manager Pension Discretions document, therefore bringing together all the discretionary elements as contained within the Firefighters' Pension Scheme (England) Regulations 2014.</p>
ACTION	Decision.
RECOMMENDATIONS	That the forty-nine Scheme Manager Pension Discretions applicable to the 2015 Firefighters' Pension Scheme be approved and adopted with immediate

	effect.
<p>RISK MANAGEMENT</p>	<p>Regulations: The Authority is required to have a position on the fifty-two pension discretions. By adopting a position on all discretions it will support future decision making.</p> <p>Agreeing a position on where and how to exercise discretion will be essential to managing any future risk.</p> <p>The majority of the pension discretions will be dealt with on a case by case basis and any financial implications will be addressed at the time by appropriate Committee prior to any approval.</p> <p>Administration: The Scheme Manager Pension Discretions (FPS 2015) has been formulated using advice provided by the Authority’s pension administrator and subject matter experts; West Yorkshire Pension Fund.</p> <p>Having a position on the fifty-two pension discretions is essential for sound administrative purposes and ensures a consistent approach on pension related matters.</p> <p>Consistency: Where appropriate, consideration has been given to the pension discretions under the 1992 and 2006 Firefighters’ Pension Schemes and the Local Government Pension Scheme. This is to ensure a consistent approach where appropriate.</p>
<p>FINANCIAL IMPLICATIONS</p>	<p>There are no immediate financial implications to the Authority adopting the remaining forty-nine pension discretions applicable to the 2015 Firefighters’ Pension Scheme. However, as cases arise in the future there may be financial implications which will be dealt with at the time and on a case by case basis.</p>
<p>LEGAL IMPLICATIONS</p>	<p>The Authority is required to have a position on the fifty-two pension discretions applicable to the 2015 Firefighters’ Pension Scheme and will continue to comply with Scheme Regulations and other legislation relating to governance and administration of the Scheme along with The Pension Regulator’s requirements.</p>
<p>CONSISTENCY WITH THE PRINCIPLES OF COLLABORATION</p>	<p>The Authority collaborated with Royal Berkshire Fire Authority on the provision of a new pension administration service for the Firefighter Pension Schemes, effective April 2016. The Authority continues to collaborate with Royal Berkshire Fire Authority on pension related matters and recommendations within this report have been made in collaboration, and are in the main, the same as those pension discretions agreed by Royal Berkshire Fire Authority at its</p>

	meeting on 18 April 2017.
HEALTH AND SAFETY	There are no health and safety implications arising from this report.
EQUALITY AND DIVERSITY	<p>The Authority is exercising their discretionary powers available under the Regulations and has acted with due prudence and propriety and considered the equality and diversity implications of applying the discretions.</p> <p>No direct equality implications arise from this report, however it should be noted that the application of rules within each pension Scheme may vary. For recommended discretions where 'case by case' applications apply an impact assessment will be completed as appropriate.</p>
USE OF RESOURCES	<p>Communication with stakeholders: Stakeholder communication will remain a significant element of the successful implementation of the Firefighters' Pension Scheme 2015. Communication will be via the normal process.</p> <p>The system of internal control: Regular reports will be provided to the Strategic Management Board, Executive Committee and Fire Authority as necessary. In addition, the Local Pension Board have a statutory responsibility to oversee the governance of the Firefighters' Pension Schemes.</p> <p>The Scheme Manager Discretion (FPS 2015) document will be monitored by Human Resources and will normally be reviewed every three years unless there is a need to review earlier due to Legislation or Pension Regulation changes. In addition an annual review will be undertaken to ascertain any impact on the Authority. Any issues will be raised with the appropriate Committee.</p> <p>The balance between spending and resources: Adoption of the pension discretions will contribute to the Authority achieving its strategic aim to 'manage all our resources to provide the best value for the residents and businesses of the communities we serve' as it contributes to managing workforce size to achieve a balanced budget.</p>
PROVENANCE SECTION & BACKGROUND PAPERS	<p>Background</p> <p>21 September 2016 Executive Committee paper; Pensions update: http://bucksfire.gov.uk/files/1414/7879/2916/EXECUTIVE_COMMITTEE_AGENDA_231116_compressed.pdf</p> <p>18 November 2015 Executive Committee paper; Pensions update: http://bucksfire.gov.uk/files/4514/5529/0139/Executi</p>

	<p>ve Committee 181115.compressed.pdf</p> <p>10 June 2015 Fire Authority; Report on Scheme Manager Discretions for the Firefighters’ Pension Scheme 2015:</p> <p>http://bucksfire.gov.uk/files/8314/5529/1579/Fire_Authority_AGM_10_June_2015.compressed.pdf</p> <p>The Firefighters’ Pension Scheme (England) Regulations 2014:</p> <p>http://www.legislation.gov.uk/uksi/2014/2848/contents/made</p> <p>Scheme Manager Discretions; The Firefighters’ Pension Scheme (England) Regulations 2014 SI 2014/2848:</p> <p>https://www.ddfire.gov.uk/sites/default/files/attachments/Item%208%20Appendix%20A.pdf</p>
APPENDICES	<p>Appendix one: Table of recommendations and additional comments</p> <p>Appendix two: Proposed Scheme Manager Pension Discretions (FPS 2015)</p>
TIME REQUIRED	10 minutes.
REPORT ORIGINATOR AND CONTACT	<p>Faye Mansfield, HR Services & Development Manager</p> <p>fmansfield@bucksfire.gov.uk</p> <p>01296 744623</p>