Annex A

Wiltshire Fire & Rescue Service – Consultation response

Firefighters' Pension Scheme 2015:

Proposals for new governance arrangements

Question 1:

Do the draft regulations deliver the policy objective on the introduction of local pension boards and a Scheme Advisory Board as set out in this consultation document?

The draft consultation regulations do seem to enable the introduction of Local Pension Boards and a Scheme Advisory Board, but the 'policy objective' is unclear, and it does appear that, for a small authority, this introduces an additional level of bureaucracy, without necessarily resulting in more effective or efficient local governance of the pension scheme.

Question 2:

Do you have any comments on the terms of the local pension boards or Scheme Advisory Board as set out in the regulations?

Whilst the Firefighters' Pension Scheme is administered locally, unlike the Local Government Pension Scheme, there are no local investment portfolios or local funds, and there are only a very limited number of employer discretions that can be applied. It is our view therefore that any scrutiny on funds can only occur at national level, and due to the limited number of discretions we would prefer joint or regional boards to scrutinise this aspect of the pension scheme.

We are concerned about the cost to each authority of setting up and maintaining a Pension Board and believe that joint or regional boards will limit the additional cost burden, whilst also facilitating the recruitment and training of members with the required level of expertise.

Wiltshire & Swindon Fire Authority and Dorset Fire Authority have agreed to merge, with the new Authority expected to commence in April 2016. We therefore request exceptional authority to either form a joint Board early i.e., from April 2015 or to delay the formation of any Board until the new Authority commences in April 2016. We would be willing to join a wider joint/regional board as appropriate, as this would support ongoing collaborative working in other areas of work and aid in sharing of best practice and improvement of administration.

Question 3:

Are there other powers or requirements that should be put in place for local pension boards or the Scheme Advisory Board?

We are not aware of any other powers or requirements that need to be put in place.

Question 4:

Should the regulations be more, or less prescriptive about potential members of the local pension boards or the Scheme Advisory Board?

More detailed guidance regarding the knowledge and training required for the roles of Pension Board Members should be made available. We have a concern about our ability to recruit and retain Board members with the required level of expertise and knowledge, regardless of whether they are a Member or Employer representative.

We would also welcome greater clarity regarding officers or members who are currently responsible for making decisions on the pension scheme being excluded from the Pension Boards – does this relate purely to those officers and members making decisions on discretions.

The consultation document makes it clear that retired firefighters cannot be member representatives. This differs from the approach taken for the LGPS and we are unclear as to the reasoning behind this view noting that retired firefighters may have the time and expertise to give to being a pension board member

Question 5:

Is there an alternative funding mechanism for the Scheme Advisory Board which could be put in place rather than raising funds from scheme managers with the Secretary of State ensuring that the Board is delivering value for money?

Our preference would be that there is no additional cost to fire & rescue authorities.

Question 6:

Do you consider that any groups with protected characteristics under equalities legislation are being disproportionately affected? If so, what do you consider to be the nature and scale of that disproportionate effect?

We are not aware of any disproportionate affect.