



**NOTTINGHAMSHIRE**  
**Fire & Rescue Service**  
*Creating Safer Communities*

Nottinghamshire and City of Nottingham  
Fire and Rescue Authority

# LOCAL FIREFIGHTER PENSION ANNUAL REPORT 2024

Report of the Chief Fire Officer

**Date:** 13 December 2024

**Purpose of Report:**

To report to Members on the activities of the Local Firefighter Pension Board and Scheme Manager up to 30 November 2024.

**Recommendations:**

That Members take note of the activity of the Pension Board and Pension Scheme Manager, along with the update of current pension issues.

## CONTACT OFFICER

**Name :** Bev Bull  
Head of Finance and Treasurer to the Fire Authority

**Tel :** 0115 8388900

**Email :** bev.bull@notts-fire.gov.uk

**Media Enquiries Contact :** Corporate Communications Team  
0115 8388900 corporatecomms@notts-fire.gov.uk

## **1. BACKGROUND**

- 1.1 The Public Service Pensions Act 2013 introduced a framework for the governance and administration of public service pension schemes, including those pension schemes for fire and rescue workers. The governance arrangements in place for this Authority's firefighters' pension scheme are attached at Appendix A. The Act included the requirement for a Local Pension Board to be established by each responsible Authority.
- 1.2 In April 2015, this Committee approved the creation of a Local Pension Board in respect of the firefighter pension schemes, in accordance with the requirements of the Public Services Pensions Act 2013 (the Act). This Board is known as the Local Firefighter Pension Board.
- 1.3 The Fire Authority is the Scheme Manager for the firefighter pension schemes, which is a role defined by the Act. The role of Scheme Manager is delegated to the Head of Finance post. This report communicates to the Fire Authority about the activities of the Head of Finance, as delegated Scheme Manager, and of the Local Firefighter Pension Board to date.

## **2. REPORT**

### **CONSTITUTION**

- 2.1 A constitution for the Local Firefighter Pension Board was initially approved by the Policy and Strategy Committee at the time that the Board was created in 2015. Subsequent changes have been made to improve the running of the Board, the current constitution can be found at Appendix B.

### **FORMAT OF MEETINGS**

- 2.2 Three meetings will have been held during the year, in April, July and December 2024 (postponed from November 2024).
- 2.3 Board members are required to declare any potential conflicts of interest to the Scheme Manager prior to each meeting, in line with the Local Firefighter Pension Board's Conflicts of Interest Policy.

### **BOARD MEMBERSHIP**

- 2.4 As set out in the constitution, there is an equal number of employer and employee representatives on the Board and there is also one substitute member for each side. Substitute members are encouraged to attend meetings as observers, and they are able to act as Board members in the absence of one of the full members. Substitute members are also invited to attend training sessions as this helps to improve knowledge and understanding of pensions issues.

- 2.5 The Chair of the Local Firefighter Pension Board changed at the April meeting, moved from being a representative from the employer side to a representative from the scheme member/employee side. The requirement to rotate the appointment of Chair is set out in the constitution (Appendix B).
- 2.6 There has been two changes in membership since the last report in November 2023 and there are currently no vacancies on the Board.

## **TRAINING**

- 2.7 The Pensions Regulator has published a Code of Practice for the governance and administration of public service pension schemes and this code sets out the requirement for Board members to achieve and maintain knowledge and understanding sufficient to enable them to carry out the role of Board member.
- 2.8 The Board was invited to attend the Firefighters' Pensions Annual Conference in October 2024. Internal training has been held for members of the Board. There is online training available on the Pension Regulator website which members of the Board are encouraged to complete.

## **BOARD ACTIVITY**

- 2.9 Since the Local Firefighter Pension Board was set up in 2015, the work of the Board has been shaped by the Board members and by Officers supporting the Board.
- 2.10 Some regular reports to the Board have been developed. These include:
- Updates on current pension issues;
  - The Pension Fund Risk Register;
  - A report from the Pension Administration Team;
  - Annual updates on the financial position of the Pension Fund (Appendix C).

## **CURRENT PENSION ISSUES**

- 2.11 The main areas of work which are kept under review by the delegated Scheme Manager and Pension Board are detailed below.

### **Transitional Protection for FFPS 2015 Claims - McCloud**

- 2.12 Members will recall from previous reports that following an employment tribunal and subsequent appeals, the transitional protections related to the 2015 Firefighters' Pension Scheme were found to be age discriminatory.
- 2.13 Following the ruling, the Fire Brigades Union (FBU) commenced legal proceedings in the High Court for three test cases against FRAs. Two of these cases were against NFRS as they related to former NFRS employees. A settlement agreement on these cases was reached on 8 October 2021.

- 2.14 Alongside the settlement agreement, the Local Government Association (LGA) and Fire Brigades Union (FBU) negotiated a Memorandum of Understanding (MoU) and a Framework agreement for handling Immediate Detriment cases. This was made available in early October 2021 and adopted by NFRS on 12 November 2021. Several cases for remedy were progressed under this MoU.
- 2.15 However, in late November 2021, the Home Office guidance underpinning the MoU was withdrawn following intervention by Her Majesty's Treasury (HMT), due to apparently fresh concerns about the level of risk and uncertainties relating to tax and associated matters. This unexpected development added to the complexities facing FRAs.
- 2.16 In the light of this, a report was considered by Policy and Strategy Committee on 1 April 22 where approval was gained to continue with both Cat 1 (those coming up to retirement) and Cat 2 (those affected members who have already retired) payments. Since then, payments have continued for all Cat 1 cases. Work has also commenced on Cat 2 cases.
- 2.17 The finalised Firefighters' Pensions (Remedial Service) Regulations 2023 were laid before Parliament on 19 July and came into force from 1 October 2023. The Service has until March 2025 to implement the legislation. In the consultation response it was recognised that further provisions may be needed, beyond those in the published draft regulations that accompanied the consultation.
- 2.18 After the legislation was passed, pensioners who have retired before 30 September 2023 and have service within the remedy period are known as Immediate Choice and they are required to receive a Remediable Service Statement by the 31 March 2025. There have been national delays in progressing these cases due to interest and tax complexities. It was agreed nationally cases would be categorised so those not affected by the complexities could progress whilst waiting for HMRC guidance to be issued regarding the complex issues, guidance has now been issued however there are still issues to be resolved. NRFS have one case that is impacted. WYPF are continuing to work through the other cases, however these are manual calculations and take time to process.
- 2.19 All active and deferred members (i.e. not yet receiving a pension) who are impacted by the remedy must receive a combined Annual Benefit Statement / Remediable Service Statement (ABS/RSS) by 1 April 2025. The ABS/RSS will provide members with the current value of both their legacy final salary benefits and their reformed FPS 2015 benefits for the remedy period; as well as projected benefits to normal pension age for active members. This joint statement should become the norm for future years.
- 2.20 The ABS/RSS are produced by WYPF as Scheme Administrator. The Local Government Association requested where possible these should be provided by 31 August 2024, the deadline for the next due ABS. WYPF advised that they would not be able to produce the ABS/RSS by the 31 August 2024 due to delays in WYPF's systems supplier. The breach in pension regulations

was noted and added to the Breach Register at the Pension Board meeting in July 2024.

- 2.21 319 members were affected and did not receive ABS/RSS by the 31 August 2024. WYPF sent an individual communication to all affected members in July 2024. WYPF reported the breach to the Pension Regulator on the 4 October 2024. The breach was also reported by the Scheme Manager on behalf of NFRS on the 14 October 2024.
- 2.22 WYPF are in regular contact with the supplier regarding their delivery plans and anticipate being able to provide an ABS/RSS by 31 December 2024, although it may be as late as 31 March 2025. WYPF has produced the usual ABS for all 279 active members “not in scope” of the age discrimination remedy by the 31 August 2024. It should also be noted that members approaching retirement are receiving all the necessary information, with WYPF utilising some manual processes.
- 2.23 Pensions Savings Statements are required for members whose pension contributions exceeded the Annual Allowance. WYPF have issued Pensions Savings Statements for 2023/24 by the deadline of the 6 October 2024 where members have exceeded previously. To identify any other members that may breach WYPF have requested pensionable pay information from NFRS, HMT legislation permits a deferment of 3 months from receiving data. WYPF are confident for those members affected, that by applying this deferment the PSS will be produced within 3 months of receiving that data. Therefore, a breach will not occur.
- 2.24 The Home Office have issued compensation funding guidance in respect of compensable financial losses incurred that are not covered by member’s immediate or deferred choice and Contingent Decision (CD) guidance. The guidance is being reviewed regionally and will be implemented.

### **Matthews & O’Brien case – Modified Scheme**

- 2.25 Special members were introduced to the 2006 Firefighters’ Pension Scheme in 2014 following Matthews court case which ruled that on-call firefighters employed between 1 July 2000 and 4 April 2006 should be allowed to retrospectively join the 2006 scheme.
- 2.26 Following a further European Court of Justice case (O’Brien) the UK Government have recognised the right for on-call firefighters employed before 1 July 2000 to elect to become a special member from the start of their employment.
- 2.27 On 9 March 22, after an extended period of negotiations, a Memorandum of Understanding (MoU) was agreed between the government, the FBU, the Fire and Rescue Services Association and FRA employers.
- 2.28 It was confirmed that remedy for retained firefighters affected by the O’Brien judgment will be provided by way of a second options exercise allowing in-scope individuals the opportunity to purchase pension entitlement as a

special member of the FPS 2006. The LGA have now set out eligibility criteria for individuals who are considered eligible. It is proposed that all those determined as out of scope in the original exercise should now be re-visited as best practice.

- 2.29 Some fire services have identified individuals who worked as far back as the 1960's who may be affected. This clearly pre-dates automated systems and manual records are likely to have been disposed of, partially due to the requirements to delete obsolete data under data protection legislation. This service has no records pre-dating the year 2000. Where the required data is no longer available, nationally agreed methods of estimation have been agreed.
- 2.30 The regulations to implement the second options exercise were consulted on between 31 March 23 and 9 June 23. Revised legislation has been laid before Parliament and came into force on 1 October 23.
- 2.31 Prior to the legislation coming into force the LGA has been working alongside FRAs to help ensure that they have identified those retained firefighters who may be affected and start collecting the relevant data. A form has been added to both the LGA and FBU websites for members who believe they are affected to complete and return to NFRS.
- 2.32 Locally various communication methods have been implemented to raise awareness, such as communication messages on social media, the intranet and the website and posters being displayed at fire stations.
- 2.33 The Service sent letters to the latest recorded address of all current and former personnel thought to be eligible ahead of the Christmas and New Year holiday, a significant task. The letters followed the national template with some small local variation. Individuals were asked to return a form stating whether they wish to receive a quote outlining how much it will cost to purchase their backdated service and an indicative estimate of the pension that this will buy.
- 2.34 Where the service is aware the latest recorded address it holds is correct, if no response to the initial letter had been received a 2<sup>nd</sup> letter has been sent by Tracked 48 Mail.
- 2.35 In April, the Service engaged a tracing agency to check the last known address where no response to the initial letter had been received and the Service does not know if the address it holds is the latest address. The tracing agent takes a basic level approach initially, followed by enhanced tracing methods where necessary. To date a total of 309 addresses have been sent to the tracing agency.
- 2.36 In summary the Service has sent letters to 593 current and former personnel thought to be in scope. At the time of writing this report (Mid Nov):
  - 321 have returned 'Yes' Expression of Interest
  - 13 have returned 'No' Expression of Interest

- 78 have not returned an Expression of Interest (the six-month deadline has now passed)
- 181 are pending a returned Expression of Interest.

2.37 Calculations have now commenced, 5 statements have been issued, of which 2 have returned option election forms and a further 22 calculations are in progress.

## **Resourcing**

2.38 As previously reported the Service has created an administrative post in the People and Organisational Development Team and a part time Deputy Payroll and Pensions Manager to support the implementation of the pension legislation. This has now included increasing the new Deputy Pensions and Payroll Officer from 3 days a week to 4 days a week, and the administrative post is now shared with the Payroll and Pensions Team as the focus moves to completing pension calculations.

2.39 Recruiting and retaining sufficient knowledgeable and experienced staff remains a key challenge across Fire and Rescue Services and administrators. Staff morale is being highlighted nationally as an increasing concern. It is therefore proving not possible to progress the remedy and the second options exercise in a timely manner as envisaged by the Regulations.

## **The Pensions Dashboard Programme**

2.40 The pensions dashboard programme is a national scheme to allow individuals to view basic information about all their existing pensions in one single place online.

2.41 The project is a significant undertaking, requiring the development of new technology to use common information in order to search all pension schemes to identify whether they contain any pension records for the individual initiating the search.

2.42 The 'connect by' date for the new national Pensions Dashboard for all three pension schemes (1992, 2006 and 2015) is 31 October 2025. This is intended to be in good time for the legislative deadline of 31 October 2026. In practice, this is primarily a task for WYPF as administrator, although it is the Fire Authority's responsibility.

2.43 The service will continue to work with the LGA and WYPF in order to ensure that it is ready to deliver in time with the revised deadline.

## **SCHEME MANAGER ACTIVITY**

2.44 The role of the Scheme Manager is set out in the Governance Arrangements (Section 3, Appendix A). Much of the role of the Scheme Manager relates to ensuring that proper administrative and governance arrangements are in place.

- 2.45 Some of the Scheme Manger activity is undertaken by the Scheme Administrators (West Yorkshire Pension Fund (WYPF)). The Internal Audit function for WYPF is provided by Bradford City Council who have a 5-year audit plan in place. All audit reports are made available to NFRS. WYPF also provide a monthly activity report which is shared with Pension Board.
- 2.46 The Scheme Manager has responded to statutory and not statutory requests for information, including national surveys of the firefighters' pension scheme by The Pension Regulator, Treasury and the Local Government Association. The results of these surveys are reviewed and provide the basis for making any necessary improvements.
- 2.47 Both the Scheme Manager and Human Resources advisor to the pension board have attended several local and national events to ensure that their knowledge and understanding remain up to date.
- 2.48 The Local Firefighter Pension Board is now well established and has made good progress in improving the knowledge and understanding of the Board about the current pension issues, and in ensuring that governance and administration of pensions is carried out effectively. Work has also been undertaken to communicate with pension scheme members about pension issues (particularly the McCloud remedy and the Matthews) and to raise the profile of this important subject. The Board will continue to ensure that good practice is maintained, and ongoing improvements are made in line with advice from the Scheme Advisory Board and The Pension Regulator.

### **3. FINANCIAL IMPLICATIONS**

- 3.1 The costs associated with the McCloud and Matthews remedies are expected to be directly funded from the Government. The Authority holds a £200k earmarked reserve which was initially created to cover potential costs of implementing the McCloud remedy in advance of the legislation being laid. Whilst the legislation has now been passed and this risk has reduced, due to the complexities and risks that remain regarding the McCloud remedy and Matthews options exercise the reserve is being retained to cover any costs that may not be funded by the Government.
- 3.2 The Authority has received grant totalling £241k from the Home Office to help with the additional costs related to McCloud and Matthews. The funding is being used to fund the temporary administrative post and the additional day for the Deputy Pensions and Payroll Officer (see section 2.38). It is also funding the tracing agent costs and the tracked 48-hour postage costs. The balance will continue to be used to fund costs incurred in relation to implementation of the legislation.
- 3.3 The Authority continues to pay a levy to the Scheme Advisory Board (SAB), and this will cover the cost of the national fire pensions technical advisor post and support the work of the SAB. The aim of the SAB in setting this levy is to help fire authorities to achieve cost savings by producing guidance and



communications centrally for authorities to share. The cost for 2023/24 was £6,024 and this has been provided for within the revenue budget.

- 3.4 The results of the 2020 valuation of the Firefighters' Pension Scheme were delayed allowing McCloud remedy costs to be included in the valuation. The change in employer costs is effective from 2024. The increased cost is substantial and in 2024/25 is largely funded via £1.6m government grant. There is uncertainty regarding the future funding of these costs due to the short-term nature of the one-year local government finance settlement received in recent years and expected for 2025/26.

#### **4. HUMAN RESOURCES AND LEARNING AND DEVELOPMENT IMPLICATIONS**

- 4.1 There are significant implications to the workforce relating to the Firefighter's Pension Schemes, these are covered in the body of the report.
- 4.2 The members of the Board are required to achieve and maintain knowledge and understanding of pensions and this requirement is being managed and monitored by the Scheme Manager.

#### **5. EQUALITIES AND ETHICAL IMPLICATIONS**

An equality impact assessment has not been undertaken because this report is not associated with a policy, function or service.

#### **6. ENVIRONMENTAL AND SUSTAINABILITY IMPLICATIONS**

There are no environmental or sustainability implications arising from this report.

#### **7. LEGAL IMPLICATIONS**

The Local Firefighter Pension Board was created to fulfil the requirements of the Public Service Pensions Act 2013.

#### **8. RISK MANAGEMENT IMPLICATIONS**

- 8.1 The risks associated with pension governance and administration are set out in the Pension Board's risk register, which is actively managed by the Scheme Manager and monitored by the Board.
- 8.2 The Firefighter's Pension Scheme – impact of McCloud remedy and Matthews / O'Brien case is included on the Corporate Risk Register and is currently rated high due to the complexities, the lack of specialist resources at a national and local level, the likelihood of failing to meet the national deadline and the impact these factors could have.

## **9. COLLABORATION IMPLICATIONS**

Nottinghamshire, Leicestershire and Derbyshire Fire Authorities all share the same pension administrator, and this has allowed for a number of collaborative activities associated with pensions. There have been several regional meetings and information events to help keep up to date with pension issues and to share good practice. Derbyshire Fire and Rescue Service employs a pensions advisor on behalf of all three authorities to provide more pension specialist knowledge.

## **10. RECOMMENDATIONS**

That Members take note of the activity of the Pension Board and Pension Scheme Manager, along with the update on current pension issues.

## **11. BACKGROUND PAPERS FOR INSPECTION (OTHER THAN PUBLISHED DOCUMENTS)**

None.

Craig Parkin  
**CHIEF FIRE OFFICER**

**NOTTINGHAMSHIRE AND CITY OF  
NOTTINGHAM FIRE AND RESCUE AUTHORITY**

**Governance Arrangements for Firefighter Pensions**

**Introduction**

- 1.1 The purpose of this document is to set out the governance arrangements relating to all aspects of firefighter pensions. This document forms part of the overall corporate governance framework for the Authority.
- 1.2 The various firefighter pension schemes fall within the remit of the Public Service Pensions Act 2013. The Pensions Regulator has produced a code of practice for the governance and administration of public service pension schemes and this document is based upon the recommendations in this code of practice.

**Overview of Roles and Definitions**

- 2.1 The Public Service Pensions Act 2013 identifies a number of roles in relation to public service pension schemes. These are explained below and interpreted in the context of the Nottinghamshire and City of Nottingham Fire and Rescue Authority:
  - 2.1.1 **Responsible Authority.** The responsible authority has the power to make pension scheme regulations. The Act identifies Secretaries of State as responsible authorities, so for the firefighter schemes this would be the Secretary of State for Communities and Local Government.
  - 2.1.2 **Scheme Manager.** For locally administered schemes such as the firefighter schemes the scheme manager may be the local administering authority or a person representing an Authority. The Combined Fire Authority is therefore deemed to be the Scheme Manager, with the day-to-day responsibilities of the Scheme Manager delegated to the Head of Finance.
  - 2.1.3 **Pension Board.** The Local Pension Board is responsible for assisting the Scheme Manager to comply with the scheme regulations and other legislation relating to the governance and administration of the firefighter schemes. Scheme regulations and the Scheme Manager will determine what the Pension Board's role and responsibilities will be and for this Authority these are set out in the Constitution of the Local Pension Board.
  - 2.1.4 **Scheme Advisory Board.** Each defined benefit public service pension scheme set up under section 1 of the 2013 Act has a Scheme Advisory Board with responsibility for providing advice to the Responsible Authority on the desirability of changes to the scheme when requested to do so. The Department for Housing Communities and Local Government has set up a Scheme Advisory Board for the Firefighter Pension Scheme 2015.

2.2 Other roles which are not necessarily defined by the Act, but which are relevant to firefighter pension schemes are:

2.2.1 **Employer.** The employer is the Combined Fire Authority, with day-to-day employer responsibilities delegated to the Chief Fire Officer.

2.2.2 **Scheme Administrator.** This role deals with day-to-day pension administration of firefighter pensions including the keeping of pension records and the calculation of pension benefits. This function is outsourced, currently to Leicestershire County Council.

2.2.3 **Scheme Advisers.** Advisers and service providers can help those governing and administering schemes to make informed decisions. In practice a range of people and bodies act as Scheme Advisers including the Scheme Administrator, the Chief Fire Officer and other Officers within the Service, the Local Government Association, the Scheme Advisory Board and the Department for Communities and Local Government.

## **Roles and Responsibilities**

### Scheme Manager:

- 3.1 The Scheme Manager is responsible for providing certain information, including:
- Annual benefits information to scheme members
  - Certain information to scheme members (and others in certain circumstances) on request including basic scheme information, significant changes to schemes, information about future benefits.
- 3.2 The Scheme Manager is responsible for publishing information about the Local Pension Board, including who the board members are, representation on the board, matters for which the board is responsible, terms of reference, the appointment process, the employment and job title and any other relevant position held by board members, any specific responsibilities of board members. Consideration should be given to publishing Local Pension Board agendas, papers and minutes.
- 3.3 The Scheme Manager is responsible for publishing any other specific information as directed by the Responsible Authority or other Government department.
- 3.4 The Scheme Manager is responsible for keeping records of member and beneficiary information and transactions. The Scheme Manager is responsible for ensuring that record keeping processes are effective, that member data is regularly reviewed and evaluated, and that data is held for an appropriate length of time. In practice certain records are held by the Service and others are held by the Scheme Administrator.
- 3.5 The Scheme Manager is responsible for arranging Local Pension Board meetings in accordance with the constitution for the Local Pension Board.

This will include preparing agendas and ensuring that reports are provided to board meetings as required.

- 3.6 The Scheme Manager is responsible for keeping records of pension board meetings and decisions. This must include the date, time and place of the meeting; the names of all pension board members invited to the meeting; the name of any person attending and in what capacity; the minutes of the meeting and any decisions made at the meeting.
- 3.7 The Scheme Manager is responsible for ensuring that pension board members do not have conflicts of interest and for managing any potential conflicts of interest.
- 3.8 The Scheme Manager is responsible for establishing and operating adequate internal controls to manage risks relating to the schemes. This will include having a process to identify, evaluate and manage risks as well as monitor controls.
- 3.9 The Scheme Manager is responsible for ensuring that pension contributions are paid into schemes on time and in full. This will include having a process to monitor payments and identify and resolve contribution payment failures. The Scheme manager must report significant contribution payment failures to the Pensions Regulator within 10 working days.
- 3.10 The Scheme Manager is responsible for making and implementing arrangements which comply with legal requirements for resolving internal disputes with members and others, and for regularly checking that the arrangements work effectively. This responsibility is delegated to the Head of HR Services.
- 3.11 Some of the responsibilities of the Scheme Manager are carried out by the Scheme Administrator on the Scheme Manager's behalf.

#### Local Pension Board:

- 3.12 The Local Pension Board is responsible for assisting the Scheme Manager in securing compliance with scheme regulations, governance and administration legislation and any requirements of the Pensions Regulator.
- 3.13 The Local Pension Board is responsible for establishing and maintaining a training and development policy and framework to address the legal requirement for board members to have sufficient knowledge and understanding to carry out their role.
- 3.14 Members of the Local Pension Board are responsible for the appointment of a Chair to the board in accordance with the constitution of the Local Pension Board.
- 3.15 Members of the Local Pension Board are responsible for declaring any potential conflict of interest arising as a result of their position on the board to the Chief Fire Officer.

3.16 Members of the Local Pension Board are responsible for participating in training and development as required to achieve sufficient knowledge and understanding to carry out their role.

#### Employer

3.17 The Employer is responsible for paying contributions into pension schemes and keeping and providing data to the Scheme Manager and / or the Scheme Administrator. This responsibility is delegated to the Head of Finance.

3.18 The Employer is responsible for dealing with disputes. This responsibility is delegated to the Head of HR Services.

3.19 The Employer is responsible for the administration of firefighter pensions. This activity is outsourced and responsibility for managing the contract is delegated to the Head of Finance.

#### All Roles

3.20 The Scheme Manager, members of the Local Pension Board, the Scheme Administrator and any Scheme Adviser are all responsible for reporting breaches of the law to the Pensions Regulator where that breach is likely to be of material significance.

Reviewed May 2019  
Becky Smeathers  
Scheme Manager

**LOCAL FIREFIGHTER PENSION BOARD OF NOTTINGHAMSHIRE AND CITY  
OF  
NOTTINGHAM FIRE AUTHORITY**

**CONSTITUTION**

**1. Statement of Purpose**

The purpose of the Board is to assist Nottinghamshire and City of Nottingham Fire and Rescue Authority (The Fire Authority) in its role as the Scheme Manager of the Fire Fighters Pension Schemes (1992, 2006, 2015 and Retained Modified). Such assistance is to:

- a) secure compliance with the Scheme's regulations, any other legislation relating to the governance and administration of the Scheme, and requirements imposed by the Pensions Regulator in relation to the Scheme.
- b) ensure the effective and efficient governance and administration of the Scheme.

**2. Duties of the Board**

The Board should at all times act in a reasonable manner in the conduct of its purpose. In support of this duty Board Members:

- a) should act always in the interests of the Scheme and not seek to promote the interests of any stakeholder group above another.
- b) should be subject to and abide by Fire Authority's Codes of Conduct for Members and Employees.

**3. Membership**

The Board will comprise an equal number of employer and member representatives with a minimum requirement of no less than four in total.

**4. Scheme Member Representatives**

- 4.1. 2 Scheme Member representatives shall be appointed to the Board by the 2 largest trades unions recognised by the Fire Authority who represent Scheme Members (i.e., FBU and FOA) but in default of any such appointments being made the Fire Authority shall invite expressions of interest from Scheme Members and appoint such Scheme Member representatives who it regards as best suited to the role of Board Member.
- 4.2. Scheme Member representatives shall be current Scheme Members.

- 4.3. Scheme Member representatives should be able to demonstrate their capacity to attend and complete the necessary preparation for meetings and participate in training as required.

## **5. Employer Representatives**

- 5.1. 2 Employer representatives shall be appointed to the Board by the Fire Authority.
- 5.2. Employer representatives shall be 1 Fire Authority Member and 1 Principal Officer provided that neither Officer nor Members exercise delegated responsibility for discharging the Scheme Manager function of the Fire Authority.
- 5.3. Employer representatives should be able to demonstrate their capacity to attend and complete the necessary preparation for meetings and participate in training as required.
- 5.4. Employer representatives shall be appointed by the Fire Authority in a manner which it considers best promotes the purpose of the Board.

## **6. Appointment of Chair**

- 6.1. The Board shall appoint its own chair for a period of 12 months rotating the appointment between scheme member representatives and employer representatives.
- 6.2. The duties of the Chair should be in accordance with the duties of a committee chair under the Fire Authority's Constitution.

## **7. Substitute Board Members**

- 7.1. The Board may appoint one substitute Scheme Member Representative and one substitute Employer Representative. Substitute representatives can take part in Board meetings only in the place of an appointed representative of the same group who cannot attend a meeting.
- 7.2. A substitute representative may attend, and participate in, any training events for Board members.
- 7.3. A substitute representative may attend a Board meeting as an observer, if all representatives of the same group are attending that meeting. In this situation, the substitute representative must not participate in the business of the meeting.

## **8. Notification of Appointments**

On appointment to the Board the Fire Authority shall publish the name of the appointees, the process followed in the appointment together with the way in which the appointments support the effective delivery of the purpose of the Board.



## **9. Conflicts of Interest**

- 9.1. All members of the Board must declare to the Chief Fire Officer on appointment and at any such time as their circumstances change any potential conflict of interest arising as a result of their position on the Board.
- 9.2. On appointment to the Board and following any subsequent declaration of potential conflict the Chief Fire Officer shall ensure that any potential conflict is effectively managed in line with both the internal procedures of the Fire Authority and the requirements of the Pensions Regulators codes of practice on conflict of interest for Board members.

## **10. Knowledge and understanding (including Training)**

- 10.1. Knowledge and understanding must be considered in light of the role of the Board to assist the Fire Authority in line with the requirements outlined in paragraph 2 above. The Board should establish and maintain a policy and framework to address the knowledge and understanding requirements that apply to Board Members. That policy and framework shall set out the degree of knowledge and understanding required as well as how knowledge and understanding is acquired, reviewed and updated.
- 10.2. Board Members shall attend and participate in training arranged in order to meet and maintain the requirements set out in the Board's knowledge and understanding policy and framework.
- 10.3. Board Members shall participate in such personal training needs analysis or other processes that are put in place in order to ensure that they maintain the required level of knowledge and understanding to carry out their role on the Board.

## **11. Term of Office**

- 11.1. The term of office for Board Members shall be 2 Municipal Years and there shall be no restriction on reappointment at the expiry of a Board Member's term.
- 11.2. Board membership shall be terminated prior to the end of the term of office due to:
  - a) A Scheme Member representative ceases to be a Scheme Member.
  - b) An Employer representative ceases to be a Fire Authority Member.
- 11.3. Board membership may be terminated prior to the end of the term of office by a resolution of the Fire Authority where the Board Member is no longer able to

demonstrate their capacity to attend and prepare for meetings or to participate in required training.

## **12. Meetings**

12.1. The Board shall as a minimum meet 3 times per year.

12.2. The Chair, with the consent of the other Board Members, may call additional meetings. Urgent business of the Board between meetings may, in exceptional circumstances, be conducted via communications between members of the Board including telephone conferencing and e-mails.

12.3. Meetings shall be open to the public and shall be conducted in accordance with the Fire Authority's constitution as regards to the attendance of the public at meetings. Meetings will be advertised on the Service website at least one week prior to the date of the meeting with a link to the agenda, papers and minutes of the previous meeting.

12.4. If there are any reports or papers containing confidential matters these will not be published. In this case the Board meeting will consist of part one for all non-confidential items, open to the public, and part two for all confidential items, closed to the public. Matters will be deemed confidential by reference to the personal data provisions of the Data Protection Act.

## **13. Quorum**

A meeting is only quorate when 4 members are present, 2 scheme member representatives and 2 employer representatives.

## **14. Voting**

14.1. The Board shall as far as possible make any decisions by consensus but where this proves not to be possible the Board may vote upon an issue.

14.2. Each Board Member shall have 1 vote and in the event of an equality of votes the Chair shall have a casting vote.

## **15. Support to the Board**

15.1. The Chief Fire Officer shall provide such support to the Board as it requires to discharge its functions.

15.2. The Board may request information from the Chief Fire Officer with regard to any aspect of the Scheme Manager function. Any such a request should be reasonably complied with in both scope and timing.

15.3. The Board may make recommendations to the Chief Fire Officer which should be considered, and a response made to the Board on the outcome within a reasonable period of time.

## **16. Relationship with Firefighters Pension Scheme Advisory Board**

16.1. The national Scheme Advisory Board has been established in accordance with the Public Service Pensions Act 2013 and its objectives include the provision of advice to Local Pension Boards in relation to the effective and efficient administration of the pension scheme. Communications from the Scheme Advisory Board are likely to be made via the Chair of the Local Pension Board who must ensure that the Fire Authority, as Scheme Manager, is kept informed of any new requirements.

<b>PENSION FUND ACCOUNT</b>
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<b>2022/23</b>		<b>2023/24</b>
<b>£000</b>		<b>£000</b>
	<b>Contributions Receivable</b>	
	Fire Authority:	
(5,241)	Contributions in relation to pensionable pay	(5,453)
(301)	Other (Ill Health Retirements)	(264)
<u>(2,419)</u>	Firefighters' contributions	<u>(2,536)</u>
<b>(7,961)</b>	<b>Total Contributions Receivable</b>	<b>(8,253)</b>
	<b>Transfers in from other authorities</b>	
(35)	Transfers in from other schemes	(1)
	<b>Benefits Payable</b>	
15,135	Pensions	16,777
2,552	Commutations and lump sum retirement benefits	2,936
0	Lump sum death benefits	0
<u>175</u>	Other	<u>97</u>
<b>17,862</b>	<b>Total Benefits Payable</b>	<b>19,810</b>
	<b>Net Amount payable for the year before top-up grant from Central Government</b>	<b>11,556</b>
(7,430)	Top-up grant received from Central Government	(8,477)
<u>(2,436)</u>	<b>Balance of top-up grant for the year (receivable from)/payable to Central Government</b>	<u>(3,079)</u>