

# **L** **O** **C** **A** **L** **P** **E** **N** **S** **I** **O** **N** **B** **O** **A** **R** **D**

## **FIREFIGHTER PENSION SCHEMES**



### **Firefighters' Pension Scheme (FPS) Levy 2022/2023**

#### **Background**

The minister approves the levy to be paid by English Fire and Rescue Authorities (FRAs) each year which pays for both the work of the SAB and the LGA. The levy covers the shortfall between expenditure and income and comprises of the following two elements:

1. The LGA employer levy: in 2014, FRAs entered into a shared arrangement to fund a technical adviser post to support their understanding and management of the FPS.
2. Under the Firefighters' Pension Scheme 2014 Regulations 4H(1)1, the Firefighters' Pensions (England) Scheme Advisory Board (SAB) is required to set an annual budget for approval by the Secretary of State.

The costs are distributed across FRAs based on active eligible membership numbers on 1<sup>st</sup> April each year and the process is managed by the LGA.

#### **2022/23**

The minister has now approved the levy for 2022/23 which is £6.27 per active firefighter. The split between the elements is £4.39 for the SAB levy and £1.88 for the LGA Employer levy.

The SAB and LGA are committed to setting a budget that represents value for money and represents the workplans which support FRAs with their pension responsibilities. This has resulted in a reduction of £2.89 from 2021/22 which is due to a number of factors including:

1. savings from not recruiting for the planned additional 0.5 FTE post in 2021/2022. These will be used to recruit this year for an initial 12-month fixed-term contract on full time hours, to provide much needed communications support
2. a reduction in the communications budget from £80,000 to £50,000
3. continued reduction in budget to reflect reduced travel, events and meetings
4. significantly higher budget carry forward from 2021/22

#### **Cleveland Fire Authority**

CFA had 400 active firefighters on 1<sup>st</sup> April 2022 therefore the levy cost to the CFA for 2022/23 is £2,508. A purchase order has been raised and provided to the LGA for processing.