



Buckinghamshire & Milton Keynes Fire Authority

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| MEETING | Fire Authority |
| DATE OF MEETING | 14 October 2020 |
| OFFICER | Mark Hemming, Director of Finance & Assets |
| LEAD MEMBER | Councillor David Hopkins |
| SUBJECT OF THE REPORT | Public Service Pension Scheme Consultations |
| EXECUTIVE SUMMARY | <p>This paper details the Authority's response to two consultations, both relating to public service pension schemes:</p> <ol style="list-style-type: none"> i. Public service pension schemes: changes to the transitional arrangements to the 2015 schemes Consultation (which includes the Firefighters' Pension Scheme) ii. Local Government Pension Scheme (LGPS) (England and Wales) Amendments to the statutory underpin <p>When reforms to the main public service schemes were introduced in 2015 they had several objectives, including greater fairness between lower and higher earners, future sustainability and affordability.</p> <p>In negotiations with trade unions and staff associations, the Coalition Government agreed to exclude those closest to their retirement age from the reforms, as they had least time to prepare. This difference in treatment for certain members was later found to unlawfully discriminate, in particular against younger members. Since the Court's judgment, the government has been considering how best to address this discrimination. These consultations are the next phase of that work.</p> <p>In relation to the Firefighters' Pension Scheme, the consultation explains how two proposed options for removing the discrimination between scheme members would work. Under either option, the government would give eligible members a choice of which set of scheme benefits is better for them for the period 1 April 2015 to 31 March 2022. The two possible approaches are:</p> <ol style="list-style-type: none"> 1. an immediate choice 2. a deferred choice underpin (DCU) <p>In relation to the LGPS, the primary proposal is to</p> |

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| | <p>remove the age requirements from the underpin qualification criteria. Underpin protection means additional checks are undertaken for protected members with the intent of ensuring that the career average pension payable under the reformed LGPS is at least as high as the member would have been due under the final salary scheme.</p> <p>In accordance with the Scheme of Delegation to Officers, the response was discussed with the Chairman before submission. This paper details the content of the submissions for the attention of the Authority.</p> <p>The Author of this paper has declared a personal interest in this item as he is an active member of the LGPS.</p> |
| ACTION | Noting. |
| RECOMMENDATIONS | That the responses to the consultations be noted. |
| RISK MANAGEMENT | No direct impact. |
| FINANCIAL IMPLICATIONS | The outcomes of the consultation are likely to have an adverse impact on the Authority in terms of additional employer pension contributions and administration costs. The response to the consultation encourages the Government to ensure that fire and rescue services receive additional funding to cover these anticipated cost increases. |
| LEGAL IMPLICATIONS | The Chief Fire Officer may make a formal response on behalf of the Authority to a Government Consultation Paper provided that such a response is subsequently referred to the appropriate committee for their attention. |
| CONSISTENCY WITH THE PRINCIPLES OF THE DUTY TO COLLABORATE | The response to the consultation has been jointly formulated with Royal Berkshire Fire and Rescue Service, as both services share the same pension administrator, West Yorkshire Pension Fund (WYPF). |
| HEALTH AND SAFETY | No direct impact. |
| EQUALITY AND DIVERSITY | The aim of the amendments that are being consulted upon is to remove aspects of the respective schemes that were found to be discriminatory. |
| USE OF RESOURCES | No direct impact. |
| PROVENANCE SECTION & BACKGROUND PAPERS | None. |

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| <p>APPENDICES</p> | <p>Appendix A – Public service pension schemes: changes to the transitional arrangements to the 2015 schemes Consultation</p> <p>Appendix B – Response to the Public service pension schemes: changes to the transitional arrangements to the 2015 schemes Consultation</p> <p>Appendix C – Local Government Pension Scheme (England and Wales) Amendments to the statutory underpin consultation</p> <p>Appendix D – Response to the Local Government Pension Scheme (England and Wales) Amendments to the statutory underpin consultation</p> |
| <p>TIME REQUIRED</p> | <p>15 Minutes</p> |
| <p>REPORT ORIGINATOR AND CONTACT</p> | <p>Mark Hemming mhemming@bucksfire.gov.uk</p> |