

Fire and Rescue Monthly Bulletin

Bulletin number: 28

03 December 2012

Addressed to:

The Chair of the Fire and Rescue Authority
The Chief Executive of the County Council
The Clerk to the Fire and Rescue Authority
The London Commissioner
The Chief Fire Officer

Summary of contents in this issue

(The title below is a link to the bulletin page)

<u>Title: Firefighters' Pension schemes: Consultation on proposed increases to employee</u> contribution rates from 1 April 2013

This item highlights the publication of the consultation on proposed increases to employee contribution rates from 1 April 2013.

<u>Title: Amendments to the new Firefighters' Pension Scheme: Departmental response to the consultation</u>

This item highlights the Departmental response to the consultation on Amendments to the new Firefighters' Pension Scheme.

Title: Update on funding arrangements for localising support for council tax

This item provides an update on the funding arrangements for localising support for council tax.

Title: Policy statement on business rates retention

This item highlights the publication of the Government's policy statement on business rates retention.

Title: Publication of Operational guidance and Generic Risk Assessments

This item provides information on the publication of Operational guidance and Generic Risk Assessments in November 2012.

Firefighters' Pension schemes: Consultation on proposed increases to employee contribution rates from 1 April 2013

1. Background

On Thursday 29 November 2012, the Government published a consultation which seeks views on the proposed increase in employee contribution rates from 1 April 2013 for members of the Firefighters' Pension Scheme (1992) and the New Firefighters' Pension Scheme (2006).

2. Consultation

Following consultation in 2011, the Department announced employee contribution increases for 2012-13 that sought to generate an increased yield of 0.64 percentage points from the two firefighters' pension schemes, rather than the originally proposed 1.28 percentage points. On 20 December 2011, the Chief Secretary announced that the Government would review the impact of the 2012-13 contribution changes, including the effect of membership opt-outs, before taking final decisions on how future increases would be delivered in 2013-14 and 2014-15.

Separately, the Firefighters' Pension Committee approved a data collection exercise to look at opt out levels following the April 2012 contributions increase and commissioned a series of focus groups to look at firefighters attitudes to their pension scheme in light of contribution increases and broader pension reforms.

In light of the results of the research, the Government has concluded that there remains a rationale to proceed with contribution increases for 2013-14 and is proposing that the employee contribution tariffs from 1 April 2013, should deliver a 1.28 percentage point increase, on average, across the two firefighters' pension schemes. This will lead to a cumulative 1.92 percentage point increase during 2012-13 and 2013-14. The Government will continue to review the effect of contribution rate increases, including on opt outs, before making any final decisions for contribution increases.

In addition, the Department has considered the impact of the proposed 2013-14 pension contribution increases in the firefighters' pension schemes and the Department's view is set out in the accompanying published (partial) Equality Statement. The Department will continue to consider equality issues during the consultation period, taking account of any responses received from consultees on this issue.

Further information on the proposals can be found at:

 $\underline{https://www.gov.uk/government/consultations/firefighters-pension-scheme-increases-to-employee-contribution-rates-from-1-april-2013}$

The closing date for consultation responses is Friday 25 January 2013.

Please send responses electronically to firepensions@communities.gsi.gov.uk.

Hard copy postal responses can be sent to Firefighters' Pension team, Zone 5/F6, Eland House, Bressenden Place, London, SW1E 5DU.

For further information please contact:

Andrew Cornelius or Sharon Mayers	Telephone	0303 444 2171 or 3565
Fire Pensions	Email	Andrew.Cornelius@communities.gsi.gov.uk
		Sharon.Mayers@communities.gsi.gov.uk

The Department for Communities and Local Government provides this bulletin as a public service and while it has made every effort to ensure that the information contained in it is accurate and up-to-date at the date of publication it does not accept any liability arising out of: any reliance on it, any use of it, or any reference to it. The Department cannot undertake to update the bulletin regularly or at all.

Amendments to the new Firefighters' Pension Scheme: Departmental response to the consultation

1. Background

On Thursday 29 November, the Department published its response to a statutory consultation which sought views on the amendments to the New Firefighters' Pension Scheme (England) ("the 2006 Scheme") in order for fire and rescue authorities to comply with their duties under Workplace Pension Reform ('automatic enrolment').

2. Departmental Response

The statutory consultation commenced on 10 October 2012 and ended on 7 November 2012. 13 responses were received to the consultation. The Department has carefully considered the issues raised and comments made by respondents. Following that consideration, the Department's view is that:

- the removal of the medical provision that currently enables fire and rescue authorities to stop a
 member rejoining the scheme unless they have undergone a medical examination and satisfied
 the authority that they are in good health is the most proportionate means of allowing authorities
 to comply with the automatic enrolment requirements as set out in the Pensions Act 2008 and
 the Occupational and Personal Pension Schemes (Automatic Enrolment) Regulations 2010
 (2010 Regulations)
- the form of written notice, to be submitted when a firefighter opts out of the 2006 Scheme, should be non-prescriptive
- contributions should be refunded to firefighters who, if following automatic enrolment or reenrolment or opting in to the Scheme, give notice to leave the 2006 Scheme within a three month timescale

In addition, the Department has concluded that no further technical amendments are required to the 2006 Scheme in order for it to comply with automatic enrolment requirements and that the proposed amendments to the 2006 Scheme, as set out in the statutory consultation exercise, should therefore be made. A full Departmental response to the consultation can be found at:

https://www.gov.uk/government/consultations/amendments-to-the-new-firefighters-pension-scheme-2006-automatic-enrolment

On this basis, the Amendment Order will be made and laid with the intention of coming into force from 31 December 2012 in order to facilitate fire and rescue authorities to comply with their duties under Workplace Pension Reform.

Sharon Mayers	Telephone	0303 444 3565
Fire Pensions	Email	Sharon.Mayers@communities.gsi.gov.uk

Update on funding arrangements on localising support for council tax

1. Introduction

An update on funding arrangements on localising support for council tax was published on 26 November 2012.

This document summarises views received in response to the localising support for council tax funding arrangements consultation and confirms the government's approach to addressing budget pressures. It also provides an update on wider aspects of the funding arrangements for local council tax support schemes.

2. Localisation of council tax support update

The update summarises the views received in response to the 17 May 2012 funding consultation on setting a budget pressure floor and ceiling and confirms the Government's approach. Government intends to pursue the approach of setting a floor and ceiling as set out in the funding consultation document in order to limit the maximum budget pressure which a local authority would face.

Further analysis of the responses received will be included within the package of information provided alongside the provisional Local Government Finance Settlement in December 2012.

The publication also provides an update on wider aspects of the funding arrangements for local council tax support schemes for billing and major precepting authorities, including information on:

- The allocations in respect of the support provided
- The approach to the costs of administering council tax support and the approach to the new and additional costs of establishing and running a local council tax support scheme
- The recently announced transitional grant scheme
- Subsidy of past entitlement to council tax benefit

Government will publish final details of funding to be allocated to each billing and major precepting authority as part of local authority baseline allocations in the provisional Local Government Finance settlement in December 2012.

The policy update document, together with related documents including the 17 May 2012 funding consultation is available at: https://www.gov.uk/government/consultations/localising-support-for-council-tax-funding-arrangements

Amy Ruffle	Telephone	0303 444 4278
Localising Council Tax Support	Email	LCTS-reform@communities.gsi.gov.uk

Policy statement on business rates retention

1. Introduction

The Government published a policy statement on Business Rates Retention on 21 November 2012.

This follows consideration of responses to the technical consultation this summer. The statement provides early confirmation of the government's decisions on some of the key parameters of the business rates retention scheme ahead of the provisional local government finance settlement. The statement will assist local authorities in their preparations for smooth implementation of the scheme from April 2013. It includes an updated step-by-step guide to the scheme's workings.

2. Business rates retention

The statement confirms a number of key elements of the business rates retention scheme, including the shares of business rates revenue to be allocated to authorities, including fire and rescue authorities.

The statement confirms that:

- the safety net will be fixed at 7.5%, the most generous level within the range consulted upon, effectively guaranteeing authorities 92.5% of their original baseline funding under the scheme
- the Government will change the approach to the levy to increase the rewards for growth. In response to concerns raised at consultation about the balance of risk and reward in the scheme, the maximum levy will now be 50p in the pound. After the central share and levy payments, this means that at least 25p in each extra pound of business rates generated locally will be retained locally
- we will implement the proposed adjustments to relative needs formulae to reflect the greater cost of providing services in rural areas including introducing a sparsity adjustment for fire and rescue
- the proposed allocation of business rates revenues between billing and major precepting authorities will be as set out in consultation, i.e. 80% to lower tier authorities, 20% to county councils, 2% to single-purpose fire and rescue authorities and, in London, 40% to the Greater London Authority

The policy statement is available at https://www.gov.uk/government/publications/business-rates-retention-policy-statement

A Plain English Guide to Business rates Retention can be found at: https://www.gov.uk/government/uploads/system/uploads/attachment_data/file/5946/2182624.pdf

Chris Sewell	Telephone	0303 444 3807
National Fire Policy and Analysis	Email	Chris.Sewell@communities.gsi.gov.uk

Operational Guidance and Generic Risk Assessment publications

1. Background

The Department for Communities and Local Government has recently published operational guidance for fire and rescue authorities on incidents involving hazardous materials and generic risk assessments on rescues from lifts and escalators and incidents involving explosives.

2. Operational Guidance

The Chief Fire and Rescue Adviser wrote to all Chief Fire Officers on the 22 November 2012 to inform them of the publication by the Department of Fire and Rescue Operational Guidance on incidents involving hazardous materials.

The Operational Guidance is available to be viewed and downloaded in electronic form at:

https://www.gov.uk/government/publications/hazardous-materials-operational-guidance-for-the-fire-and-rescue-service

Copies of the published document will be sent to fire and rescue authorities from The Stationary Office in December 2012.

3. Generic Risk Assessments

The following Generic Risk Assessments were recently published to assist fire and rescue authorities in England in drawing up their own assessments to meet the requirements of the Management of Health and Safety at Work regulations.

Generic Risk Assessment 2.3: Rescues from lifts and escalators

https://www.gov.uk/government/publications/generic-risk-assessment-2-3-rescues-from-lifts-and-escalators

Generic Risk Assessment 5.7: Incidents involving explosives

https://www.gov.uk/government/publications/generic-risk-assessment-5-7-incidents-involving-explosives

This replaces previous Generic Risk Assessment 5.7 explosives – part one (2008)

Dave	e Watson	Telephone	0303 444 4436
Chie	f Fire and Rescue Advisers Team	Email	Dave.Watson@communities.gsi.gov.uk

Department for Communities and Local Government Eland House Bressenden Place London SW1E 5DU

Telephone: 0303 444 0000

Website: https://www.gov.uk/dclg

© Crown Copyright, 2012

Copyright in the typographical arrangement rests with the Crown.

This publication, excluding logos, may be reproduced free of charge in any format or medium for research, private study or for internal circulation within an organisation. This is subject to it being reproduced accurately and not used in a misleading context. The material must be acknowledged as Crown copyright and the title of the publication specified.

You may re-use this information (not including logos) free of charge in any format or medium, under the terms of the Open Government Licence. To view this licence, visit http://www.nationalarchives.gov.uk/doc/open-government-licence/ or write to the Information Policy Team, The National Archives, Kew, London TW9 4DU, or e-mail: psi@nationalarchives.gsi.gov.uk.

Email: licensing@opsi.gov.uk

If you require this publication in an alternative format please email: alternativeformats@communities.gsi.gov.uk

Department for Communities and Local Government Publications

Tel: 0300 123 1124 Fax: 0300 123 1125

Email: product@communities.gsi.gov.uk

Online via the Department's website: https://www.gov.uk/dclg

December 2012

ISBN: 978 1 4098 3730 5