



## COMBINED FIRE AUTHORITY

09 FEBRUARY 2017

### FIREFIGHTERS PENSION SCHEME: SCHEME ADVISORY BOARD BUDGET

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#### REPORT OF CHIEF FIRE OFFICER

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##### Purpose of the report

1. The purpose of this report is to provide details to members of the Scheme Advisory Board (SAB) budget that has been agreed by the Secretary of State and the associated cost that will fall to the Authority.

##### Background

2. The SAB was set up under Firefighter Pension Scheme (2014) Regulations to advise the Secretary of State on matters pertaining to the various firefighters pension schemes. Under the regulations the SAB is required to prepare an annual budget for approval by the Secretary of State. On 23 January 2017 the Chair of the SAB wrote to Chief Fire Officers outlining that this action has been completed and a budget of £136,062.50 was proposed. This has been approved by Brandon Lewis MP, Minister of State for Fire and Policing who had also agreed that the Technical Pensions Adviser post at the Local Government Association (LGA) should be brought within the levy. A copy of the letter is attached as Appendix A.
3. Under the terms of the 2014 regulations [4H(2)] this levy will be defrayed to scheme managers (fire authorities).
4. It is proposed that the budget will be charged to each fire authority on a pro-rata basis depending on the number of active firefighters in post at a point in time. Figures provided by the Government Actuary Department (GAD) at March 2015 confirm there were 33,611 active firefighters, as exact figures at 1st October 2016 are unknown the monies for the 2016/2017 year will be collected at an annual rate of £4.12 per active firefighter, which is based on an estimated current total of 33,000 active firefighters. Any adjustments will be credited in the 2017/2018 year. The 2017/2018 year will be collected on the numbers of firefighters disclosed with the 2016/2017 return.
5. As fire authorities have already paid the subscription for the technical advisers post, the money to be collected for the 2016/2017 year is for the Scheme Advisory Board levy only. The Scheme Advisory Board have agreed that the levy for 2016/2017 year will be collected from the 1st October 2016 to reflect the late start of the Scheme Advisory Board.

6. The pro-rata figures have been calculated at:
  - £2.07 per active firefighter for 2016/17
  - £6.12 per active firefighter for 2017/18
  
7. County Durham and Darlington Fire and Rescue Authority had 486 active firefighters (full and part-time) on 01 October 2016 and therefore this equates to total costs of approximately:
  - 2016/17: £1,006
  - 2017/18: £2,974

### **Recommendations**

8. Members are requested to **note** the report and the overall costs that will be charged to the Authority, as the pension scheme manager.

CFO Stuart Errington

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