

HIGHLAND AND ISLANDS FIRE BOARD

10 September 2009

Agenda Item	
Report No	

Pensions Funding

Report by the Treasurer

Summary

A redetermination of Revenue Support Grant in 2008/09 increased funding to Constituent Authorities for Fire Pension commutations by £0.235m. Agreement is required to request that this funding should be paid over to the Highlands and Islands Fire and Rescue Service.

1. Introduction

- 1.1 In September 2008 the Government announced a change in pension commutation factors for pensions commencing on or after 9 September 2008 and also to be back dated to those started on or after 1 October 2007. The new factors are higher than those previously in existence and have therefore increased the amount of lump sum which may be paid out.
- 1.2 The announcement also stated that “additional funding will be paid to local authorities as a redetermination of revenue support grant in the last two weeks of March 2009 following approval by the Scottish Parliament of the Local Government Finance (Scotland) Order 2009.”

2. Additional Funding

- 2.1 At the time of agreeing the budget requisition for 2009/10 the redetermination had not been notified to the Constituent Authorities and was therefore not factored into the 2009/10 budget requisition.
- 2.2 The additional funding has since come through to the Constituent Authorities as follows:

Authority	£m
Eilean Siar	0.024
Highland	0.173
Orkney	0.017
Shetland	0.021
Total	<u>0.235</u>

3.0 Transfer of Funding

- 3.1 The Board is asked to agree that a request is made to the constituent authorities by the Treasurer for the above amounts to be paid over to the Highland and Islands Fire and Rescue Service.

Recommendation

The Board agrees to a request being made by the Treasurer, to Constituent Authorities to pay £0.235m, received by them in Revenue Support Grant in support of increased costs of Fire Pension Commutations, to the Highlands and Islands Fire and Rescue Service.

Signature:

Designation: Treasurer

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