

Notice of Meeting

Surrey Local Firefighters' Pension Board



Date & time
Wednesday, 18
November 2020 at
1.00 pm

Place
REMOTE

Contact
Angela Guest
Room 122, County Hall
Tel 020 8541 9075

Chief Executive
Joanna Killian

angela.guest@surreycc.gov.uk

Please note that due to the COVID-19 situation this meeting will take place remotely.

Please be aware that a link to view a live recording of the meeting will be available on the Surrey Local Firefighters Pension Board page on the Surrey County Council website. This page can be accessed by following the link below:

<https://surreycc.public-i.tv/core/portal/webcasts>

If you have any queries relating to accessing this agenda please email angela.guest@surreycc.gov.uk

Elected Members

Mr Nick Harrison (Member Representative (Firefighters' Pension Scheme)) (Chairman)

Independent Representatives:

Richard Jones (Employee Representative (Firefighter's Pension Scheme)), Glyn Parry-Jones (Employee Representative (Firefighters' Pension Scheme)) and Dan Quin (Employer Representative (Firefighters' Pension Scheme)) (Vice-Chairman)

TERMS OF REFERENCE

The Committee is responsible for the following areas:

The role of the Local Firefighters' PENSION Board as defined in the draft Firefighters' Pension Scheme (Amendment) (Governance) Regulations 2015, is to assist the Fire and Rescue Authority Scheme Manager:

a) to secure compliance with:

- i) the scheme regulations;
- ii) any other legislations relating to the governance and the administration of the Firefighters' Pension Scheme and any other connected scheme;
- iii) any requirements imposed by the Pensions Regulator in relation to the Firefighters' Pension Scheme

b) to ensure the effective and efficient governance and administration of the Firefighters' Pension Scheme

AGENDA

1 APOLOGIES FOR ABSENCE AND SUBSTITUTIONS

2 MINUTES FROM THE PREVIOUS MEETING:

(Pages 5
- 10)

To agree the minutes of the informal meeting held on 6 August 2020.

3 DECLARATIONS OF INTEREST

To receive any declarations of disclosable pecuniary interests from Members in respect of any item to be considered at the meeting.

Notes:

- In line with the Relevant Authorities (Disclosable Pecuniary Interests) Regulations 2012, declarations may relate to the interest of the member, or the member's spouse or civil partner, or a person with whom the member is living as husband or wife, or a person with whom the member is living as if they were civil partners and the member is aware they have the interest.
- Members need only disclose interests not currently listed on the Register of Disclosable Pecuniary Interests.
- Members must notify the Monitoring Officer of any interests disclosed at the meeting so they may be added to the Register.
- Members are reminded that they must not participate in any item where they have a disclosable pecuniary interest.

4 QUESTIONS AND PETITIONS

Due to the Covid-19 pandemic all questions and petitions received will be responded to in writing and will be contained within the minutes of the meeting.

1. The deadline for Member's questions is 12.00pm four working days before the meeting (12/11/2020).
2. The deadline for public questions is seven days before the meeting (11/11/2020)
3. The deadline for petitions was 14 days before the meeting, and no petitions have been received.

5 ACTION TRACKER

(Pages
11 - 18)

The Board is asked to review and note its action tracker.

6 ADMINISTRATION UPDATE: 1 JULY 2020 - 30 SEPTEMBER 2020

(Pages
19 - 58)

The Board is asked to note the content of this report and make recommendations if any further action is required.

7 RISK REGISTER

(Pages
59 - 60)

The Board is asked to note the content of this report and to make recommendations of any amendments to the Surrey FFPS Risk Register.

8 PENSIONABLE PAY UPDATE AND DISCUSSION

(Pages
61 - 62)

The Board has requested an update on pensionable pay relating to Day Related Flexible Hours Allowance and Variable Crewing Hours Allowance. The Board are asked to note the update.

9 DATE OF THE NEXT MEETING

The next meeting will be held on 15 January 2021.

**Joanna Killian
Chief Executive**

Published: Tuesday, 10 November 2020

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Surrey Local Firefighters' Pension Board – Informal Meeting

NOTES of the remote (Microsoft Teams) meeting of the **SURREY LOCAL FIREFIGHTERS' PENSION BOARD** held at 10.30 am on 6 August 2020.

Elected Members:

(Present = *)

- * Mr Nick Harrison (Chairman)
- * Richard Jones
- * Glyn Parry-Jones
Dan Quinn

In attendance

Sally Wilson – Scheme Manager
Richard Tedd - Project Manager, SPT Data, Digital & Special Projects
Tom Lewis – Pensions Support & Development Manager
Neil Mason – Strategic Finance Manager - Pensions
Lindsey Shaw – Workforce Information Manager
David John – Audit Manager

1 APOLOGIES FOR ABSENCE

An apology was received from Dan Quinn.

2 MINUTES FROM THE PREVIOUS MEETING: 30 APRIL 2020

The minutes were noted by the Board and agreed as a true record of the meeting.

3 QUESTIONS

None received.

4 TERMINATION OF AN EMPLOYER REPRESENTATIVE AND FURTHER APPOINTMENT OF AN EMPLOYER REPRESENTATIVE TO THE SURREY LOCAL FIREFIGHTERS' PENSION BOARD

Key points raised in the discussion:

The Chairman introduced the report of the Appointment & Termination Panel.

RESOLVED:

The Board noted that Sally Wilson was confirmed as Scheme Manager and that Dan Quinn had been appointed to the Board.

Actions/further information to be provided:

That Dan Quinn receive the necessary training prior to the next meeting.

5 ACTION TRACKER

Key points raised in the discussion:

- a) A5/20 – was noted as completed. It had been agreed to adopt the same targets as the LGPS scheme.
- b) There were a lot of ongoing issues and a further update would be provided to the next meeting.

RESOLVED:

The Board reviewed and noted its action tracker.

Actions/further information to be provided:

None.

6 NOMINATION OF VICE CHAIRMAN

Key points raised in the discussion:

The Chairman nominated Dan Quinn which was seconded by Glyn Parry-Jones.

RESOLVED:

To **RECOMMEND** that Dan Quinn be approved by the Appointment & Termination Panel as Vice Chairman of the Board.

Actions/further information to be provided:

To seek approval of the Appointment & Termination Panel via the Appointment & Termination process.

10.52 am – due to the webcasting function becoming unavailable and therefore unable to complete the agenda in public it was agreed that the meeting become an informal meeting held in private.

7 CHANGES TO CONSTITUTION

Key points raised in the discussion:

- a) The Chairman welcomed Sally Wilson as the new Scheme Manager and highlighted the changes to delegations approved at Council on 7 July 2020. The Board were also now able to delegate substitutes.
- b) Sally Wilson thanked the Board for the support given to her as a Member of the Board.

Actions/further information to be provided:

That Members inform Democratic Services of any potential substitutes.

8 ADMINISTRATION UPDATE (1 APRIL 2020 - 30 JUNE 2020)

Witnesses:

Tom Lewis - Pensions Support & Development Manager
Sally Wilson – Scheme Manager

Key points raised in the discussion:

- a) The Pensions Support & Development Manager reported that Annual Benefit Statements were on track to have all out by 31 August. The team had coped well and done phenomenal work considering that most of it had been done from home when it would normally be run from four computers in the office.
- b) The Pensions Support & Development Manager updated the Board on the scheme valuation work being undertaken. A final template regarding what information was required by Government Actuary's Department (GAD) was awaited. He thought that it would be straightforward to get that information out on time.
- c) The Pensions Support & Development Manager spoke of assurances around administration team and explained that he had looked for support from Shropshire but that had fell through but talks were ongoing with West Yorkshire and Lewes with regard to outstanding cases. Further analysis and assurance around this would be reported to next meeting of the Board. The Chairman gave further information on transfer in and transfer out and further information was requested for next meeting.
- d) The Scheme Manager updated the Board that the Covid-19 FPS governance survey was completed.
- e) The Scheme Manager reported that the Template Administration Strategy review had been useful and timely and she would be looking to adopt the Template Strategy.
- f) The Board spoke of the urgent need for increased skills and resources within the Pension Team. There was much more work coming which would mean increased workload and would welcome any increase in capacity as a matter of urgency.

Actions/further information to be provided:

None.

9 RISK REGISTER

Witnesses:

Richard Tedd – Project Manager
Sally Wilson – Scheme Manager

Key points raised in the discussion:

- a) The Project Manager introduced the report and highlighted risks that had changed or been updated. He also reported that risks around administration needed further consideration.
- b) There had been issues around the ownership of the register and Sally Wilson agreed to take ownership of it and update it regularly. She highlighted that the ownership of risks had changed and most were with the fire service.
- c) A point was raised at the last meeting by a Member regarding the 10% adjustment which was to be included in the Register. The Scheme Manager stated that she had included this as F16 risk but was happy to enter as a separate risk. Because of the financial and workload affects Members agreed that this should be a separate risk.

- d) A Member reported on the government consultation on the discriminatory aspects of the 2015 scheme and this would create more work.
- e) On the back of the O'Brien case a further modified scheme options exercise would be needed and this should be added to the Register as this was as again it would be a financial and resource risk.
- f) Considering the future growth in administration workload, a Member thought that F3 should be upgraded to a red rating. There was some further discussion on extra work on projects and their impact on risks F2 and F3.

Actions/further information to be provided:

That changes as stated in c), e) and f) be made to the Risk Register.

PART 2 NOTES

10 PART 2 – AUDIT REPORT

Witnesses:

Sally Wilson – Scheme Manager
 Richard Tedd – Project Manager
 David John – Audit Manager

Key points raised in the discussion:

- a) The Scheme Manager stated that this audit report had been with the service since March and that an action plan had been drawn up and good progress made against that plan. Changes to governance had been agreed at Council and a project manager joined the team.
- b) The Chairman stated that the Annual FPS report was due to go to the Audit Committee with a deadline of September. The Scheme Manager stated that she would be working on this and liaising with Democratic services.
- c) The Scheme Manager reported that now key performance indicators were in place she would ensure that this was embedded in the service level agreement and taken into account in any future transition arrangements around pension administration.
- d) The Scheme Manager also reported that officers were publishing monthly bulletins and were working with the LGA to develop a good practice model for providing guidance.
- e) In relation to the FPS Regulations the Project Manager reported that this would be a big piece of work and that liaison with East Sussex was taking place as they had been through this process and were considerably ahead. He confirmed that the service was on track to meet the October deadline.
- f) The Board requested regular updates on actions to future meetings.
- g) The Audit Manager highlighted the positive attitude of management to solve the issues raised. He stated that Audit would revisit in Q3 or Q4 of this year and would report back to the Board on its findings. He also praised the work of Siva Sanmugarajah who had changed career path to work with pensions.

Actions/further information to be provided:

That the Scheme Manager provide the Annual FPS report for Audit Committee.
 Siva Sanmugarajah to be invited to the next meeting.
 That an update come to the next meeting.

11 DATE OF THE NEXT MEETING

Actions/further information to be provided:

Democratic Services to arrange a date for three months time.

Meeting ended at: 11.55 am

Chairman

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SURREY LOCAL FIREFIGHTERS' PENSION BOARD ACTIONS AND RECOMMENDATIONS TRACKER

The actions and recommendations tracker allows Board Members to monitor responses, actions and outcomes against their recommendations or requests for further actions. The tracker is updated following each Board. Once an action has been completed, it will be shaded out to indicate that it will be removed from the tracker at the next meeting. The next progress check will highlight to members where actions have not been dealt with.

KEY			
	No Progress Reported	Action In Progress	Action Completed

Date of meeting and reference	Item	Recommendations/ Actions	To	Response	Progress
18 October 2018 A5/18	Administration Update (1 March 2018 – 30 September 2018)	Officers are to provide members' reasons for opting out of the pension scheme.	Head of Pensions Administration	The issue is to be looked at during the next phase of reenrolment. July 2020: No opt outs in the period.	Ongoing
14 October 2019 A14/19	Administration Update (1 June 2019 - 31 August 2019)	The Pensions Lead Manager is to present at the next meeting of the Board a summary of the service's findings regarding the administration and benchmarking review.	Head of Pensions Administration	The Board to discuss the matter at the next meeting. 17 Jan 2020 - Due to the recent departure of the Pensions Lead Manager, the Chairman recommended that the service's findings concerning the administration and benchmarking review by Aon, would be brought forward to the Board's next meeting. July 2020: The Project Manager has picked this up with the Scheme Manager. July 2020: This was provided by tPR at the LPB wrap up training 2020 which took place on 8 July.	Ongoing

Date of meeting and reference	Item	Recommendations/ Actions	To	Response	Progress
14 October 2019 A16/19	Risk Register	The Pensions Accountant Advisor is to add a risk relating to data improvement.	Project Manager	The data has been sent to FRSs and will be added to the Risk Register once confirmed by the CFO. July 2020: The Project Manager has picked this up as the risk register is not clear enough, regarding the problems with the data and what needs to be improved.	Ongoing
17 January 2020 A1/20	Administration Update (1 September 2019 - 31 December 2019)	Pensions Administration will update the Board on the backdating of the contracting out certificate to 6 April 2000 - detailing the effect on National Insurance contributions and the Modified Pension Scheme.	Pensions Administration team	As per FPS Bulletin 24 - September 2019 HMRC have now written to all FRAs with regards to backdating their FPS 2006 scheme contracting out certificate to 6 April 2000. This is to allow HMRC to process the refund of National Insurance Contributions and to correct the contracted-out status. In a few cases HMRC have informed FRAs that they do not currently have a valid contracting out certificate for the FPS 2006 and this will first need to be applied for and then backdated. The relevant form to complete has been sent to each FRA by HMRC and is form APSS155b. The backdating should be from 6 April 2000. HMRC goes on to confirm that 'a notice of intention or explanation must be given to all employees and recognised trade unions and the notice period of up to 3 months must have expired'. On the assumption that some form of consultation took place with employees following the ruling about backdating membership HMRC will accept that as having given the necessary notice of intention or explanation. It has been confirmed that DCLG (now Home Office) consulted on changes to the scheme under the retained firefighters pension settlement consultation, so there is no need to issue anything further.	Ongoing

Date of meeting and reference	Item	Recommendations/ Actions	To	Response	Progress
				<p>In order to reduce the burden on FRAs with regards to providing information for these refunds to be made, it has been agreed with HMRC that only name, date of birth, NI number and period bought back needed to be provided. FPS Bulletin 2 and FPS Bulletin 3 provide more information. This topic was also covered at the special members refresher workshop [slides 52 and 53] to clarify that there was no discretion to not provide this information because it was needed for the HMRC GMP reconciliation project.</p> <p>July 2020: Weightmans are providing advice as part of other work given to them on Modified and 10% Scheme Allowances now we are ready to write back out to members.</p>	
17 January 2020 A7/20	Administration Update (1 September 2019 - 31 December 2019)	The Pensions Support & Development Manager will address 'Outstanding' cases within the Work in Progress Report prioritising cases dating back to 2015.	Pensions Support & Development Manager	The Pensions Administration team will discuss with the service on how to address the backlog. 30/04/20 (informal meeting) - To be progressed in due course taking into account the national situation around Covid-19.	Ongoing
17 January 2020 A8/20	Administration Update (1 September 2019 - 31 December 2019)	The Pensions Support & Development Manager will populate the Scheme Calendar in more detail.	Pensions Support & Development Manager	The Scheme Calendar is being populated.	Ongoing

17 January 2020 A11/20	Administration Update (1 September 2019 - 31 December 2019)	GDPR permitting, the Board will receive data on 'Person Matches' to try and identify the individuals without a matched address.	Pensions Support & Development Manager Vice-Chairman	Data on 'Person Matches' have been included in Annex 3 to the Administration Update 1 January 2020 – 31 March 2020 under 'Scheme Address Tracing'. The full trace exercise is due to be complete and results returned by ITM by the end of April. 30/04/20 (informal meeting) - An update will be provided on the results of ITM's full trace exercise regarding 'Scheme Address Tracing', due in the first week of May 2020.	Ongoing
17 January 2020 A14/20	Revised Terms Of Reference Delegation Of Attendance To Substitutes	The Pensions Finance Specialist will provide Members with a summary of the major training areas that need to be covered.	Project Manager	Members will be provided with a summary of the major training areas that need to be covered in due course.	Ongoing
30 April 2020 A15/20 (Informal meeting due to Covid-19)	Action Tracker	The Board to explore training offered by the Local Government Association (LGA) through its annual conferences and would look to reschedule the postponed Local Pension Board refresher training as soon as possible.	Workforce Information Officer	30/04/20 (informal meeting) – Due to the national situation around Covid-19 the Chairman postponed any Local Pension Board refresher training - discussions were had for possible sessions in June - until changes to the current restrictions. The Chairman discussed that the Local Government Association (LGA) offered training through annual conferences including the Firefighters' Pension Scheme (FPS), which would be explored.	Ongoing
30 April 2020 A16/20 (Informal meeting)	Action Tracker and Risk Register	A) Pensionable Pay particularly concerning Duty Systems will be added to the action tracker and key headlines and milestones from Weightmans regarding the project, will be shared with the Board once received.	Vice-Chairman/Workforce Information Officer	30/04/20 (informal meeting) - In response, the Vice-Chairman explained that she had approached Jane Marshall from Weightmans legal service who helped scope that work project, for a report. She noted that the Workforce Information Officer had recently chased a reply from legal colleagues who were not in receipt of Weightmans' report. The Vice-Chairman agreed that	Ongoing

due to Covid-19)		B) A risk to be added to the Risk Register concerning Pensionable Pay - particularly in relation to Duty Systems.		once the report was received, the Board would receive key headlines and milestones in relation to that project. July 2020: The Project Manager initiated work to look at the allowances to find out what the Surrey County Council situation looked like. He was mandated with a task to prioritise current members and gone back to Weightmans for further advice.	
30 April 2020 A18/20 (Informal meeting due to Covid-19)	Administration Update (1 January 2020 - 31 March 2020) and Risk Register	Risk F20 will be amended to Red - Residual to reflect the termination of the contract negotiations with Shropshire Council, as the contract would have provided some mitigation to risk – refer to the action under Item 5 Administration Update (1 January 2020 - 31 March 2020).	Project Manager	July 2020: The Project Manager is undertaking some best practice and benchmarking work in this area.	Ongoing
30 April 2020 A19/20 (Informal meeting due to Covid-19)	Risk Register	The Pensions Support & Development Manager to provide an update to the Board on both short and long term solutions to resourcing FPS Pensions Administration. This would include the impact on the Modified Pension Scheme, Pensionable Pay and payment of scheme member benefits as a result.	Project Manager		Ongoing
30 April 2020 A20/20 (Informal meeting due to Covid-19)	Administration Update (1 January 2020 - 31 March 2020)	The Pensions Support & Development Manager will liaise with the Head of Data, Digital & Special Projects on the next steps concerning the Guaranteed Minimum Pension (GMP) reconciliation - the new Project Manager to assist.	Pensions Support & Development Manager/ Head of Data, Digital & Special Projects (Vice-Chairman)		Ongoing

30 April 2020 A21/20 (Informal meeting due to Covid-19)	Administration Update (1 January 2020 - 31 March 2020)	The Pensions Support & Development Manager will continue to liaise with Weightmans on the Retained Fire Project (RFP) and the implications of the Sargeant and McCloud cases.	Pensions Support & Development Manager	July 2020: The Project Manager notes that advice is being sought from Weightmans.	Ongoing
30 April 2020 A22/20 (Informal meeting due to Covid-19)	Administration Update (1 January 2020 - 31 March 2020) and Risk Register	A) Pensions Administration will continue working with the legal team regarding the O'Brien case which was delayed until June, to await the possibility of a full options exercise rather than devising a Surrey-specific one - action under Item 5 Administration Update (1 January 2020 - 31 March 2020). B) A risk also to be added to the Risk Register concerning the O'Brien case.	Pensions Administration		Ongoing
17 January 2020 A5/20	Administration Update (1 September 2019 - 31 December 2019)	The Pensions Support & Development Manager will look into how target dates were set in more detail.	Pensions Support & Development Manager	Target dates to be aligned with the LGPS.	Completed
17 January 2020 A10/20	Administration Update (1 September 2019 - 31 December 2019)	The Vice-Chairman will report back on actions to clarify Scheme Manager responsibilities, to be endorsed by full Council at a future meeting.	Vice-Chairman	The report to be received by full Council at a future meeting, the May full Council has been postponed due to the situation around Covid-19. 30/04/20 (informal meeting) - The Vice-Chairman was liaising with Democratic Services on the possibility of the report going to full Council in July as it was essential to address the risk in the register relating to F18 'Failure	Completed

				<p>to agree ownership for scheme manager responsibilities'.</p> <p>July 2020: County Council on 7 July 2020, approved the changes to the Scheme of Delegation regarding the Firefighters' Pension Scheme and the responsibilities to be undertaken by the Scheme Manager.</p>	
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ADMINISTRATION PERFORMANCE REPORT (1) July to Sept 2020

ADMINISTRATION - ONGOING WORKFLOW

1 July - 30 Sept 2020											
No	Description	Performance standard	Tolerable performance*	No of cases received	No of cases completed	No of cases completed within SLA	Percentages of cases completed within SLA (Score and RAG)	Average time from start to finish to complete cases (in days)	Number of cases outstanding (total backlog) end of previous quarter	Number of cases outstanding (total backlog) end of this quarter	Note: Represents difference in completed cases as data is sourced from 2 separate reports. If figure in column L is debited from outstanding balance, the figures will balance.
OW 1 OVERVIEW											
OW 1.1	TOTAL SURREY CASES Total number of cases in period	N/A		55	38	36	65%	128	96	106	
OW 1.3	SCHEME MEMBERSHIP Number of members in the Surrey FPS	N/A		1,732							
	Active members	N/A		625							
	Deferred members	N/A		182							
	Pensioner members	N/A		925							
OW 2 CASELOAD DETAIL											
OW 2.1	NEW STARTER New scheme member to be set up on Altair, check payroll details, request any transfers and send a statutory notice sent to the member.	30 working days	80%	29	29	29	100%		0		
OW 2.2	DEFERRED STATUS Calculate pay, check membership, calculate deferred benefits, update Altair and issue a benefit statement.	2 months	80%	1	2	1	100%	589	26	24	
OW 2.3	RETIREMENT (INITIAL NOTIFICATION) Calculate pay, membership and retirement benefits and send initial letter and forms to member.	15 working days	80%	0	1	1	100%	9	4	0	
OW 2.4	RETIREMENT (COMPLETE) upon receipt of all the forms and pay the retirement grant, update Altair, set up the pension on the payroll and send a benefit statement to the member.	15 working days	85%	4	4	3	75%	27	3	2	
OW 2.5	DEATH NOTIFICATION Stop any pension, send condolences letter, request details of any dependents / beneficiaries and send claim forms for any balance / overpayment / Death Grant.	5 working days	90%	2	0	0	0%	N/A	1	3	
OW 2.6	SURVIVOR'S PENSIONS Upon receipt of all relevant certificates, forms and supporting evidence set up all survivor's pensions on the payroll and send each beneficiary a pension statement.	10 working days	90%	0	0	0	N/A	N/A	0	0	
OW 2.7	DEATH GRANT PAYMENT Upon receipt of all the certificates, claim forms and details of potential beneficiaries the Death Grant and any balance of pension should be paid and the return of any overpayment requested. The Pension Section should notify the relevant parties of any payments / decisions in writing.	10 working days	90%	1	1	1	100%	2	2	2	
OW 2.8	ILL HEALTH RETIREMENT (INITIAL) Upon receipt of all the relevant documents, send an estimate and the claim forms and request the certificates.	15 working days	90%	0	0	0	N/A	N/A	0	0	
OW 2.9	ILL HEALTH RETIREMENT (COMPLETE) Upon receipt of all forms / certificates, update Altair, pay the retirement grant, set up the pension on the payroll and update Altair.	15 working days	90%	0	0	0	N/A	N/A	0	0	
OW 2.10	MEMBER CORRESPONDENCE Respond to member queries (Helpdesk)	Note: These are all calls taken for Surrey and not split out between LGPS and Fire	70%	-	No. of calls = 12,792	-	92%	-	-	-	-
OW 2.11	REFUNDS Check the record, calculate the refund due and make payment	20 working days	80%	0	0	0	N/A	N/A	1	0	
OW 2.12	FIRE TRANSFER IN (ESTIMATE) Upon receipt of the service statement, check the service details and inform the member of the option to transfer and advise them of the timescales.	20 working days	80%	2	0	0	0%	N/A	5	5	
OW 2.13	FIRE TRANSFER IN (ACTUAL) Check that the membership and payment received is correct, update Altair and send a service statement to the member.	20 working days	80%	0	0	0	N/A	N/A	8	8	

OW 2.14	NON-FIRE TRANSFER IN (ESTIMATE) Check the transfer quotation and inform the member of the service / pension credit it would purchase, the option to transfer and the relevant timescales.	20 working days	80%	3	0	0	0%	N/A	25	31	
OW 2.15	NON-FIRE TRANSFER IN (ACTUAL) Check that the payment and the details are correct, update Altair and send a service statement to the member.	20 working days	80%	0	0	0	N/A	N/A	0	0	
OW 2.16	FIRE TRANSFER OUT (ESTIMATE) Send deferred benefit statement to the new employer.	20 working days	80%	1	1	1	100%	14	4	4	
OW 2.17	FIRE TRANSFER OUT (ACTUAL) Make payment to the new administering authority after twelve months / upon receipt of member's election and update Altair.	20 working days	80%	4	0	0	0%	N/A	1	5	
OW 2.18	NON-FIRE TRANSFER OUT (ESTIMATE) Upon request send transfer quotation and discharge forms.	20 working days	80%	8	0	0	0%	N/A	15	21	
OW 2.19	NON-FIRE TRANSFER OUT (ACTUAL) Check that all the discharge forms have been completed correctly, check tPA register, make payment and update Altair.	20 working days	80%	0	0	0	N/A	N/A	1	1	



FPS Bulletin 35 – July 2020

Welcome to issue 35 of the Firefighters' Pensions Schemes bulletin.

We hope that readers remain safe and well.

Although restrictions on travel and social distancing are gradually easing, face-to-face meetings and training remain suspended for the time being. However, the Bluelight team are available at home by mobile, email or video (MS Teams, Skype, or Zoom).

If you are looking for information on a certain topic, issue and content indexes are held on the [main bulletin page](#) of the website and are updated following each new issue.

If you have any comments on this bulletin or suggested items for future issues, please email claire.hey@local.gov.uk.

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Calendar of events

Please see below a calendar of upcoming events relevant to the Firefighters' Pension Schemes. Only those events which are hyperlinked are currently available to book. If you have any events you would like to be included in a future bulletin, please email claire.hey@local.gov.uk

Table 1: Calendar of events

Event	Date
Virtual Eastern regional FPOG	20 August 2020
FPS coffee and catch up	Every second Tuesday from 1 September 2020
Virtual Fire Communications Working Group	7 September 2020
Virtual special SAB	3 September 2020
North East regional FPOG – TBC	16 September 2020
Virtual SAB	17 September 2020
Virtual Firefighter Pensions Technical Community	22 September 2020
Virtual FPS AGM	22-23 September 2020
Fire Finance Network conference	7-8 October 2020
SAB	10 December 2020

Actions arising

Readers are asked to note the following actions arising from the bulletin:

[Raising tax awareness](#): FRAs to include relevant wording on job adverts.

[Template administration strategy consultation](#): all interested parties to respond to consultation by 31 August 2020.

FPS

Sargeant remedy consultation published

On 16 July 2020, HM Treasury (HMT) published their [consultation on proposals to remove age discrimination](#) from the unfunded public service pension schemes in line with the result of the McCloud/Sargeant case, together with an [update on the employer cost cap process](#). These were accompanied by a [statement from the Chief Secretary to the Treasury](#).

The consultation relates to members of the unfunded public service schemes including Fire, Teachers and Police. A separate [consultation on remedying age discrimination within the Local Government Pension Scheme](#) (LGPS) (amending the statutory underpin) was issued on the same date by the Ministry of Housing, Communities & Local Government (MHCLG).

We will be issuing further commentary on the consultation once we have had an opportunity to review, however the major proposals by HMT are that:

- Protections will be extended to cover all unfunded scheme members who were in active scheme membership on 31 March 2012 and have membership in the reformed schemes (without a 5-year break) regardless of whether they have made a claim to a tribunal on this matter
- Protection will take the form of the right to membership of the relevant unfunded final salary scheme during the protected period which runs from 1 April 2015 to 31 March 2022
- Protection will be backdated for qualifying members even if they have left the scheme since the start of the protected period
- Accrual in all unfunded final salary schemes for existing and new protected members will cease at the end of the protected period 31 March 2022
- Protected members will be given the opportunity to elect for benefits accrued during the protected period to be calculated on a CARE basis as an alternative to protected final salary benefits
- There are two proposals for when the election is to be made – immediate (soon after the proposals are in force) or deferred (when the member takes their benefits)

For ease, we have collated the [consultation questions](#) into a separate document. A more detailed review of the proposals contained within the consultation will follow soon and all information can be found on our new webpage [Age Discrimination Remedy \(Sargeant\)](#).

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The employer cost cap process, applicable to all public service pension schemes including the FPS is currently paused and will now be restarted. We understand that HMT's objective would be to complete the process by next year, taking into account the cost of the proposals to remedy age discrimination as set out in the consultation.

Raising tax awareness through job advertisements – update

Following our article in [FPS Bulletin 34 – June 2020](#) on raising tax awareness, it has been pointed out that the wording was written to exclude temporary promotions from pensionable pay, whereas an FRA may exercise their discretion to treat this pay as pensionable by way of an [Additional Pension Benefit \(APB\)](#).

We therefore suggest the following optional paragraphs:

Temporary Promotions/Positions

Non-pensionable

Please note that any period of 'temporary', whether that is by way of promotion or allowances associated with a temporary position, will be treated as non-pensionable.

Pensionable as an APB

Please note that any period of 'temporary', whether that is by way of promotion or allowances associated with a temporary position, will be treated as pensionable by way of an [Additional Pension Benefit \(APB\)](#).

FPS England – 2020 valuation update

The Government Actuary's Department (GAD) have advised that they are close to being able to provide FPS administrators with the 2020 valuation data collection spreadsheet. Due to the size of the spreadsheet, GAD will be providing this to administrators via a secure transfer area instead of an open link.

Contact details for each administrator have been provided to GAD, who will send an email setting out the process for receiving, completing and sending the data sheet

Contacts will then receive a further email giving them access to a secure data area in which the data collection spreadsheets will be stored, along with an email address to use for any queries.

Website and resources update

As previously detailed, we have created a separate page on [age discrimination remedy \(Sargeant\)](#) which holds a timeline of the 2015 scheme reforms and subsequent legal challenges. You can also find the documents relating to the HMT consultation. We will continue to update this page as the consultation period progresses, so please check back for new information.

The [related legislation](#) page has been updated to include HMT Directions which have an impact on the FPS.

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The following pages have been added to the member-restricted section of the [Firefighters' Pension Schemes Regulations and Guidance](#) website this month. If you require log-in details for this area, please email bluelight.pensions@local.gov.uk.

[Contributions holiday](#). This page has been created to hold legislation and resources relating to the employee contributions holiday for FPS 1992 members who accrued or could accrue the maximum 30 years' pensionable service prior to age 50

[July query log](#)

The current [log of queries and responses](#) is available on the FPS Regulations and Guidance website. The queries have been anonymised and divided into topics. The log will be updated on a monthly basis in line with the bulletin release dates.

Queries from earlier months have been grey-shaded to differentiate from new items added in July.

FPS England SAB updates

[Template administration strategy consultation – reminder](#)

A reminder that we have a separate consultation running until the end of August on the [draft template administration strategy](#).

The document has been developed with the Fire Communications Working Group (FCWG) and [SAB administration and benchmarking committee](#) to set out the roles and expectations of scheme managers and administrators, and improve communication and engagement between both parties. More information on the background to this work is available in [FPS Bulletin 34 – June 2020](#).

While stakeholder groups have been involved in the development of the draft, it is essential for us to hear the views of the wider FPS community to deliver a strategy that is fit for purpose and fully incorporates all aspects of administration, management, and governance of the schemes. Please take the opportunity to have your say by answering the questions in the [consultation document](#).

The consultation will run until 31 August 2020 and responses should be sent to bluelight.pensions@local.gov.uk.

[SAB levy 2020-21](#)

Under arrangements for the Firefighters' Pension Scheme [2014 regulations 4H\(1\)](#), the Scheme Advisory Board are required to set an annual budget for approval by the Secretary of State.

We are currently awaiting approval of the 2020-21 budget by the minister and expect that we will start the collection process in August/ September. A letter will be sent to Chief Fire Officers to request a purchase order number.

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Included in the final levy is the employers' voluntary subscription that FRAs entered into a shared agreement in 2014 in order to fund support with FRAs understanding and management of the FPS.

Other News and Updates

Equalisation of male survivor benefits in public service pension schemes

The Chief Secretary to the Treasury has made [written statement HCWS397](#) on public service pensions: survivor benefits for opposite-sex widowers and surviving male civil partners.

The statement was in relation to a Teachers' Pension Scheme Employment Tribunal case where "male survivors of female scheme members remain entitled to a lower survivor benefit than a comparable same-sex survivor" and confirmed that "government believes that this difference in treatment will also need to be remedied in those other public service pension schemes, where the husband or male civil partner of a female scheme member is in similar circumstances".

Part C of the [FPS 1992 regulations](#), Awards on Death – Spouses, does not differentiate between a male or female survivor. The definition of a surviving spouse is given as a widow or widower. Therefore, the benefits from the scheme are already equalised and we do not consider that any amendments to Part C are needed.

However, Rule J1(2)(c) in relation to Guaranteed Minimum Pensions (GMP) states:

(c) in the case of a woman who dies at any time and leaves a widower, the widower is entitled to a pension at a weekly rate equal to half of that part of the deceased's guaranteed minimum which is attributable to earnings factors for the tax year 1988—89 and subsequent tax years.

This rule is inserted further to [section 17\(4\) of Pension Schemes Act 1993](#). We await to see whether the primary legislation is amended.

Government response to the consultation on restriction of exit payments in the public sector

The government has now published its [response to the consultation on restricting exit payments](#) in the public sector, often referred to as the £95k cap. A reminder of what the cap means for the Firefighters' Pension Schemes (FPS) is available in our [technical note](#).

The [SAB response to the consultation](#) welcomed the exemptions applied for the Firefighters' schemes but noted that in some limited circumstances of authority initiated early retirement, the cap would still apply and that changes to the FPS and related statutory GAD guidance would be necessary in order to comply with the cap. We will take this forward with the Home Office.

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Government launch call for evidence on pensions tax relief

On 21 July 2020, HMT launched a [call for evidence on pensions tax relief administration](#) for members who receive tax relief at a different rate to their highest marginal rate.

This has the scope to affect an individual's take-home pay, particularly those earning below the tax threshold, depending on whether their employer operates a net-pay or relief at source arrangement.

The government wish to explore feasible and deliverable options for change to the system which would produce fairer outcomes and are easily understandable. The call for evidence closes on 13 October 2020.

TPO publish corporate plan 2020–2023

The Pensions Ombudsman (TPO) published its corporate plan on 14 July 2020, outlining its strategic aims for the next three years and providing updated key performance indicators for 2020-21. The plan also includes information on the potential impact of COVID-19 on the Ombudsman's activities.

TPO's focus remains on improving the customer experience by resolving disputes at an early stage, making the process quicker and easier for all parties.

[TPO corporate plan 2020-2023](#)

TPO also published its [annual report and accounts for 2019-20](#) on 16 July 2020.

TPR publish corporate plan 2020-2021

On 29 June 2020 the Pensions Regulator (TPR) published its [Corporate Plan 2020-21](#), setting out its priorities for the coming year. Publication was delayed as TPR revised its plans to respond to the challenges presented by the COVID-19 pandemic.

All of TPR's resources relating to COVID-19 can be accessed here: [COVID-19 \(coronavirus\): what you need to consider](#).

PASA launches GMP equalisation guidance

On 14 July 2020, the cross-industry GMP Working Group, chaired by the Pensions Administration Standards Association (PASA), published guidance on the data required for GMP Equalisation.

The aim of the guidance is to help pension schemes understand the steps they can take now to get their data ready for equalisation. You can find the [GMP Equalisation Data Guidance](#) on the PASA website.

Events

FPS AGM – save the date(s): 22 and 23 September 2020

We are considering what our offer for a virtual AGM run across two days as usual could look like and hope to finalise this shortly. Please hold the dates in your diary and we will issue invitations and an agenda in the next few weeks.

FPS coffee mornings

We are continuing to run our MS Teams coffee mornings every second Tuesday while social distancing measures remain in place. These informal sessions lasting up to an hour allow practitioners to catch up with colleagues and hear a brief update on FPS issues from the LGA Bluelight team.

We are taking a break over August due to the traditional holiday period, although this may look a little different for many this year. The next event is scheduled to take place on 1 September 2020.

If you would like to join us, please email bluelight.pensions@local.gov.uk and we will add you to the invite list for the sessions.

Local Pension Board wrap-up training 2020 – event summary

We were pleased to deliver our first Zoom training events to Local Pension Board (LPB) members and advisors on 10 June and 8 July 2020.

First up was a slightly challenging virtual group “discussion” on the role of and challenges to the board using Slido! Following this, Clair Alcock gave a pre-consultation update on age discrimination remedy.

Nick Gannon from TPR then joined us to give an update on the outcomes from the Regulator’s 2019 governance and administration survey.

Attendees heard a brief update on the different [stakeholders involved in the administration and management of the FPS](#), and the interdependencies between them. This was followed by an in-depth look at the [six key principles](#) or processes of good governance from our resident expert, Clair.

The full [slides from the 8 July session](#) are available to view and we intend to upload recordings of the main sessions to our password-protected [videos and webinar recordings](#) page in due course.

HMRC

HMRC newsletters/bulletins

HMRC have published the following newsletters in July:

- [GMP equalisation newsletter – 16 July 2020](#)
- [Managing Pension Schemes Service newsletter – 21 July 2020](#)

Useful links

- [The Firefighters' Pensions \(England\) Scheme Advisory Board](#)
- [FPS Regulations and Guidance](#)
- [Khuf Firefighters Pensions Discussion Forum](#)
- [FPS1992 guidance and commentary](#)
- [The Pensions Regulator Public Service Schemes](#)
- [The Pensions Ombudsman](#)
- [HMRC Pensions Tax Manual](#)
- [LGA pensions website](#)
- [LGPS Regulations and Guidance](#)
- [LGPS member site](#)

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While every attempt is made to ensure the accuracy of the bulletin, it would be helpful if readers could bring any perceived errors or omissions to the attention of the Bluelight team by emailing bluelight.pensions@local.gov.uk.

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FPS Bulletin 36 – August 2020

Welcome to issue 36 of the Firefighters' Pensions Schemes bulletin.

We hope that readers remain safe and well.

Although restrictions on travel and social distancing are gradually easing, face-to-face meetings and training remain suspended for the time being. However, the Bluelight team are available at home by mobile, email or video (MS Teams, Skype, or Zoom).

If you are looking for information on a certain topic, issue and content indexes are held on the [main bulletin page](#) of the website and are updated following each new issue.

If you have any comments on this bulletin or suggested items for future issues, please email claire.hey@local.gov.uk.

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Calendar of events

Please see below a calendar of upcoming events relevant to the Firefighters' Pension Schemes. Only those events which are hyperlinked are currently available to book. If you have any events you would like to be included in a future bulletin, please email claire.hey@local.gov.uk

Table 1: Calendar of events

Event	Date
FPS coffee and catch up	Every second Tuesday from 1 September 2020
Virtual Fire Communications Working Group	7 September 2020
Virtual special SAB	3 September 2020
North East regional FPOG – TBC	16 September 2020
Virtual SAB	17 September 2020
Virtual Firefighter Pensions Technical Community	22 September 2020
Virtual FPS AGM FPS AGM - Day 1 - Tues 22 Sept 2020 FPS AGM - Day 2 - Weds 23 Sept 2020	22-23 September 2020
Fire Finance Network conference	7-8 October 2020
SAB	10 December 2020

Actions arising

Readers are asked to note the following actions arising from the bulletin:

[Home Office collection of FPS forecasts](#): FRAs in England to submit details of their pension income/expenditure forecasts for the period 2019-20 to 2025-26, by 9 September 2020.

[FPS England - 2020 valuation](#): Administrators to check that information from GAD concerning the data collection spreadsheet has been received.

[PSPS survey – GAD factors](#): Users of GAD factors and guidance notes to complete survey to inform new website design.

[FPS AGM 2020](#): Book your place now!

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FPS

Home Office collection of FPS forecasts for 2019-20 to 2025-26

On 3 August 2020 the Home Office emailed all FRAs in England to request submission of their pension income/expenditure forecasts for the period 2019-20 to 2025-26.

The formal commissioning letter at [Appendix 1](#) sets out the centrally prescribed assumptions that must be applied when calculating pension income and expenditure forecasts. The forms can be accessed on DELTA. The deadline for submissions is Wednesday 9 September 2020.

FRAs are also required to complete the Excel table at [Appendix 2](#) in order to declare the local assumptions that they have applied to calculate their pension estimates. The prescribed assumptions that FRAs should use for CPI percentage increases, pay increases and employer contribution rates for the forecasting period have already been pre-populated on the table. Please note that payment of the 2021 Top Up grant will be conditional on its completion and incomplete tables will be returned to FRAs.

For the avoidance of any confusion, there are **two returns required by 9 September 2020**:

1. The online DELTA returns setting out the 6-year forecast of pension income and expenditure.
2. Assumptions returns (email direct to anthony.mooney@homeoffice.gov.uk attaching the completed table above).

FRAs are reminded that forecast pension accounting data is being subjected to an ever-increasing scrutiny and, as such, they should ensure that processes are in place to ensure that they have a robust methodology to calculate these. [Best practice forecasting guidance](#) was published by the Pension Forecasting Working Group in July 2019.

Home Office immediate detriment note published

Readers may be aware that the Home Office issued a note direct to finance directors at FRAs on 21 August 2020 regarding the treatment of immediate detriment cases in the age discrimination proceedings.

While we welcome progress towards arriving at a position for employers to fulfil the terms of the employment tribunal's interim remedy order, unfortunately, the prior commitment to share this note with the LGA before issuing to FRAs was not met by the Home Office so we are now in the position of retrospectively reviewing the note and its implications.

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We have received a number of queries from FRAs and stakeholders on the effect of the guidance and have raised a number of points with the Home Office both of a technical nature and confirmation that due consideration has been given to other implications.

At present, given the note is labelled as informal guidance we believe this means that FRAs would still need to make their own interpretations and possibly take legal advice, and therefore does not constitute the detailed guidance that administrators and FRAs would need in order to ensure consistency.

The Home Office have confirmed that they are discussing our questions with colleagues in HM Treasury in order to provide a reply as soon as possible; we have asked them to separately urgently confirm via written reply what they consider the legal status of this document to be and their expectations of FRAs to comply

While we await a response from the Home Office you will need to consider, no doubt along with your legal advisers, whether you feel you have sufficient information and clarity to be able to act upon the guidance at this time.

We will provide a further update, once we have heard further from the Home Office and HMT.

Medical Appeal Boards - service update

You may have been aware that Duradiamond, the current contracted provider of medical appeals, temporarily suspended appeal hearings for three months from the end of March.

We have recently been notified of an email sent from Duradiamond on **7 July 2020** to confirm the following:

"We are pleased to advise that Duradiamond Healthcare is recommencing the organisation and holding of Police and Fire Medical Appeal Board Hearings from this week onwards.

The service will be running in a slightly amended format to begin with to reduce infection risk to board members and the participating parties. Therefore, initial hearings will be held in London in a COVID-19 safe manner. However, we will be in touch with all Authorities who have cases lodged with us to discuss arrangements and attendance in further detail.

In the meantime, please do send any pending cases in to Duradiamond Healthcare and we will acknowledge and process accordingly."

FPS England – 2020 valuation data collection

On 21 August 2020 the Government Actuary's Department (GAD) emailed FPS administrators to confirm the process for accessing the data collection spreadsheet for the 2020 valuation. Due to its size it cannot be delivered by email and instead will be accessible using GAD's secure transfer system.

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A further email should now have been sent from workspace@egresscloud.com (or similar address, please check your spam filters as GAD find some firewalls can catch the email). Following the link in this email will take you to the secure data area where you will find a copy of the spreadsheet and a user guide. The spreadsheet is to be used in conjunction with the data specification supplied in June. Note the deadline for the return of the completed spreadsheet is 31 December 2020. If you have any issues with the secure transfer area please send an email to Fire.2020Valuation@gad.gov.uk.

Contact details for each administrator were provided to GAD by the LGA, so if you are not aware that either email has been received or you want to check who they were sent to, please email bluelight.pensions@local.gov.uk.

Consultation on FPS Wales

On 10 July 2020, the Welsh Government published a [consultation on various amendments to the various firefighter pension schemes](#) and the 2007 Compensation Scheme in Wales.

The proposed amendments address the Supreme Court rulings of:

- [Walker v Innospec](#), which has resulted in necessary changes to survivor benefits for civil partners and same sex spouses
- [McLaughlin](#), which has affected the pension entitlements of children of unmarried parents

The consultation also covers proposed unrelated amendments to the 1992 Scheme, the New Firefighters' Pension Scheme (Wales) (the 2007 Scheme), and the Firefighters' Pension Scheme (Wales) 2015 (the 2015 Scheme) in respect of the calculation of split pensions, pension sharing on divorce, special member commutation factors, and club transfer value payments.

Website and resources update

News archive pages for 2018 and 2019 have been created on the FPS Regulations and Guidance and Scheme Advisory Board (SAB) websites to hold stories from the homepages relating to earlier calendar years.

- [News archive 2018 – Regulations and Guidance](#)
- [News archive 2019 – Regulations and Guidance](#)
- [News archive 2018 – SAB](#)
- [News archive 2019 – SAB](#)

August query log

The current [log of queries and responses](#) is available on the FPS Regulations and Guidance website. The queries have been anonymised and divided into topics. The log will be updated on a monthly basis in line with the bulletin release dates.

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Queries from earlier months have been grey shaded to differentiate from new items added in August. New queries have been added under the following categories: FPS 2006 special members, ill-health retirement, salary sacrifice, and survivor's pension.

FPS England SAB updates

New Chair of the FPS (England) Scheme Advisory Board

We are delighted to confirm that the [new Chair of the Firefighters' Pension Scheme Advisory Board \(SAB\) of England has been appointed.](#)



Joanne Livingstone begins her four-year appointment as Chair on 17 August 2020.

Joanne has extensive experience relating to pensions across the public and private sectors. She is an Adviser to the Judicial Pensions Committee; she also serves as the Chair of Trustees for the Liberty Europe Pension Scheme and is a Practitioner member of the Actuarial Council among other roles.

Please visit the [SAB Board membership webpage](#) for more information.

SAB informal response to initial HMT remedy thinking

The [HMT consultation on age discrimination](#) references at paragraph 1.21 the informal technical discussions held with scheme administrators and employer and member representatives earlier this year. The Firefighters' Pensions (England) Scheme Advisory Board has now published its [informal response](#) dated 2 April 2020 to those technical discussions.

Within the response the Board highlighted the following points:

- The lack of information available to them in order to fully assess the impact of the proposals, including at that time no mention of post remedy plans
- The considerable challenge administering the remedy would present to locally administered unfunded schemes
- Concern that a default to the final salary scheme, may not be appropriate for some members in the FPS 2006
- An immediate need for guidance on processing immediate cases.

The Board will submit a full response to the formal consultation by the deadline of 11 October 2020.

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COVID-19 FPS governance survey update

To measure the impact of the coronavirus pandemic on FPS governance, the Bluelight team surveyed FRAs during June and July. During that time responses were received from 26 of the 48 Fire and Rescue Authorities (FRAs) in England and Wales, equating to an overall response rate of approximately 54%.

Almost all respondents confirmed that they have held or are planning to hold virtual Local Pension Board (LPB) meetings, with MS Teams being the preferred method. We were pleased to note that two-thirds said they had not experienced any issues with meeting online, although a quarter cited technical difficulties.

In all cases, communication with scheme managers, administrators, and scheme members had not been affected, with just one reported instance of the current situation impacting on communication with the LPB.

Eight in ten respondents did not expect costs in relation to pensions to increase due to COVID-19, and two authorities noted that costs had decreased due to savings on travel expenses for LPB members.

There did not appear to be a high level of concern about any of the following due to changes in working practices: third-party providers e.g. administration, systems, consultants, advisers; potential increase of breaches of law; increased risk of cyber security issues or scams.

Almost 90% of FRAs responding confirmed that their pensions risk register had been amended or there were plans to do so. New risks identified related to business continuity arrangements for administration, potential difficulty in recruitment, and lack of occupational health provision including the suspension of medical appeal boards.

Based on the responses that were received, it is clear that FRAs have taken steps to mitigate any challenges arising from the current situation and are embracing online technology to fulfil their governance responsibilities.

The full report will be issued to the SAB to note at their meeting on 17 September.

Other News and Updates

The Pensions Regulator (TPR) scheme return 2019-20

The statutory TPR scheme return is scheduled to be released in Autumn in line with their usual timescales. A warm-up email will be issued to scheme manager contacts in the coming weeks.

[Information about completing and submitting a public service scheme return](#) can be found on the TPR website. Schemes are advised to make sure that their contact details are up to date on the Exchange system.

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For the first time in 2018, TPR asked schemes to measure the data they hold about their members and report this on the annual scheme return. In 2019 the LGA Bluelight team issued updated [guidance on data scoring](#) and a [data score weighting template](#) to allow schemes to assess the likely accuracy of their data and adjust the score accordingly.

PSPS survey – modernisation of GAD’s actuarial factors

GAD is in the process of creating a website that will hold actuarial factors and guidance notes for the FPS and is aiming for this to be accessible next year. The website will bring many benefits including having access to all the latest guidance notes and factors in one location. GAD envisages that moving the process of regular factor updates online will allow the process to be more consistent and streamlined, enabling them to provide you with a more efficient service in the future.

GAD need your help

They are in the initial design stages of the website and want to get a better understanding from schemes about how they use GAD’s factors and guidance notes so that this feedback can be incorporated into the design of the website. To do this they have created a survey to be completed by administrators and other users of the factor tables and notes.

The [GAD factors guidance feedback survey](#) is to be completed by 20 September 2020.

If you have any technical difficulties in accessing the surveys, please contact GAD immediately on enquiries@gad.gov.uk.

Your views are very important to GAD, and they thank you in advance for your participation in the survey.

The Pensions Ombudsman (TPO) stakeholder newsletter

TPO have published the latest issue of their stakeholder newsletter: [Issue 9 – August 2020](#). The newsletter includes details of TPO’s new Chief Operating Officer, a new structure for casework, and an update on the website project.

Earlier communications from TPO and a full history of determinations in relation to the FPS are held on our [TPO webpage](#).

Events

Virtual FPS AGM 22 and 23 September 2020

We are delighted to offer our fire pensions annual conference – this year in a virtual format.

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The event will be held across two days, with a governance focus on day 1 followed by virtual networking, and the full technical/ administration AGM on day 2. The theme for this year's sessions is [remedy](#).

[Details of our previous annual conferences can be found here.](#)

Delegates on both days will have the opportunity to meet the [new chair of the England Scheme Advisory Board](#), Joanne Livingstone.

We are pleased to welcome Nick Gannon from TPR on day 1, and a number of guest speakers for the sessions on day 2. Please see the [draft agenda](#) for more details.

The event will be held on Zoom across 22 and 23 September 2020.

If you would like to participate on either or both dates, please click the relevant link/s below:

[FPS AGM - Day 1 - Tues 22 Sept 2020](#)

[FPS AGM - Day 2 - Weds 23 Sept 2020](#)

FPS coffee mornings

We are continuing to run our MS Teams coffee mornings every second Tuesday while social distancing measures remain in place. These informal sessions lasting up to an hour allow practitioners to catch up with colleagues and hear a brief update on FPS issues from the LGA Bluelight team.

We have taken a break over August due to the traditional holiday period and the next event is scheduled to take place on 1 September 2020.

If you would like to join us, please email bluelight.pensions@local.gov.uk and we will add you to the invite list for the sessions.

HMRC

HMRC newsletters/bulletins

HMRC have published the following newsletters containing important updates and guidance on pension schemes:

[Pension schemes newsletter 122 – 31 July 2020](#)

- Relief at source - Call for evidence: Pensions Tax Relief Administration
- Relief at source - Reporting excess relief
- Relief at source - Annual return of information for the tax year 2019 to 2020
- Collective money purchase benefits (CMPs)
- Managing Pension Schemes service – accounting for tax return

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- Guaranteed Minimum Pension (GMP) Equalisation Newsletter – July 2020
- Pension flexibility statistics
- Annual allowance - Pension savings statements for tax year 2019 to 2020
- Annual allowance - Declaring the annual allowance charge on the Self-Assessment tax return
- Qualifying Recognised Overseas Pension Schemes (QROPS) transfer statistics

[Pension schemes newsletter 123 – 28 August 2020](#)

- Relief at source – annual returns of information for 2019 to 2020
- Annual return of information:
 - interim repayments
 - residency status reports
- Migration of pension schemes to the Managing pension schemes service
- Managing pension schemes service:
 - multiple scheme administrator IDs
 - multiple scheme practitioner IDs
 - pension scheme accounting
- Annual allowance – pensions savings statements for 2019 to 2020

A reminder to scheme administrators that you must issue annual allowance pension savings statements for tax year 2019 to 2020 to your scheme members who made pension savings of more than the annual allowance to your pension scheme, by 6 October 2020.

You can find more information about this requirement in the Pensions Tax Manual at [PTM167100](#).

Legislation

SI	Reference title
2020/893	The Local Government Pension Scheme (Amendment) (No. 2) Regulations 2020

Useful links

- [The Firefighters' Pensions \(England\) Scheme Advisory Board](#)
- [FPS Regulations and Guidance](#)
- [Khuh Firefighters Pensions Discussion Forum](#)
- [FPS1992 guidance and commentary](#)
- [The Pensions Regulator Public Service Schemes](#)
- [The Pensions Ombudsman](#)
- [HMRC Pensions Tax Manual](#)
- [LGA pensions website](#)

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- [LGPS Regulations and Guidance](#)
- [LGPS member site](#)

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FPS Bulletin 37 – September 2020

Welcome to issue 37 of the Firefighters' Pensions Schemes bulletin.

We hope that readers remain safe and well.

Although restrictions on travel and social distancing are gradually easing, face-to-face meetings and training remain suspended for the time being. However, the Bluelight team are available at home by mobile, email or video (MS Teams, Skype, or Zoom).

If you are looking for information on a certain topic, issue and content indexes are held on the [main bulletin page](#) of the website and are updated following each new issue.

If you have any comments on this bulletin or suggested items for future issues, please email claire.hey@local.gov.uk.

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Calendar of events

Please see below a calendar of upcoming events relevant to the Firefighters' Pension Schemes. Only those events which are hyperlinked are currently available to book. If you have any events you would like to be included in a future bulletin, please email claire.hey@local.gov.uk

Table 1: Calendar of events

Event	Date
FPS coffee and catch up	Every second Tuesday from 1 September 2020
South East regional FPOG	5 October 2020
Fire Finance Network conference	7-8 October 2020
Midlands regional FPOG - TBC	12 October 2020
Eastern regional FPOG	19 November 2020
SAB	10 December 2020

FPS

Home Office immediate detriment note update

We commented in [FPS Bulletin 36 – August 2020](#) on the [immediate detriment note](#) issued by the Home Office. We understand that the department will not be able to provide a response to the queries we have raised until October. However, in the meantime, we appreciate that FRAs are being encouraged to progress cases under the terms of the note.

We are working on providing further clarity to FRAs in three areas.

1. Legal status of the note.

We are seeking legal advice on behalf of FRAs including application to claimants and non-claimants, any consequences arising from incorrect payment of benefits, and any resulting unintended discriminatory treatment.

We understand that the Home Office and HMT are relying on Section 61 of the Equality Act to provide legal underpinning to the note for non-claimants. That power is currently being contested in the FRA's appeal under Schedule 22 of the same act, in which they argue that they were required by law to follow the pension regulations and so had no choice but to implement the transitional protections for older firefighters.

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2. A general information note on the key issues.

We have drafted a note to provide additional information to FRAs on the key considerations of implementing the Home Office informal guidance.

This includes the legal considerations detailed above, the position of employer contributions, which we believe Home Office to be discussing with HMT, technical queries raised, and areas where we believe a policy steer would be helpful to enable more accurate payments to be made.

3. Support for practitioners, to include:

- 3.1. Supporting FRAs to evidence robust decision making on whether a case can proceed under the current guidance, and if not, why not;
- 3.2. Working with the [Fire Communications Working Group](#) to provide a consistent template on how a member may be provided with a choice and what this should include, using [documentation provided to support choice in 2006](#) as a guide;
- 3.3. Working with administrators to provide example calculations to assist with bringing benefits into payment where the guidance is not explicit.

The information note is currently being reviewed and will be issued as soon as possible.

Website and resources update

We have added the following page to the member-restricted section of the Firefighters' Pension Schemes Regulations and Guidance website this month:

[HMRC CLM queries](#). The page has been created to hold technical queries submitted to HMRC regarding the application of tax to the Firefighters' Pension Scheme.

If you require log-in details for this area, please email bluelight.pensions@local.gov.uk.

September query log

The current [log of queries and responses](#) is available on the FPS Regulations and Guidance website. The queries have been anonymised and divided into topics. The log will be updated on a monthly basis in line with the bulletin release dates.

We have not added any new queries this month.

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FPS England SAB updates

Template Pension Administration Strategy consultation response

The SAB secretariat published a consultation on 30 June 2020 seeking views on the introduction of a [template pension administration strategy](#). The consultation closed on 31 August.

The consultation received 15 responses in total: twelve from Fire and Rescue Authorities (FRAs) and three from scheme administrators.

The detailed consultation response can be read at [Appendix 1](#). One response was received late and is still to be incorporated into the document.

The strategy will be reviewed based on the responses to the consultation and any necessary amendments made. The organisations who responded to the consultation will be invited to comment on the revisions to ensure that their views have been suitably reflected.

Immediate detriment request for information

The SAB note the immediate detriment guidance issued by the Home Office and wish to encourage the payment of pensions to eligible members.

The SAB also want to understand what percentage of the FPS 2015 membership within the immediate detriment category are likely to be affected by complicating factors, such as divorce or transfers.

The Board are seeking information similar to that requested in [FPS Bulletin 28 - January 2020](#) on the number of members who are likely to become eligible for immediate detriment between now and 31 March 2022. This should include:

- Any member refused ill-health retirement under the FPS 2015 as the lower ill-health criteria was not met.
- 1992 transition members of FPS 2015 who reach age 55 before 31 March 2022.
- 1992 transition members of FPS 2015 who reach 30 years' service before 31 March 2022.
- 1992 transition members of FPS 2015 who will have 25 years+ service and be over 50 by 31 March 2022.

The Board request that you complete the information sheet at [Appendix 2](#) by 31 October 2020. Please note that clicking the link downloads an Excel spreadsheet.

Other News and Updates

LGPS SAB draft McCloud response published

FRAAs will have employees who are members of the Local Government Pension Scheme (LGPS). As the LGPS is a funded scheme and members within 10 years of retirement at 2012 were protected in a different way, the Ministry of Housing, Communities & Local Government (MHCLG) are consulting separately on changes to address age discrimination. The consultation closes on 8 October 2020.

On 28 September 2020, the LGPS SAB published [a draft version of its response to the McCloud consultation](#).

You are welcome to use the content to help with your own responses. The LGA will not be submitting a separate response.

Update on the single TPR Code of Practice

On 1 September 2020, the Pensions Regulator (TPR) confirmed that it now intends to launch the formal consultation on a single Code of Practice in late 2020 or early 2021.

TPR provides [15 codes of practice](#), covering topics such as early leavers, internal controls and governance and administration of public service pension schemes.

In July 2019, TPR confirmed, in a statement on its website, that it planned to review and combine the content of the 15 codes to form a single, shorter code. The statement originally set out plans to launch a consultation later in 2019.

Government confirms intention to increase minimum pension age

In [an answer to a parliamentary question](#) on 3 September 2020, the Government confirmed that it still plans to increase the minimum pension age from 55 to 57 in 2028 and will legislate in due course.

The Government confirmed in 2014 in [its response to the consultation 'Freedom and choice in pensions'](#) that it intends to increase the minimum age from 55 to 57 in 2028 and that the change will apply to all schemes, aside from those in the public sector that do not link their normal pension age to State Pension age, namely Firefighters, Police and the Armed Forces.

Events

FPS AGM 22 and 23 September 2020 – event summary

We were delighted to offer our fire pensions annual conference in a virtual format this year. In long-standing tradition, the event was preceded by a meeting of the regional chairs, followed by the technical community.

Day 1 had a governance focus and following a brief introduction from the [new chair of the England Scheme Advisory Board](#), Joanne Livingstone, we were pleased to welcome Nick Gannon from TPR. Nick delivered an in-depth session on breaches of the law – considering the who, how, what, and when of recording and reporting. During the Q&A after the presentation, Nick highlighted the administrative challenges of implementing remedy and the importance of good data and communication.

[Please view the AGM 2020 day 1 presentations here.](#)

We were back online for the full technical/ administration AGM on day 2, with a full roster of guest speakers.

Joanne Livingstone welcomed approximately 100 delegates from across the FPS sector, with a more detailed introduction to herself and the role of the SAB. Joanne highlighted that the Board will seek to provide assurance rather than reassurance to stakeholders and continue to operate in a role of scrutiny and engagement on an evidence basis during her four-year term.



Senior pension adviser, Clair Alcock, then took to the “stage” to give an update from the Bluelight team at the LGA. In an event dedicated to remedy, Clair was not afraid to address the elephant in the room and provided a brief recap on the background to the age-discrimination case and the HM Treasury consultation proposals. The session concluded with a quick look at projects on the horizon.

Des Prichard, chair of the [SAB administration and benchmarking committee](#), led the last morning session with an update on the work of the committee. In particular, the session focused on the draft template administration strategy and the future of scheme administration and management. Des was keen to promote the importance of replying to SAB-issued consultations and surveys in order for the Board to deliver improvements to the sector.

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After a brief pause for refreshment, we welcomed guest speakers from Eversheds Sutherland and the Government Actuary's Department, to provide our regular case law update and information about the FPS valuation and cost-cap, respectively.

Peter Spreadbury from the Home Office joined us to outline how the department intended to engage with stakeholders in dealing with remedy. Peter emphasised the importance of taking a professional, constructive, and forward-looking approach to working together and noted a commitment to working with stakeholders to reach a lasting resolution.

Delegates were then "zoomed" randomly into one of three breakout rooms to take part in an interactive workshop session. The workshops looked at themes underpinning the delivery of remedy, including [technical issues](#), [data](#), and [communications](#). After a 45-minute discussion, participants returned to the main room to hear feedback from each of the sessions.

[Please view the AGM 2020 day 2 presentations here.](#)

As always, we would like to thank all presenters and delegates for their participation and support. We have received some great feedback from the event and hope that we will be able to host next year's AGM live and in person in London.

FPS coffee mornings

We are continuing to run our MS Teams coffee mornings every second Tuesday while social distancing measures remain in place. These informal sessions lasting up to an hour allow practitioners to catch up with colleagues and hear a brief update on FPS issues from the LGA Bluelight team.

The next event is scheduled to take place on 13 October 2020.

If you would like to join us, please email bluelight.pensions@local.gov.uk and we will add you to the invite list for the sessions.

HMRC

HMRC newsletters/bulletins

HMRC has published the following newsletter containing important updates and guidance on pension schemes:

[Pension schemes newsletter 124 – 29 September 2020](#)

- Temporary changes to pension processes as a result of coronavirus (COVID-19)
- Relief at source
- Managing Pension Schemes service

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Useful links

- [The Firefighters' Pensions \(England\) Scheme Advisory Board](#)
- [FPS Regulations and Guidance](#)
- [Khuf Firefighters Pensions Discussion Forum](#)
- [FPS1992 guidance and commentary](#)
- [The Pensions Regulator Public Service Schemes](#)
- [The Pensions Ombudsman](#)
- [HMRC Pensions Tax Manual](#)
- [LGA pensions website](#)
- [LGPS Regulations and Guidance](#)
- [LGPS member site](#)

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Risk Ref.	Risk Description	Risk Owner	Inherent Risk					Total risk score	Control actions	Action by whom	Residual risk					Reviewed on		
			Impact				Likely				Total	Impact					Total	Likely
			Fin	Service	Rep'n	Total						Fin	Service	Rep'n	Total			
F1	Incorrect data due to employer error, user error or historic error leads to service disruption e.g. incorrect annual benefits statements being processes. Data not secure or appropriately maintained.	SW	2	4	5	11	2	22	TREAT 1) Implementation and monitoring of a Data Improvement Plan by the pension administration team. 2) The Board will be made aware of the 2020 data scores. The service will work with Pensions Admin on improving the data in the system and make recommendations.	TL/CC	2	3	3	8	2	16	Nov-20	
F2	Risk of manual intervention in administration reporting. no manual intervention day to day outside of the project e.g. Miskey errors.	SW	2	4	2	8	3	24	TREAT 1) Automated extraction of data where viable and agreed process for audit assurance.	TL/CC	2	3	2	7	3	21	Nov-20	
F4	Failure to communicate adequately and timely with scheme members	LS/RT	1	4	4	9	3	27	TREAT 1) Ensure the website is updated, that newsletters are published and annual benefit statements when due to be communicated. 2) Yammer communications (frequently) 3) Pensions SharePoint Site 4) Pension Admin to send out ABS	LS/Pension Admin/RT	1	1	1	3	2	6	Nov-20	
F5	Failure to recognise and manage conflicts of interests of Board members	Dem serv/LFPB Chair	1	1	5	7	3	21	TREAT 1) Declaration of interests at the beginning of each meeting.	Dem serv	1	1	5	7	1	7	Nov-20	
F6	LFPB Policies and strategies not in place or reviewed.	LFPB Chair	2	2	3	7	3	21	TREAT 1) Reviewed by the Board 2) Ensure roles and responsibilities are clarified.	LFPB	2	2	3	7	2	14	Nov-20	
F8	Unstructured training and Knowledge Transfer leads to under developed workforce resulting in inefficiency in Pension Admin.	SW	4	4	4	12	3	36	TREAT 1) In the short term additional resources are supporting on lower priority work. 2) Looking at future options on pension administration working with pension admin and service.	CC/TL	3	3	4	10	3	30	Nov-20	
F9	Failure to administer the scheme in line with regulations and policies, compliance towards regulations and assurances need to be built in to ensure the pension scheme is administered in line with current in force regulation and policy.	SW	2	2	4	8	4	32	TREAT 1) Up to date knowledge through various sources such as SAB and the LGA. Up to date training. Attendance at regional fire administrator working groups. Information on the scheme is held on the Firefighters website. 2) Through strong governance arrangements and the active reporting of issues, seek to report all breaches as soon as they occur in order to allow mitigating actions to take place to limit the impact of any breaches.	CC/TL	2	2	4	8	2	16	Nov-20	
F9i	Failure to notify staff of the Modified Pension Scheme means the employer and employee as to collect contributions and make contribution shortfalls. Could lead to FBU unease and possible legal challenge.	SW	2	2	4	8	4	32	TREAT 1) Officers to report to the Board. 2) Legal advice has been received. Contact has been made with members. 3) Awaiting further communications regarding McCloud/Sargeant.	TL/CC	2	2	4	8	4	32	Nov-20	
F10	Gaps in skills and knowledge of Board members to adequately make decisions, provide assurance and to scrutinise the efficiency of the SFRS Pension Schemes.	LFPB Chair	2	3	3	8	3	24	TREAT 1) Members of the Board will be mindful of the Attendance and Knowledge and Understanding Policy when setting objectives and establishing training needs. 2) The board has approval from Audit and Governance committee to establish substitutes. 3) All board members to attend LGA provided training.	LFPB	2	3	3	8	2	16	Nov-20	
F11	Inability to respond to a significant event leads to prolonged service disruption and damage to reputation.	SW	3	3	3	9	3	27	TREAT 1) Disaster recover plan in place 2) Ensure system security and data security is in place 3) Business continuity plans regularly reviewed, communicated and tested 4) Assess compliance with the Government's National Cyber Security Strategy 2016-2021	CC/TL	3	3	3	9	1	9	Nov-20	
F16	Workforce Reform leads to changes within our working arrangements without consideration of the pensions implications	SW	3	3	2	8	3	24	TREAT 1) Regular monitoring by the scheme manager 2) Regular discussion at Assurance SLT 3) Regular PM Meetings with Transformation Programme Lead	SW	3	3	2	8	1	8	Nov-20	
F21	Moving out of County Hall could adversely affect team morale as majority of the staff are within a few miles of County Hall. A move to an office further away may result in employees finding jobs elsewhere to minimise the commute. Resulting in: - Significant loss of skilled and experience staff.	TL/CC	2	3	3	8	3	24	TREAT 1) Pensions admin exploring other arrangements. 2) Engage with staff early and to understand their concerns which should be fed into the consideration of new location.	TL/CC	2	3	3	8	2	16	Nov-20	
F22	Board meetings being disrupted due to Covid19.	Dem serv	2	3	3	8	4	32	TREAT: 1) Use video / conference calls. 2) Flexibility about meeting dates. 3) Ensure that delegated responsibilities are clearly understood. 4) Review decision making, delegations and meeting powers. 5) Hold Board meetings electronically. 6) Investigate whether quoracy can be relaxed. 7) Anticipate potential problems and agree actions to address them in advance. 8) Consider delegating responsibility to an emergency response group.	Dem serv	1	2	2	5	2	10	Nov-20	
F23	Pension administration service disrupted due to Covid 19. A number of staff may be off work due to the virus and there is also an impact on the productivity due to prolonged working from home without sufficient support.	TL/CC	2	4	3	9	3	27	TREAT: 1) Encourage working from home where it is possible and providing appropriate guidance to help individuals to work effectively. 2) Encourage cross training where it is possible. 3) Using secure email, instead of sending out letters.	SW/TL/CC/NM	1	3	2	6	3	18	Nov-20	

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Surrey Local Firefighters' Pension Board November 2020

Pensionable Pay: Day Related Flexible Hours Allowance and Variable Crewing Hours Allowance. Update Report.

Introduction:

1.1 The Board has requested an update on pensionable pay relating to Day Related Flexible Hours Allowance and Variable Crewing Hours Allowance.

2.0 Background

2.1 In late 2019 Surrey Fire and Rescue Service (SFRS) took legal advice following a High Court Ruling that had implications for pensionable pay. The payments in question were:

- Additional allowance of 10% of basic salary paid for flexibility and additional responsibilities of personnel who undertake a role on the variable crewing hours duty system.
- Additional allowance of 10% of basic salary for flexibility and additional responsibilities of personnel who undertake a role on the day related flexible hours duty system.

2.2 The 10% allowances for variable crewing hours duty system and the day related flexible duty system had been considered in the contract of employment with SFRS as non-pensionable when the payments were introduced. The variable crewing hours allowance was introduced in 2004 and day related flexible hours allowance in 2008. At this time the general view was that additional allowances were not pensionable.

2.3 The legal landscape was changed by the Norman v Cheshire case and was followed in Booth v Mid and West Wales. If the same reasoning is applied to the additional allowances, the legal advice is that both are pensionable.

3.0 Communications

3.1 A letter was sent out on 28 October 2020 to active members currently in receipt of the 10% allowances informing them that pension contributions will commence and be reflected in the November payslip. Supporting FAQs are in place and a dedicated mailbox has been created.

3.2 In addition to the initial letter to active members a holding letter was sent to non-current members on 6 November 2020. This letter highlighted that as these allowances have not been treated as pensionable to date, it is likely that there has been an underpayment in pension contributions, which may have resulted in an overpayment in salary. If there has been an underpayment of pension contributions this now needs to be corrected. The Service will be writing again with further details on how this may affect individual members.

4.0 Next Steps

4.1 Through the Pensions Project Board the Service is working with Pension Administration, Finance and Legal on recovery of underpayments. The next Project Board meeting takes place on 16 November 2020.

Report contact:

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