



Nottinghamshire and City of Nottingham Fire and Rescue Authority Policy and Strategy Committee

**Minutes of the meeting held at Dunkirk and Beeston Suites - Highfields Fire Station,
Hassocks Lane, Beeston, Nottingham. NG9 2GQ on 17 November 2023 from 10.00 am -
11.15 am**

Membership

Present

Councillor Michael Payne (Chair)
Councillor Patience Uloma Ifediora
Councillor Nigel Turner
Councillor Tom Hollis
Councillor Richard Butler
Councillor Gul Nawaz Khan

Absent

Councillor Sybil Fielding
Councillor Jonathan Wheeler

Colleagues, partners and others in attendance:

Craig Parkin – Chief Fire Officer
Mick Sharman - Assistant Chief Fire Officer
Damien West – Assistant Chief Fire Officer
Mark Kimberly - Interim Treasurer and Section 151 Officer
Malcolm Townroe – Clerk and Monitoring Officer
Tracey Stevenson - Interim Head of Finance
Nick Linthwaite - Human Resources Manager.
Catherine Ziane-Pryor – Governance Officer

1 Apologies for Absence

Councillor Sybil Fielding (Councillor Gul Khan substituting)
Councillor Jonathan Wheeler (Councillor Richard Butler substituting)

2 Declarations of Interest

None.

3 Minutes

The minutes of the meeting held on 28 April 2023 were confirmed as a true record and signed by the Chair.

4 Local Firefighter Pension Annual Report 2022/23

With a temporary vacancy of a Pension Scheme Manager, Craig Parkin, Chief Fire Officer, presented the detailed report with further financial information provided by Mark Kimberley, Interim Treasurer and Section 151 Officer, and Human Resources information by Nick Linthwaite, Human Resources Manager. Tracey Stevenson, (Interim Head of Finance) was also in attendance to respond to any specific queries from members.

The following summarises highlighted points and responses to members' questions:

- a) The report sets out the constitution of the Pensions Board, which has been in place since 2015, including membership and representation, the format of Board meetings and training requirements;
- b) The two main issues for the Board activity are focused on:
 - i. the transitional protection for pension members moving from the 2006 scheme to the 2015 pension scheme, and the McCloud judgement as a result of an employment tribunal, appeals, and High Court Judgement around pension scheme discrimination and following discrimination claims. Tax implications were also raised as a concern, and as a result, the finalised legislation 'Firefighters Pension (Remedial Service) Regulations 2023', came into effect on 1 October 2023;
 - ii. the outcome of the Matthews and O'Brien case, regarding discrimination of On-Call Firefighter pension members now being allowed to retrospectively join the 2006 pension scheme;
- c) New guidance has now been issued by Central Government and is effective from October 2023. Prior to the issuing of that guidance, the Authority had agreed to continue to work to the terms of a Memorandum of Understanding which although agreed by Central Government, was later withdrawn;
- d) It is a concern that historic pension records are not necessarily available for all members of pension schemes due to the changes in pension scheme administrators, changes to data legislation, and required data cleansing exercises. This has resulted in a lot of additional work tracing and confirming the historic employment details of the staff concerned;
- e) The pension scheme discrimination was caused by the National Pensions Regulations, so to lighten the financial burden on Services, including the additional resources now required to gather, collate and recalculate historic data, Central Government has granted Fire Authorities a funding contribution of £125,000, some of which this Service has used to appoint an additional Pensions Manager to work with the Human Recourses Section and assist with implementing the new legislation and ensuring that all scheme members receive their rightful entitlement. The Service holds an earmarked reserve of £200,000 to assist with the cost;
- f) Complications arose with regard to firefighters on the verge of retiring (Category 1) and determining the how their pensions should be calculated on which schemes. The committee had previously decided to continue work on Category 1 pensions. Work has

now commenced on Category 2 cases regarding staff who have already retired. All current staff are now members of the 2015 scheme;

- g) Central Government has since made the offer to settle injury to feelings claims at the rate of £7,250 for those specifically aggrieved, and £3,750 for all others;
- h) The West Yorkshire Pension Fund is the Service's pension scheme administrator, along with 18-20 other Fire and Rescue Services, and provides an excellent Service;
- i) Work to address the O'Brien On-Call discrimination cases is ongoing;
- j) The report outlines recent Scheme Manager activity and the important role of the Scheme Advisory Board, the cost of which to the Service is £3,705 per year;
- k) The final remedy costs from the McCloud case will be substantial and potentially in the region of £2.5 million annually, with £2.3 million annually expected contribution from Central Government until 2024, when the value of any future reimbursement is uncertain;
- l) Pension funds are placed into a central pot without any gains or costs. The top-up grant may be different from that shown in the appendices, but this is a timing issue and there is in fact, overall, neither a cost or gain;
- m) With regard to the 'injury to feelings' settlement, this has been arrived at nationally with the Unions, whereby the Unions have identified those most affected to receive the higher-level compensation and it will be for the individuals who have not been identified to demonstrate if they too have been affected. This will be dealt with by the Scheme Provider and not the Service;
- n) The multiple different schemes had different benefits and mechanisms varying from final salary scheme, tapered to transition and career average and tiered schemes. As of April 2022, all members would have transferred to the current scheme.

Members commented as follows:

- o) Members still have concerns regarding ethical investment routes when there are very few investment options available for public pension funds and no other pension schemes available;
- p) As the top-up grant from Central Government is not covering the full cost of the National Pensions Board's mistake it is effectively financially penalising the Fire Service Sector which could use these funds elsewhere for the benefit of the community.

Resolved to note the activity of the Pension Board and Pension Scheme Manager along with the update on current pension issues.

5 Exclusion of the Public

Resolved to exclude the public from the meeting during consideration of the following item in accordance with Section 100A of the Local Government Act 1972 (under Schedule 12A, Part 1, Paragraphs 3) on the basis that, having regard to all the circumstances, the

public interest in maintaining the exemption outweighs the public interest in disclosing the information.

6 Resilience Update

Damien West, Assistant Chief Fire Officer, presented the report which provides the committee with an update on resilience arrangements.

Resolved to approve the recommendations as set out in the report.

7 Refurbishment of facilities at the Service Development Centre

The Chair of the Committee agreed that this item, although not on the agenda, could be considered as a matter of urgency in accordance with Section 100B(4)(b) of the Local Government Act 1972, because to delay a decision could incur a significant financial cost to the Service.

Craig Parkin, Chief Fire Officer, presented the report.

Resolved to approve the recommendations as set out in the report.