

**North Yorkshire Fire & Rescue
Service
Local Pension Board**

29 July 2015

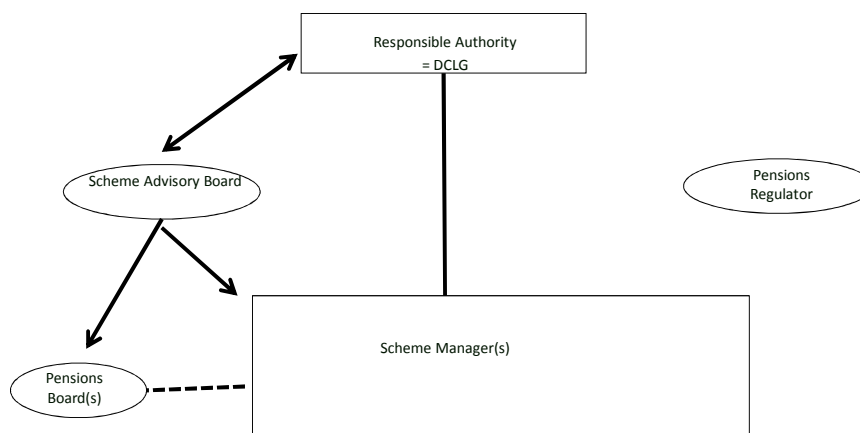
Brief History

- Lord Hutton Report
- Public Service Pensions Act 2013
- The Firefighters' Pension Scheme (Amendment) (Governance) Regulations 2015

New Governance

- Change to current structures
- Re-naming of existing bodies
- Creation of new bodies
- Creation of new duties and responsibilities
- Biggest impact on locally administered schemes such as the Fire/Police/LGPS

Firefighters' Pension Scheme - New Governance Structure



Responsible Authority

- *“person who may make scheme regulations”*

Firefighters' Pension Scheme = DCLG

Scheme Manager

- “Scheme regulations ...must provide for a person to be responsible for managing or administering ...called the **scheme manager**”

Firefighters' Pension Scheme = Fire & Rescue Authority

Firefighters' Pension Scheme Advisory Board

- *responsibility for providing advice to the responsible authority, at the authority's request, on the desirability of changes to the scheme"*
- *"to provide advice (on request or otherwise) to the scheme managers or the scheme's pension boards in relation to the effective and efficient administration and management of...the scheme and ...any pension fund of the scheme"*

Local Pension Boards: What Do They Do?

- Responsible for assisting the Fire & Rescue Authority to secure compliance with
 - the 2015 Regulations
 - any other legislation relating to the governance and administration of the Scheme
 - any requirements imposed by the Pension Regulator
 - the effective and efficient governance and administration of the Scheme
- Power to do anything which is calculated to facilitate or conducive or incidental to the discharge of its functions

Pension Schemes

- Firefighters Pension Scheme 1992
- New Firefighters Pension Scheme 2006
- Firefighters Pension Scheme 2015
- Retained Modified Pension scheme
- Firefighters Compensation Scheme

1992 Scheme

- Maximum 30 years pensionable service
- 60th accrual
- Double accrual after 20 years
- Maximum pension of 40/60ths
- Final Salary benefits
- Normal Pension Age of 55
- Unreduced Pension from age 50 with at least 25 years service
- Deferred Pension age of 60
- Ill Health

1992 Scheme

- Survivor Benefits but not to a co-habiting partner
- Death in Service benefits but cannot nominate
- Death Grant = 2 x pensionable pay

2006 Scheme

- 60th accrual
- No double accrual
- Maximum pension of 45/60ths
- Final Salary benefits
- Normal Pension Age of 60
- Reduced Pension from age 55 with employer consent
- Deferred Pension age of 65
- Ill Health

2006 scheme

- Survivor Benefits to widow, widower, civil partner & nominated co-habiting partner
- Death in Service benefits – can nominate who they want the death grant to be paid to
- Death Grant = 3 x pensionable pay

2015 Scheme

- Survivor Benefits to widow, widower, civil partner & nominated co-habiting partner
- Death in Service benefits – can nominate who they want the death grant to be paid to
- Death Grant = 3 x pensionable pay

2015 Scheme

- Care Scheme
- 1/59.7 accrual
- Service not relevant in a CARE scheme
- Awarded a Pension Account
- Pension account builds up each year
- Normal Pension Age of 65
- Reduced Pension from age 55
- Deferred Pension age of State Pension Age
- Ill Health

2015 Scheme – Transition members

- 1992 & 2006 & RDS Modified move to the 2015 scheme on a date produced by their date of birth
- 2015 benefits calculated as just explained
- Protections available for former scheme service
- Retain their former retirement age
- Retain final salary protections
- 1992 scheme members have some built in protection for loss of double accrual

RDS Modified

- Scheme came into force 1 April 2014
- Applies to retained firefighters who were employed from 1 July 2000
- Can elect to be a member of this scheme if eligible
- Are 2006 scheme members with modified benefits
- 1/45th accrual
- No doubling up
- Pension Age of 55 but cannot retire earlier
- Deferred Pension Age of 60

Compensation Scheme

- Applies to members of all the schemes previously mentioned
- Provides additional benefits following injury on duty

General

- When following a case through in your role as a Pension Board member you must be very clear which regulations apply as there are some major differences as already highlighted but there may also be more subtle differences such as the definition of pensionable pay
- Also each scheme has a different employee & employer contribution rate
- May be slight difference in the Financing Arrangements

Any Questions

