

Status of Report: Public

Meeting: Combined Fire Authority

Date: 16 June 2021

Subject: Pension Fund Scheme Manager and Treasurer Arrangements

Report by: The Treasurer

Author: Colin Sharpe (Deputy Director of Finance, Leicester City Council)

For: Decision

Purpose

1. This report informs the Authority of the on-going arrangements for the role of Treasurer and seeks approval to a change in the nominated Firefighters' Pension Fund Scheme Manager.

Recommendation

2. The Authority is recommended to:
 - a. Note that the Director of Finance / s151 officer at Leicester City Council (the formal Treasurer to the CFA) proposes to formally delegate her powers to the Deputy s151 officer.
 - b. Approve the Deputy Director of Finance / Deputy s151 officer at Leicester City Council, as the Scheme Manager for the Firefighters' pension scheme, with immediate effect; and
 - c. Vary Article 9.4 (g) of the Constitution to read: "The Treasurer will usually undertake the role of Scheme Manager for the Firefighters' Pension Schemes on behalf of the CFA, subject to any limitations imposed by the CFA. However, the CFA may alternatively formally delegate this role to another senior officer of LFRS or a constituent authority."

Executive Summary

3. The formal role of CFA Treasurer is held by the Director of Finance at Leicester City Council. This is Ms Alison Greenhill, who has recently been appointed to the role of the Council's Chief Operating Officer. Ms Greenhill is however retaining the statutory finance officer role for the Council for the time being, and similarly intends to retain the statutory Treasurer role for the CFA.
4. The Treasurer proposes however to formally delegate her powers to the City Council's Deputy s151 officer, who would in practice assume the lead role for the Treasurer function and support to LFRS and the CFA, reporting to the

Treasurer and the Chief Fire Officer. The Treasurer would however retain ultimate accountability.

5. The CFA has delegated the Pension Scheme Manager role to the Treasurer. Given the Treasurer's new responsibilities, it is proposed that the Deputy s151 officer should formally assume the role of Scheme Manager. This requires a variation to the Constitution.

Background

Treasurer to the CFA

6. The CFA has a duty under section 112 of the Local Government Finance Act 1998 (Act) to make arrangements for the proper administration of its financial affairs and secure that one of its officers has responsibility for the administration of those affairs (Chief Finance Officer).
7. The CFA must appoint a treasurer of the combined fire service fund in accordance with paragraph 7 of Schedule 1 of the Leicestershire Fire Services (Combination Scheme) Order 1996 (Order).
8. The CFA has the power by virtue of paragraph 10 of Schedule 1 to the Order to make arrangements with any constituent authority for the use by the CFA of the services of officers and employees of the constituent authority. Leicester City Council is a constituent authority under the Order.
9. The CFA at its meeting in September 2015 approved the appointment of Ms Greenhill as the Treasurer. Subsequently, the Constitution provides at Article 9.2 that the Director of Finance of Leicester City Council shall be the Chief Finance Officer (known as the Treasurer).
10. Article 9.2 also provides that the duties of the Monitoring Officer and the Treasurer (apart from the administration of the financial affairs of the CFA) must be carried out personally. If these powers are delegated or carried out by a nominated Deputy, accountability will remain with the Monitoring Officer and the Treasurer as appropriate.
11. Ms Greenhill continued to be the Director of Finance at Leicester City Council until 28 February 2021, and on 1 March 2021 took up the role of Chief Operating Officer. She is however for the time being retaining the statutory finance officer role for the Council as required by s151 of the Local Government Act 1972. Ms Greenhill similarly intends to retain the statutory Treasurer role for the CFA.
12. The Treasurer proposes however to formally delegate her powers to the Council's Deputy s151 officer, Colin Sharpe. He would in practice assume the lead role for the Treasurer function and support to LFRS and the CFA, reporting to the Treasurer and the Chief Fire Officer. Mr Sharpe has worked closely with

LFRS for some years. The Treasurer would however retain ultimate accountability.

Firefighters' Pension Fund Scheme Manager

13. The Scheme Manager is defined in the 2014 regulations as being the Fire and Rescue Authority. Hence, the CFA is responsible for managing and administering the firefighters' pension scheme. The CFA may delegate the scheme manager role, however, it is important to note this does not absolve the CFA of responsibility.
14. The CFA at its meeting in December 2015 appointed the CFA Treasurer as the Pension Scheme Manager. This was subsequently reflected in the Constitution, with Article 9.4 (g) specifying that the Treasurer will undertake the role of Scheme Manager for the Firefighters' Pension Schemes on behalf of the CFA.
15. Given the Treasurer's new responsibilities at Leicester City Council, it is proposed that the Deputy Director of Finance should formally assume the role of Scheme Manager for the time being. Mr Sharpe has been leading on firefighter pension matters in recent months, on behalf of the Treasurer.
16. This requires a variation to the Constitution, replacing Article 9.4 (g) with: "The Treasurer will usually undertake the role of Scheme Manager for the Firefighters' Pension Schemes on behalf of the CFA, subject to any limitations imposed by the CFA. However, the CFA may alternatively formally delegate this role to another senior officer of LFRS or a constituent authority."

Underpinning Operational Document

17. The above formal appointments set out in the Constitution are supported by a document setting out the more detailed working arrangements, roles and responsibilities. This will be updated to reflect the changes in this report.

Report Implications/Impact

18. Legal (including crime and disorder)

The change in named Pension Scheme Manager requires a variation to the Constitution (Article 9.4 (g)).

19. Financial (including value for money, benefits and efficiencies)

There are no financial implications arising from this report.

20. Risk (including corporate and operational, health and safety and any impact on the continuity of service delivery)

It is important to secure proper and effective management of the CFA's finances and pension schemes.

21. Staff, Service Users and Stakeholders (including the Equality Impact Assessment)

There are no staff, service user or stakeholder implications arising from this report.

22. Environmental

There are no environmental implications arising from this report.

23. Impact upon "Our Plan" Objectives

The Finance and Resources strategic aim of demonstrating value for money is supported by the effective management of the CFA's finances and pension schemes.

Background Papers

CFA Constitution

<https://leics-fire.gov.uk/wp-content/uploads/2020/12/constitution.pdf>

Officers to Contact

Alison Greenhill, Treasurer

alison.greenhill@leicester.gov.uk

0116 454 4001

Colin Sharpe, Deputy Director of Finance, Leicester City Council

colin.sharpe@leicester.gov.uk

0116 454 4081