

Meeting of the Board 7<sup>th</sup> September 2016

ITEM 11

## Pensionable Pay Workshop

### Background

1. On the 20<sup>th</sup> July 2016 Fire Authorities and Pension Administrators were invited to take part in a pensionable pay workshop
2. Email to Scheme Advisory Board sent by Clair Alcock on 21<sup>st</sup> July

*Dear all,*

*As you will be aware we held the first pensionable pay workshop yesterday. Thank you very much to the Scheme Advisory Board members who were able to be there, your support was much appreciated both by me and the audience, and we had some good feedback on the session format.*

*I have attached for your information, the Kent and Medway Towns judgment and a link to the Norman V Cheshire judgment - <http://www.bailii.org/cgi-bin/markup.cgi?doc=/ew/cases/EWHC/QB/2011/3305.html&query=Norman+and+v+and+Cheshire&method=boolean>*

*The workshop went well and we had some positive comments, however as to be expected there were also comments on the lack of clarity of the law and the confusion this caused to authorities.*

*I noted the following actions to be carried out by the Scheme Advisory Board*

- *Issue advice note to Local Pension Boards, to request that they satisfy themselves that a review of pensionable pay (in light of the Norman V Cheshire Case has been / is being carried out and implemented. Remind the boards of the consequences to the cost cap of rising future costs, the longer this is delayed.*
- *Survey Fire Authorities to understand their definition of pensionable pay in the 1992,2006 and 2015 schemes and how they are applying it.*
- *Add to agenda of next Scheme Advisory Board meeting (7<sup>th</sup> September) to look at the issue of pensionable pay, particularly on the wording of [\[17\(1a\)\]](#) of the 2015 regulations, and whether this includes temporary promotion or not. It is clear that there is considerable confusion on this, and despite some clear principles from the Kent &*

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*Medway Towns vs PO and Hopper (known as the Blackburne principles) there is not consistency of opinion from Fire Authorities.*

*The SAB should consider whether a regulation change is needed or whether they should commission a legal opinion on behalf of authorities.*

*(a)the member's pay received for the performance of the duties of the member's role except any allowance or emoluments paid to that member on a temporary basis;*

## **Actions for Board Members**

3. With legal advice, the Scheme Advisory Board should consider what action, if any there is for the Scheme Advisory Board to take to offer some advice to Fire Authorities.
4. Options might be
  - Lobby Home Office for a change in regulations
  - Commission guidance
  - Commission legal opinion
5. SAB should consider what offers value for money, and what would be of long term benefit to authorities
6. The Scheme Advisory Board should consider what the merits of a survey to Fire Authorities on application of pensionable pay might be. The Scheme Advisory Board should consider obtaining legal advice on what the survey should include?
7. Agree content of advice note to Local Pension Boards, regarding the request that they satisfy themselves that a review of pensionable pay, in light of the Norman V Cheshire Case, has been / is being carried out and implemented.

Board Secretary  
31<sup>st</sup> August 2016