



To: Members of the Remuneration Committee

***Notice of a Meeting of the Remuneration Committee***

**Tuesday, 11 February 2014 at 2.00 am**

**County Hall, Oxford, OX1 1ND**

*Peter G. Clark.*

Peter G. Clark  
County Solicitor

January 2014

Contact Officer: **Deborah Miller**  
Tel (01865) 815384; Email; [deborah.miller@oxfordshire.gov.uk](mailto:deborah.miller@oxfordshire.gov.uk)

---

**Membership**

Chairman – Councillor Ian Hudspeth  
Deputy Chairman - Councillor Zoé Patrick

*Councillors*

Charles Mathew  
Rodney Rose

Gillian Sanders  
David Williams

David Wilmshurst

## Declarations of Interest

### The duty to declare.....

Under the Localism Act 2011 it is a criminal offence to

- (a) fail to register a disclosable pecuniary interest within 28 days of election or co-option (or re-election or re-appointment), or
- (b) provide false or misleading information on registration, or
- (c) participate in discussion or voting in a meeting on a matter in which the member or co-opted member has a disclosable pecuniary interest.

### Whose Interests must be included?

The Act provides that the interests which must be notified are those of a member or co-opted member of the authority, **or**

- those of a spouse or civil partner of the member or co-opted member;
- those of a person with whom the member or co-opted member is living as husband/wife
- those of a person with whom the member or co-opted member is living as if they were civil partners.

(in each case where the member or co-opted member is aware that the other person has the interest).

### What if I remember that I have a Disclosable Pecuniary Interest during the Meeting?

The Code requires that, at a meeting, where a member or co-opted member has a disclosable interest (of which they are aware) in any matter being considered, they disclose that interest to the meeting. The Council will continue to include an appropriate item on agendas for all meetings, to facilitate this.

Although not explicitly required by the legislation or by the code, it is recommended that in the interests of transparency and for the benefit of all in attendance at the meeting (including members of the public) the nature as well as the existence of the interest is disclosed.

A member or co-opted member who has disclosed a pecuniary interest at a meeting must not participate (or participate further) in any discussion of the matter; and must not participate in any vote or further vote taken; and must withdraw from the room.

Members are asked to continue to pay regard to the following provisions in the code that *“You must serve only the public interest and must never improperly confer an advantage or disadvantage on any person including yourself”* or *“You must not place yourself in situations where your honesty and integrity may be questioned.....”*

Please seek advice from the Monitoring Officer prior to the meeting should you have any doubt about your approach.

### List of Disclosable Pecuniary Interests:

**Employment** (includes *“any employment, office, trade, profession or vocation carried on for profit or gain”*.), **Sponsorship, Contracts, Land, Licences, Corporate Tenancies, Securities.**

For a full list of Disclosable Pecuniary Interests and further Guidance on this matter please see the Guide to the New Code of Conduct and Register of Interests at Members’ conduct guidelines.

<http://intranet.oxfordshire.gov.uk/wps/wcm/connect/occ/Insite/Elected+members/>

or contact Rachel Dunn on (01865) 815279 or [Rachel.dunn@oxfordshire.gov.uk](mailto:Rachel.dunn@oxfordshire.gov.uk) for a hard copy of the document.

**If you have any special requirements (such as a large print version of these papers or special access facilities) please contact the officer named on the front page, but please give as much notice as possible before the meeting.**

# AGENDA

1. **Apologies for Absence and Temporary Appointments**
2. **Declarations of Interest - see guidance note**
3. **Minutes**

To approve the minutes of the meeting held on 27 January 2014 (RC3) and to receive information arising from them. – ***Circulated to all Members of the Committee Separately.***

4. **Petitions and Public Address**

## EXEMPT ITEMS

***It is RECOMMENDED that the public be excluded for the duration of items 5 and 6 since it is likely that if they were present during those items there would be disclosure of exempt information as defined in Part I of Schedule 12A to the Local Government Act 1972 (as amended) and specified below in relation to those items and since it is considered that, in all the circumstances of the case, the public interest in maintaining the exemption outweighs the public interest in disclosing the information.***

**THE REPORT AND ANNEXES TO THE ITEM HAVE NOT BEEN MADE PUBLIC AND SHOULD BE REGARDED AS 'CONFIDENTIAL' BY MEMBERS AND OFFICERS ENTITLED TO RECEIVE THEM.**

**THIS ALSO MEANS THAT THE CONTENTS SHOULD NOT BE DISCUSSED WITH OTHERS AND NO COPIES SHOULD BE MADE.**

5. **Consultation Feedback on the Introduction of Local Terms and Conditions for Green Book Employees**

In January 2014 Remuneration Committee agreed in principle that Oxfordshire County Council will move from national to local negotiations for staff employed under the National Joint Council for Local Government Services known as the 'Green Book', subject to receiving further information. Further feedback from the consultation process and the Unison ballot will be reported to the Committee.

Representatives from the School Forum, OPHTA, OSSHTA and OASSH have also been invited to give their views at the Meeting.

*The information contained in the consultation feedback is exempt in that it falls within the following prescribed category:*

- 3 *Information relating to the financial or business affairs of any particular person (including the authority holding that information);*
- 4 *Information relating to any consultations or negotiations, or contemplated consultations or negotiations, in connection with any labour relations matters arising between the authority or a Minister of the Crown and employees of, or officer-holders under the authority*

*It is considered that in this case the public interest in maintaining the exemption outweighs the public interest in disclosing the information, in that and since it is considered that, in all the circumstances of the case, the public interest in maintaining the exemption outweighs the public interest in disclosing the information, in that such disclosure would be contrary to the authority's duties as a fair employer.*

***The Committee is RECOMMENDED to confirm its decision to introduce the local agreement on negotiation of pay and terms and conditions of employment for Green Book employees from 1 April 2014.***

## **6. Local Negotiation of Pay and Terms and Conditions of Employment for Senior Staff (Pages 1 - 4)**

Report by the Head of Human Resources (**RC6**).

In January 2014 Remuneration Committee agreed in principle that Oxfordshire County Council will move from national to local negotiations for staff employed under the National Joint Council for Local Government Services known as the 'Green Book', subject to receiving further information. This report seeks to bring senior staff employed under the Joint National Councils for Chief Executives and Chief Officers and related staff, as amended by local negotiated agreements, under a similar local agreement. This report includes a proposed local agreement between the Council and senior staff which sets out the proposed terms of this agreement following local negotiations and consultations.

*The information contained in the report is exempt in that it falls within the following prescribed category:*

- 4 *Information relating to the financial or business affairs of any particular person (including the authority holding that information);*
- 4 *Information relating to any consultations or negotiations, or contemplated consultations or negotiations, in connection with any labour relations matters arising between the authority or a Minister of the Crown and employees of, or officer-holders under the authority*

*It is considered that in this case the public interest in maintaining the exemption outweighs the public interest in disclosing the information, in that and since it is considered that, in all the circumstances of the case, the public interest in maintaining the exemption outweighs the public interest in disclosing the information, in that such disclosure would be contrary to the authority's duties as a fair employer.*

**7. Firefighter Pension Scheme amendments (FPS 1992 & NFPS 2006)**  
(Pages 5 - 8)

Report by the Chief Fire Officer (**RC7**).

On 7 June 2013, DCLG published their response to the consultation 'Amendments to the Firefighters' Pension Scheme (1992) and New Firefighters' Pension Scheme (2006): summary of responses'. On the same day, the resulting Amendment Orders, which made changes to both the 1992 FPS and the 2006 NFPS, were laid before Parliament and enacted on 1 July 2013. The amendments include three discretions which require an OCC policy/position statement to be agreed and communicated to all FRS staff.

**The Committee is RECOMMENDED that:**

- (a) ***the discretion to Permit the Maximum Payment be adopted, but individual proposals be examined on a case by case basis depending on the needs of the Service and agreed by the Chief Fire Officer on advice from the Chief Finance Officer and the Head of Human Resources;***
- (b) ***abatement will apply in all cases of reemployment of members of the 1992 and 2006 schemes with any Fire & Rescue Authority in any capacity or is employed by any employing public sector organisation without going through an open competition;***
- (c) ***the Fire Authority determines that all of the salary benefits listed are treated as pensionable benefits and attract an Additional Pension Benefit as detailed in the FPS 1992 and the NFPS 2006.***

This page is intentionally left blank

# Agenda Item 6

By virtue of paragraph(s) 3, 4 of Part 1 of Schedule 12A of the Local Government Act 1972.

Document is Restricted

This page is intentionally left blank



By virtue of paragraph(s) 3, 4 of Part 1 of Schedule 12A  
of the Local Government Act 1972.

Document is Restricted

This page is intentionally left blank

Division(s): N/A

## REMUNERATION COMMITTEE – 27 JANUARY 2014

### Firefighter Pension Scheme amendments (FPS 1992 & NFPS 2006)

#### Report by the Chief Fire Officer

#### Introduction

1. On 3 August 2011, the DCLG published a consultation document titled 'Amendments to the Firefighters Pension Scheme (1992) and the New Firefighters Pension Scheme (2006)'.
2. The consultation paper sought views on a range of proposed changes to the Firefighter Pension Scheme (1992) and the New Firefighters' Pension Scheme (2006).
3. On the 7 June 2013, DCLG published their response to the consultation 'Amendments to the Firefighters' Pension Scheme (1992) and New Firefighters' Pension Scheme (2006): summary of responses'. At the same time (7 June 2013), the resulting Amendment Orders, which make changes to both the 1992 FPS and the 2006 NFPS, were laid before Parliament to be enacted on 1 July 2013.

#### Discretions requiring an OCC consideration

4. **Commutation - Discretion to Permit the Maximum Payment** Employers have the discretion to permit those 1992 scheme members who retire aged over 50 but under 55 with less than 30 years' pensionable service to raise the commutation limit from the current limit of 2.5 times the accrued pension so that they can commute up to the maximum of a quarter of their annual pension for a lump sum on their retirement. Under the new provision, the employer must fully consider the economical, effective and efficient management of their functions and the costs likely to be incurred in each case:
5. Should authorities wish to exercise this discretion and raise the commutation limit, they (as the employer) are liable to pay the increased lump sum costs associated;

#### **Withdrawal of a Pension whilst employed by a Fire and Rescue Authority(Abatement).**

6. Abatement is the process whereby a member's pension can be reduced or stopped if a member retires and then returns to work and their earnings on re-employment (including pension) exceed their earnings before they retired.
7. This amendment to the 1992 scheme widens the employer's discretion to abate a pension paid to a member who is re-employed by a fire and rescue authority. It will also require the employer to pay into the pension fund the amount of paid pension that could have been subject to abatement. The requirement for the employer to be liable for the costs where they do not exercise the discretion to abate a member's

pension would apply to both the 1992 and 2006 schemes. This will only apply to the 1992 scheme to new instances of re-employment since 25 September 2009. The New Firefighters' Pension Scheme 2006 already provides for this discretion.

### **Additional Pension Benefits – Discretion to award additional pension benefits (APB)**

8. The amendment order provides Employers with the discretion to determine whether the following allowances are pensionable. The allowances are:
  - (i) any allowance or supplement to reward additional skills and responsibilities that are applied and maintained outside the requirements of the firefighter's duties under the contract of employment but are within the wider functions of the job;
  - (ii) the amount (if any) paid in respect of a firefighter's continual professional development;
  - (iii) the difference between the firefighter's basic pay in their day to day role and any pay received whilst on temporary promotion or where he is temporarily required to undertake the duties of a higher role;
  - (iv) any performance related payment which is not consolidated into his standard pay.
9. Some additional skills allowances and short periods of temporary promotion are not currently treated as pensionable and we are currently seeking guidance from the OCC legal team following recent high court judgements and Queen's Council advice to other fire authorities.
10. Under the new provision the Authority may exercise their discretion as to whether they continue to be/or are treated as pensionable benefits. Any pensionable benefits for any payments commencing on or after 1 July 2013 falling within these categories would be treated as an additional pension benefit (APB) and would not contribute to the final salary calculation on the pension scheme.

### **Financial and Staff Implications**

11. Staff may submit an application to retire aged over 50 years but under age 55 not having completed 30 years' service and request an increase in the commutation rates from 2.25 times the accrued pension to a maximum of 25%. The additional cost of the lump sum payment will be borne by the authority. With the current increases in contribution rates and uncertainty in relation to the pension scheme, a limited amount of individuals may apply for a consideration.
12. In the event of an individual applying for a position in OCC and they are in receipt of a pension from any fire authority, if the abatement rules are not applied OCC will be required to pay the FPS pension fund the amount which would have been subject to abatement. This may deter individuals from applying for roles within OCC once they have retired from any Fire Service in England. This is also retrospective to 2009 for any individual who has been employed by OCC and in receipt of a pension under the FPS 1992.
13. A number of fire authorities have decided not to deem the detailed allowances as pensionable and are currently subject to applications to employment tribunals to challenge this stance. The majority of Fire Authorities have determined that the allowances are pensionable. There is an impact on staff who are undergoing

temporary promotion. Where this is within their last three years of service, the increased salary is included in their final salary calculation. This will no longer apply, as it will be treated as an Additional Pension Benefit. For those not in their last three years, it incurred an additional pension contribution for no final benefit, whereas the new proposal will enable an individual to accrue an Additional Pension Benefit for the period of temporary promotion.

## **RECOMMENDATIONS**

### **14. The Committee is RECOMMENDED that:**

- (a) the discretion to Permit the Maximum Payment be adopted, but individual proposals be examined on a case by case basis depending on the needs of the Service and agreed by the Chief Fire Officer on advice from the Chief Finance Officer and the Head of Human Resources;**
- (b) abatement will apply in all cases of reemployment of members of the 1992 and 2006 schemes with any Fire & Rescue Authority in any capacity or is employed by any employing public sector organisation without going through an open competition;**
- (c) the Fire Authority determines that all of the salary benefits listed are treated as pensionable benefits and attract an Additional Pension Benefit as detailed in the FPS 1992 and the NFPS 2006.**

### **DAVID ETHERIDGE**

Chief Fire Officer

Background papers: Nil

Contact Officer: Simon Furlong, Assistant Chief Fire Officer (01856) 855206

January 2013

This page is intentionally left blank