



**DORSET & WILTSHIRE
FIRE AND RESCUE
AUTHORITY**

Item 19/39

MEETING	Dorset & Wiltshire Fire and Rescue Authority
DATE OF MEETING	30 September 2019
SUBJECT OF THE REPORT	Review of the Firefighter's Pension Scheme 2015 and Local Government Pension Scheme Employer's Discretions Policies
STATUS OF REPORT	For open publication
PURPOSE OF REPORT	For discussion and approval
EXECUTIVE SUMMARY	<p>Each employer with staff eligible to join the Firefighter Pension Scheme 2015 or the Local Government Pension Scheme is required to formulate, publish and keep under review a pension discretions policy.</p> <p>The pension discretions policies were last reviewed in 2016 and it was suggested at that time to review these policies every three years.</p>
RISK ASSESSMENT	None for the purposes of this report.
COMMUNITY IMPACT ASSESSMENT	None for the purposes of this report.
BUDGET IMPLICATIONS	There are no immediate budgetary implications, although individual discretions; agreed on a case by case basis, may incur a cost to the Service.

RECOMMENDATIONS	Members are asked to: 1. Approve the Firefighter Pension Scheme Discretions Policy (appendix A) which is largely unchanged from the 2016 position with the exception of some delegate responsibilities, and cosmetic and grammatical changes. 2. Approve the Local Government Pension Scheme Discretions Policy (appendix B), changes to which are highlighted within the body of the document.
BACKGROUND PAPERS	None
APPENDICES	Appendix A – Firefighters Pension Scheme Discretions Policy Appendix B – Local Government Pension Scheme Discretions Policy
REPORT ORIGINATOR AND CONTACT	Name: Jenny Long, Director of People Services Email: jenny.long@dwfire.org.uk Tel no: 01722 691311

1. Introduction

- 1.1 The Firefighters Pension Scheme (FPS) and the Local Government Pension Scheme (LGPS) are both statutory schemes. West Yorkshire Pension Fund is responsible for administering the FPS and Wiltshire Pension Fund is responsible for administering LGPS scheme
- 1.2 There are some provisions of the schemes that are discretionary. Discretionary powers allow employers to choose how, or if, they apply certain provisions. Fire and Rescue Authorities are required to agree, publish and keep under review a policy on the discretions in respect of the pension schemes that they administer.
- 1.3 The pension discretions policies were last reviewed in 2016 and it was suggested at that time to review these policies every three years.
- 1.4 Since the review of the pension discretions policies in 2016, a Voluntary Scheme Pays arrangement for the Firefighter Pension Scheme has been agreed. This was set out in a report to the Fire Authority in December 2018 and whilst not a discretion, is referenced as a sub-section of the discretions policy.

2. Firefighter Pension Scheme Discretions Policy

- 2.1 The Firefighters Pension Scheme Discretions Policy attached at Appendix A has been reviewed. Minor amendments have been made following advice from our existing Pensions Administrator, West Yorkshire Pension Fund. The changes are highlighted in yellow and relate to delegated responsibility. All other changes to the policy wording are cosmetic and grammatical only and are highlighted in bold lettering with the previous wording set out beneath.
- 2.2 An ongoing employment tribunal case, Booth v Mid and West Wales Fire and Rescue Authority, regarding payment of allowances, has the potential to impact on what currently constitutes pensionable pay. We are monitoring the outcome of this and will review our position if applicable at the appropriate time. It is normal practice for such changes to be formally communicated, along with guidance for implementation of any changes.

3. Local Government Pension Scheme Discretions Policy

- 3.1 The Local Government Pension Scheme Discretions Policy attached at Appendix B has been reviewed. There are three additional regulations and discretions included – these are highlighted in yellow within the document and require approval;

- Regulation B30A(5): Whether to waive actuarial reductions on compassionate grounds when switching on the rule of 85¹
- Regulation 16(16): Whether to extend the 30-day deadline for LGPS member to elect for a shared cost APC (Additional Pension Contributions)
- Regulation 17(1): An active LGPS member may enter into arrangements to pay Additional Voluntary Contributions (AVCs) or to contribute to Shared Cost Additional Voluntary Contribution arrangements (SCAVCs) in respect of an employment.

4. Summary and key points

- 4.1 All changes to the current discretions for the FPS and the LGPS changes reflect the current regulations and appropriate delegations and have been included for agreement. The Service will continue to monitor developments and outcomes of ongoing employment cases which may result in future changes to either scheme.
- 4.2 The discretions policies will be reviewed in 2022 or sooner should there be a need arising out of changes to pensions legislation and case law.

¹ To have protection under the **85 year rule** you must satisfy the following condition at the date you draw your pension benefits: Your age (in whole years) plus your scheme membership (in whole years) must add up to **85**. If you work part-time, your membership counts towards the **rule of 85** at its full calendar length.