

Notice of Meeting

Surrey Local Firefighters' Pension Board



Date and Time

Thursday, 23
November 2023
10.30 am

Place

Committee Room,
Woodhatch Place, 11
Cockshot Hill,
Reigate, Surrey, RH2
8EF

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Board Members:

Mr Paul Bowyer, Cllr Nick Harrison (Chairman), Mr Glyn Parry-Jones and Mr Dan Quin (Vice-Chairman)

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AGENDA

1 APOLOGIES FOR ABSENCE AND SUBSTITUTIONS

2 MINUTES FROM THE PREVIOUS MEETING: 20 JULY 2023

(Pages
5 - 10)

To agree the minutes as a true record of the meeting.

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

To receive any questions or petitions.

Notes:

1. The deadline for Member's questions is 12.00pm four working days before the meeting (14 June 2023).
2. The deadline for public questions is seven days before the meeting (13 June 2023)
3. The deadline for petitions was 14 days before the meeting, and no petitions have been received.

5 SURREY FIREFIGHTERS' PENSION BOARD ACTION AND RECOMMENDATION TRACKER

(Pages
11 - 20)

The Board to note the Action and Recommendation Tracker.

6 SCHEME MANAGEMENT UPDATE REPORT

(Pages
21 - 26)

The Board has requested an update on Scheme management activities.

7 XPS - SURREY FIRE & RESCUE AUTHORITY PENSION BOARD REPORT (Pages 27 - 42)

To note the XPS – Surrey Fire and Rescue Authority Pension Board report.

8 FIRE BULLETINS (Pages 43 - 146)

The Pensions Board has adopted a procedure to ensure that any FPS Bulletins released by LGA are reviewed and any necessary actions are noted and tracked through to completion.

9 RISK REGISTERS (Pages 147 - 166)

The Board to consider relevant risk registers.

10 EXCLUSION OF THE PUBLIC

Recommendation: That under Section 100(A) of the Local Government Act 1972, the public be excluded from the meeting for the following items of business on the grounds that they involve the likely disclosure of exempt information under the relevant paragraphs of Part 1 of Schedule 12A of the Act.

PART TWO – IN PRIVATE

11 RISK REGISTERS (Pages 167 - 172)

The Board to consider relevant risk registers.

12 DATE OF THE NEXT MEETING

The next meeting will be on 23 November 2023.

Joanna Killian
Chief Executive
Published: 15 November 2023

MOBILE TECHNOLOGY AND FILMING – ACCEPTABLE USE

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Thank you for your co-operation.

QUESTIONS AND PETITIONS

Cabinet and most committees will consider questions by elected Surrey County Council Members and questions and petitions from members of the public who are electors in the Surrey County Council area.

Please note the following regarding questions from the public:

1. Members of the public can submit one written question to a meeting by the deadline stated in the agenda. Questions should relate to general policy and not to detail. Questions are asked and answered in public and cannot relate to “confidential” or “exempt” matters (for example, personal or financial details of an individual); for further advice please contact the committee manager listed on the front page of an agenda.
2. The number of public questions which can be asked at a meeting may not exceed six. Questions which are received after the first six will be held over to the following meeting or dealt with in writing at the Chairman’s discretion.
3. Questions will be taken in the order in which they are received.
4. Questions will be asked and answered without discussion. The Chairman or Cabinet members may decline to answer a question, provide a written reply or nominate another Member to answer the question.
5. Following the initial reply, one supplementary question may be asked by the questioner. The Chairman or Cabinet members may decline to answer a supplementary question.

MINUTES of the meeting of the **SURREY LOCAL FIREFIGHTERS' PENSION BOARD** held at 10.30 am on 20 July 2023 at Committee Room, Woodhatch Place, 11 Cockshot Hill, Reigate, Surrey, RH2 8EF.

These minutes are subject to confirmation by the Committee at its meeting on Thursday, 23 November 2023.

(* present)

Elected Members:

- * Paul Bowyer
- * Nick Harrison (Chairman)
- * Glyn Parry-Jones
- * Dan Quin (Vice-Chairman)

Benedict Mulliss, substitute member, was also in attendance (virtually)

21/23 APOLOGIES FOR ABSENCE AND SUBSTITUTIONS [Item 1]

No apologies for absence were received.

Benedict Mulliss joined the meeting virtually.

22/23 MINUTES FROM THE PREVIOUS MEETING: 10 NOVEMBER 2022 & 24 FEBRUARY 2023 & 27 APRIL 2023 [Item 2]

The minutes from the meetings on 10 November 2022 and 24 February 2023 were agreed as an accurate record of the meeting.

The Chairman raised two formatting amendments to the draft minutes of the meeting held on 27 April 2023. The Board agreed that the minutes from the meeting held on 27 April 2023 were an accurate record of the meeting subject to the amendments raised by the Chairman.

23/23 DECLARATIONS OF INTEREST [Item 3]

None.

24/23 QUESTIONS AND PETITIONS [Item 4]

There were none.

25/23 SURREY FIREFIGHTERS' PENSION BOARD ACTION AND RECOMMENDATION TRACKER [Item 5]

Witnesses:

Paul Mudd, XPS
Phillip Johnson, Senior Pensions Advisor

Key points raised during the discussion:

1. The Chairman introduced the Action and Recommendation Tracker. The following comments were raised:

A20/20 GMP Exercise - Members noted that Weightmans were in the process of reviewing the draft template to complete the calculations.

A7/21 Address Update – XPS explained that discussions with the provider were continuing to take place. Members noted the update and asked that XPS progress the project so that it could be completed as soon as possible.

A10/22 Feedback on XPS – The Board agreed to close the action as no further complaints had been received.

A1/23 – Pensions Dashboard - The Board agreed to close the action as the detail was being reported within other standing items.

A11/22 Pensions Scams – The representative from XPS provided Members with an overview of scams related to members of a pension scheme transferring their benefits to another scheme and being subject to high unauthorised payment charges. Members noted some examples of scams, and that XPS staff attended annual refresher training on pension scams and the processes in place to address suspicious activity.

A12/22 Risk Register – The Chairman noted that the action was marked to be closed.

A3/23 Member Tracing – In regard to the action, the representative from XPS explained that they had not received a response from the scheme member who was believed to be overseas. The Chairman asked that XPS continue with their efforts to contact the scheme member.

A5/23 Longest Delay – The representative from XPS confirmed that the longest delay was 55 days however the case had been incorrectly logged due to an administrative oversight and was not a normal occurrence. The Chairman asked that data on the longest delay be included in future reports from XPS.

A6/23 Age Discrimination– In regard to McCloud Age discrimination legislation, the Chairman noted that orders had recently been laid before parliament and asked that Members were briefed on any issues within the next few weeks following the meeting.

A7/23 – Annual Benefits Statements - Officers explained that they were hopeful that the information would be available by the end of July 2023.

Actions/ further information to be provided:

None.

Resolved:

The Board noted the Actions and Recommendations Tracker.

26/23 SCHEME MANAGEMENT UPDATE REPORT [Item 6]

Witnesses:

Phillip Johnson, Senior Pensions Advisor
Janine May, Pensions Support Assistant

Key points raised during the discussion:

1. The Senior Pensions Advisor introduced the report and highlighted the following points:
 - a. The data return for members of the 2006 scheme was due to be completed by the end of June 2023. Although the team have been working tirelessly on this project, the deadline will need to be extended to 31 July 2023.
 - b. Thanked those that contributed towards the McCloud consultation.
 - c. Noted that the Pensions Team's immediate priority focused on completing the McCloud data collection exercise before re-commencing with the 10% project.
 - d. Noted details on risks related to the Matthews Retained scheme.
 - e. In regard to pay award details for active members, Members noted that a communication to confirm when the pay award data will be included in projections would be sent to members once the Pensions Team had received the pay award data. The Chairman asked that officers contact Board Members if they were unlikely to meet the deadline of 31 August 2023. Officers also confirm that this would be logged as a potential risk within the Risk Register.
 - f. Noted that the abatement policy had been completed and approved by the Workforce Working Group (WWG) and was available to view on the Pensions SharePoint site.
 - g. Noted that a meeting was hosted by XPS Administration to discuss the preparations and challenges faced by fire authorities with regards to implementation of the McCloud Age Discrimination legislation.
 - h. Noted details related to communications since the last meeting.
2. The Vice-Chairman thanked officers and stated that he had received good feedback from scheme members on Communications.
3. A member asked for detail on the number of expressions of interest on the Matthews Scheme. Officers confirmed that 200 members were in scope for the modified scheme and 100 members had submitted an expression of interest. The member of the board raised concerns that scheme members were unaware of the opportunity to register an interest and asked that officers consider also confirming whether a member was not interested.

Actions/ further information to be provided:

None.

Resolved:

The Board noted the report.

**27/23 XPS - SURREY FIRE & RESCUE AUTHORITY PENSION BOARD REPORT
[Item 7]**

Witnesses:

Paul Mudd, XPS
Sally Wilson, Scheme Manger
Carrie Pearce, Pensions Project Officer

Key points raised during the discussion:

1. The representative from XPS introduced the item and provided a summary of its content. The following details were noted:
 - a. Details related to regulations and guidance
 - b. Details related to Conditional Data Testing as noted in the report.
 - c. Information related to the National Fraud Initiative.
 - d. An overview of the analysis of late tasks.
 - e. Noted data related to Member Self-Service as noted within the report.
 - f. Presented the common data as noted within the report.
 - g. Noted the data included within the Membership tables. Members noted that XPS were looking to include data in the future related to people who had opted-out of the scheme and that the next auto-enrolment date was in 2025.
 - h. Noted the completed cases overview.
2. The committee discussed opportunities to publicise the date in which auto-enrolment took place. This included using email, the council website and letters.
3. In regard to completed cases, a member suggested that data was included from the previous year to allow Board members to make a comparison.

Actions/ further information to be provided:

None.

Resolved:

The Board noted the report.

28/23 FIRE BULLETINS [Item 8]

Witnesses:

Phillip Johnson, Senior Pensions Advisor

Key points raised during the discussion:

1. The Board noted the fire bulletins.

Actions/ further information to be provided:

None.

Resolved:

The Board noted the fire bulletins.

29/23 RISK REGISTERS [Item 9]

Witnesses:

Phillip Johnson, Senior Pensions Advisor

Key points raised during the discussion:

1. The Senior Pensions Advisor introduced the report and noted that the highest rated risks had remained the same compared to the previous publication.
2. The Senior Pensions Advisor provided Members with an overview of the Retained Firefighters (Matthews) Risks. A summary could be found on page 133 of the meeting's agenda.
3. The Chairman asked that the briefing on the risk titled 'Pensions Team Skills and Team Resourcing' was provided in Part 2 (restricted) at the next meeting of the Board.

Actions/ further information to be provided:

Resolved:

The Board noted the risk register.

30/23 DATE OF THE NEXT MEETING [Item 10]

The Board noted that the date of the next meeting was 23 November 2023.

The Chairman asked the Senior Pensions Officer to confirm whether there was a need to reschedule the next meeting of the Board to take place in October or early November 2023.

Meeting ended at: 11.50 am

Chairman

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
17 January 2020 A1/20	Matthews / Retained Project Administration Update (1 September 2019 - 31 December 2019)	Implement of modified pension scheme arrangements	Scheme Manager	<p>February 2023: The data collection exercise was completed and submitted by 25 November 2022. No further updates have been received from the LGA or Home Office on this project.</p> <p>April 2023: A communication will be sent to all affected members to confirm no further action is due to take place until the legislation is implemented in October 2023.</p> <p>July 2023: A communication was sent to all affected members on 24 May 2023, advising further updates will follow once legislation confirmed. A poster, to inform members who believe they are eligible for the exercise but have not heard from the Pensions Team, are encouraged to make contact accordingly, was sent to all Station Commanders to display on Station Boards.</p>	Ongoing

Item 5

Date of meeting and reference	Item	Recommendations/ Actions	To	Response	Progress
				November 2023: The legislation has been finalised and came into force on 1 October 2023. The LGA have provided draft communications to send to members and the first phase of the GAD calculator will be released to FRAs in November 2023. Letters including Expression of Interest forms were issued to members on 1 November 2023.	
30 April 2020 A16/20 & A1/22 (combined) 13 January 2022 A1/22	10% Project 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. B) A risk to be added to the Risk Register concerning Pensionable Pay - particularly in relation to Duty Systems. Regarding the 10% pensionable pay, the Scheme Manager agreed to circulate details on the communication timeline for each priority group to members of the Board.	Scheme Manager	July 2022: A meeting has taken place with the FBU and a follow up email was received which contained their points to ensure the project benefitted those affected. Follow up advice from Weightmans is required to confirm how the Service will respond to the FBU. A communication was sent to all members to notify them of the current status of the project. November 2022: Extensive legal advice has been sought and the Service's stance has been communicated to the FBU. No feedback has been provided to the Service in response to our communication. Therefore, the project will recommence and Priority Group 1 members who have not responded will shortly be sent a communication and Priority Group 2 members will also be contacted. The project timeline will be updated and circulated to the Board shortly. February 2023: Feedback from the FBU is still pending. Members of Priority Group 2, were contacted in November 2022. Members of Priority Group 3 (those	Ongoing

Date of meeting and reference	Item	Recommendations/ Actions	To	Response	Progress
				<p>who retired prior to 2014) are due to be contacted in February 2023.</p> <p>April 2023: Members of Priority Group Three were contacted at the end of February and beginning of March 2023. All commuted lump sums have been paid to members who are due to receive a benefit. Pension arrears due to be paid at the end of June 2023. Members of all remaining Priority Groups were sent a communication on 13 April 2023.</p> <p>July 2023: All applicable members of Priority Group Three have now been paid their pension arrears and their pension benefits have been updated. Priority Group Four members will be contacted once the McCloud data collection exercise has been completed.</p> <p>November 2023: The Pension Team have revisited the Priority group data as there has been some member movement between groups since the project was paused. Letters have been drafted and calculations have been completed for Priority Group 5 (active members) and these will be issued in November 2023.</p>	
<p>30 April 2020</p> <p>A20/20</p> <p>(Informal meeting)</p>	<p>GMP Exercise Administration Update (1 January 2020 - 31 March 2020)</p>	<p>The Pensions Support & Development Manager will liaise with the Assistant Chief Fire Officer – Service Support on the next steps concerning the Guaranteed Minimum Pension</p>	<p>Scheme Manager</p>	<p>XPS have been working through the data needed required by Mercer to carry out the next step of the GMP exercise. Mercer provided a template to XPS which will assist with the rectification element of the project.</p>	<p>Ongoing</p>

Date of meeting and reference	Item	Recommendations/ Actions	To	Response	Progress
due to Covid-19)		(GMP) reconciliation - the new Project Manager to assist.		<p>November 2022: XPS were due to provide data extracts to the Service by the end of September 2022 which in turn would be provided to Mercer. XPS have not been able to finalise this piece of work and the Service are waiting for further information for an expected completion date.</p> <p>February 2023: The data extracts from XPS were not provided in time to the Service which meant Mercer would not be able to complete the rectification exercise prior to the pensions increase. Mercer are reviewing the data extracts, additional costs will be incurred for the work completed. It is anticipated the project will be finalised by the end of 2023.</p> <p>April 2023: Mercer and XPS are in communication with each other to confirm the template to use and the data that is required. It is still hoped the project will be completed before the end of 2023.</p> <p>July 2023: XPS have explained that they do not feel it is their responsibility to check the benefit specification template. The Service have contacted their legal party to determine if Weightmans may be able to carry out this exercise.</p> <p>November 2023: Weightmans have reviews the benefit specification and are liaising with Mercers with a view to final sign off.</p>	

Date of meeting and reference	Item	Recommendations/ Actions	To	Response	Progress
25 November 2021 A7/21	Address Update XPS Administration - Surrey Fire and Rescue Service Pension Board Report	For the Assistant Chief Fire Officer – Service Support to work with XPS to use a tracing service to confirm addresses for those past retirement or within two years of retirement.	Scheme Manager	<p>July 2022: The cost to proceed with the exercise has been approved and a PO has been sent to XPS to commence with the task.</p> <p>November 2022: XPS have confirmed following discussions with their existing supplier, they will not be using a new supplier. XPS will be able to commence the mortality and address cleanse towards the end of October following the payroll cycle.</p> <p>February 2023: XPS submitted in January the data to their supplier for the address tracing exercise. A verbal update should be provided at the Local Pension Board meeting. XPS will write to the old and the new addresses to confirm the correct address to use.</p> <p>April 2023: XPS have confirmed in their report, that there are several addresses returned. The team at XPS are working through the returns and a verbal update will be provided at the Board meeting.</p> <p>July 2023: XPS have confirmed that this project is continuing with their provider. A revised file is due to be submitted in June. Mortality screening costs are also being considered.</p> <p>November 2023: XPS to provide update on progress of the project</p>	Ongoing

Date of meeting and reference	Item	Recommendations/ Actions	To	Response	Progress
28 July 2022 A7/22	Member Email Address Update XPS – Surrey Fire & Rescue Pension Board Report	The Board suggested for work to be carried out to try and obtain email addresses for all members, allowing for information to be circulated when needed and potentially reducing the risk of losing contact when members move to a different address. The Scheme Manager agreed to consider this and report back to the Board.	Scheme Manager	November 2022: The Pensions Project Team will shortly be assessing the feasibility of this. The Board is asked to note this will be an extensive task as the current database systems within the Service do not necessarily contain personal email addresses. February 2023: This is an extensive piece of work and currently there is not the resource to do this. However, the uptake of members creating an account on the member's self-service portal continues to increase which provides a further platform to gain information from members. November 2023: No update on this area due to the other tasks within the team which have taken priority.	Ongoing
10 November 2023 A11/22	Pension Scams Fire Bulletins	The representative from XPS agreed to provide a report on the XPS strategy in place to combat pensions scams at the February 2023 Board meeting.	XPS	April 2023: XPS will provide a verbal update at the Local Pension Board meeting. July 2023: The representative from XPS provided Members with an overview of scams related to members of a pension scheme transferring their benefits to another scheme and being subject to high unauthorised payment charges. Members noted some examples of scams, and that XPS staff attended annual refresher training on pension scams and the processes in place to address suspicious activity.	The Pensions Team suggest this action can now be closed
24 February 2023 A3/23	Member Tracing	To provide the Board with detail on the number of deferred members that were past	XPS / Scheme Manager	April 2023: XPS have confirmed in their report of one member whom exceeds normal pension age for a deferred beneficiary. This member is based overseas. Actions will be taken by XPS to locate this member.	Ongoing

Date of meeting and reference	Item	Recommendations/ Actions	To	Response	Progress
	XPS – Surrey Fire & Rescue Pension Board Report	retirement age and had not been in contact with XPS.		<p>July 2023: the representative from XPS explained that they had not received a response from the scheme member who was believed to be overseas. The Chairman asked that XPS continue with their efforts to contact the scheme member.</p> <p>November 2023: XPS to provide verbal update.</p>	
27 April 2023 A5/23	XPS – Surrey Fire & Rescue Pension Board Report	XPS to provide detail on the longest failure to meet an estimate target at the next meeting.	XPS / Scheme Manager	<p>July 2023: the representative from XPS confirmed that the longest delay was 55 days however the case had been incorrectly logged due to an administrative oversight and was not a normal occurrence. The Chairman asked that data on the longest delay be included in future reports from XPS.</p> <p>November 2023: XPS to include this information in their report to the Board and provide a verbal update at the meeting.</p>	Ongoing
27 April 2023 A6/23	Risk Register	SFRS to be provided with an update on the McCloud Age discrimination legislation and whether preparations were expected to be ready in time for the scheduled implementation in October 2023.	XPS / Scheme Manager	<p>July 2023: A meeting took place between the Pension Team and XPS on 21 June 2023. Currently, there are no expected impacts to members or anticipated delays with the preparations for implementation of the legislation in October 2023.</p> <p>The Chairman noted that orders had recently been laid before parliament and asked that Members were briefed on any issues within the next few weeks following the July meeting of the Board.</p> <p>November 2023: The legislation came into force on 1 October 2023. The Pension Team are working on a</p>	Ongoing

Date of meeting and reference	Item	Recommendations/ Actions	To	Response	Progress
				further data collection exercise to extract member historical tax information from payroll records. This is needed to input in the GAD calculator. There have been 3 retirements, in October, in scope of remedy and their benefits have been processed and paid on time, in accordance with the Remedy legislation.	
6 July 2023 A7/23	Scheme Manager Report	SFRS to provide the year-end data for the 2022 – 2023 financial year to XPS in order to send out annual Benefit statements by 31 August 2023 and to ensure member records and projections are correct.	Scheme Manager	<p>July 2023: Due to annual leave, the introduction of the new payroll system, the month the pay award was paid to SFRS staff and how the data needs to be extracted from SAP, the deadline of 15 May 2023 to send the data to XPS was not achieved. The Pensions Team has been informed the data is likely to be ready by 31 July. XPS have been notified of this and has received confirmation this should not impact the creation of annual benefit statements.</p> <p>November 2023: Year-end data and pay award data was submitted to XPS on 7 August 2023. However, Annual Benefit Statements were not published by the deadline of 31.8.23, due to the introduction of new payroll software and associated issues with extracting the relevant pay data. This incident has been assessed in accordance with the Pension Regulator guidelines and will be recorded, by the Pension Team, as an internal breach of responsibilities. The ABS's are expected to be published by XPS by the end of November 2023.</p>	Ongoing

COMPLETED RECOMMENDATIONS/REFERRALS/ACTIONS – TO BE DELETED

Date of meeting and reference	Item	Recommendations/ Actions	To	Response	Progress
10 November 2023 A10/22	Feedback on XPS XPS – Surrey Fire & Rescue Pension Board Report	Board member and XPS representative to provide an update at the February 2023 meeting on whether the complaints had been resolved, and for the representative from XPS to provide more information on the complaint process and the reasons why the three complaints noted were not recorded as formal complaints.	XPS Board Member	February 2023: Update to be provided at the Local Pension Board Meeting April 2023: No further complaints had been logged up to February 2023. However, feedback on the service received from XPS has been less positive recently. Communications are underway with the account manager to work through the next steps. July 2023: No further complaints have been logged up to July 2023. XPS to provide a verbal report at the meeting of the complaint list sent to them in May 2023. The Board agreed to close the action as no further complaints had been received.	Closed.
24 February 2023 A1/23	Pensions Dashboard Scheme Management Update Report	Members to be provided with an update following a meeting with XPS, scheduled for early March, related to the Pension Dashboard.	Scheme Manager	April 2023: An update on the meeting with XPS has been provided in the Scheme Manager report. July 2023: An update has been provided from Department of Work and Pensions confirming the revised timeline for Pension Dashboards. The new staging date for FRAs will be 31 October 2026 The Board agreed to close the action as no further complaints had been received. The Board agreed to close the action as the detail was being reported within other standing items.	Closed

<p>10 November 2023 A12/22</p>	<p>Risk Register</p>	<p>The board to consider one or two risks, and mitigating actions in place, in detail at each meeting</p>	<p>Scheme Manager</p>	<p>February 2023: due to the implementation of the new risk register format, the Board will consider two actions in detail at the April 2023 meeting.</p> <p>July 2023: This is an ongoing item on the agenda now. The Pension Team suggest to the chair that one or two risks are discussed at each meeting going forward.</p> <p>The Board agreed to close the action</p>	<p>closed</p>
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Surrey Local Firefighters' Pension Board 23 November 2023

Scheme Management Update Report

Recommendations:

The Board is asked to note the report and actions taken.

1.0 Introduction:

1.1 The Board has requested an update on Scheme management activities.

2.0 Scheme Management Activities

McCloud - Age Discrimination Remedy

2.1 The data collection exercise was completed and submitted to XPS in August 2023. Data quality has been reviewed and tested by XPS. A few queries have been raised and these are in the process of being addressed by the Pension team.

2.2 The Government published their response to the consultation document, in July 2023, and the legislation came into force on 1 October 2023.

2.3 Warm-up letters have been issued to each cohort of members to advise when they can expect to receive their Remediable Service Statements. This will help to manage members expectations regarding when they can expect to receive their option choices. The FPS website now includes a Remedy Page which includes frequently asked questions and a short video to help members understand the timescales around remedy. There is one video for retired members and one for active and deferred members. The SFRS Pensions SharePoint site has also been updated to include a McCloud Age Discrimination page as a source of reference for members.

2.4 A calculator has been developed by the Government Actuaries Department (GAD) and was released to FRAs at the end of August 2023. This must be used by FRAs to calculate member contributions, tax, and interest due for both legacy and reformed benefits for the remedy period. This is necessary as the pension administrators must hold a

'contribution adjustment account' for each member, The Pension Team have been working with IT and payroll to collate the historical tax information necessary to use in the GAD calculator, as this information was not included in the original data collection exercise. The Pension Team have successfully submitted the relevant GAD calculator data to XPS, for all SFRS members retiring in October and November 2023 to ensure that payment of their benefits is not delayed. The Pension Team are now working on a further data exercise to collate and report the GAD calculator data to XPS, for each cohort of membership, in accordance with the RSS timetable.

10% Pensionable Allowance

2.5 Now that the data collection exercise has been completed, the Pension Team have revisited the member data for this exercise to identify member movements within priority groups. The next groups of members to be contacted are Priority Group Five, (current active members). The Pension Team have also reassessed the data to identify members retiring in the next 12 months to give this cohort priority. The calculations have been completed and checked for these members and letters are currently being drafted.

Matthews - Retained Scheme – On-Call Access

2.6 The Government published their response to the consultation document, in September 2023, and the legislation came into force on 1 October 2023.

2.7 The Government Actuaries Department (GAD) has produced a calculator for use by FRAs. This must be used by FRAs to calculate the cost to each member of purchasing past membership in the Modified scheme. This calculator is due to be released in two phases applicable to different cohorts of membership. The first phase is expected to be released in November 2023 and the second phase is due to be released in January 2024. The LGA have produced draft letters, expression of interest forms and employee leaflets to be sent to members in scope for the Second Options exercise. FRAs must issue these to members by 31 December 2023. The Pension Team have issued the letters, forms and employee leaflets to members on 1 November 2023.

2.8 The Pensions Team have also analysed their membership data to identify 37 members who are in scope for both the McCloud remedy and the second options exercise. This information will be shared with XPS. Regulations dictate that the Second Options Exercise should be implemented prior to the McCloud remedy.

Pay Award

2.11 Pay award details for active members were sent to XPS with the annual end of year membership data on 7 August 2023. XPS are currently preparing Annual Benefit Statements for members, and these are due to be published shortly.

2.12 Further advice is still anticipated from the LGA with regards to possible impact of the backdated pay award on members tax liabilities and annual allowance calculations.

Guaranteed Minimum Pension (GMP) Rectification

2.13 The rectification project was due to be completed by the end of 2023. This is likely to be extended to February 2024 due to delays with the benefit specification sign off. The Pension Team's legal adviser, Weightmans, completed their review of the specification in October 2023 and Mercers are now working on the data. Mercers have raised a few outstanding queries with XPS which need to be resolved before final sign off.

Pension Dashboard

2.14 The Pensions Dashboard (Amendment) Regulations 2023 confirmed that the connection deadline has been extended to 31 October 2026. Further guidance is required from the DWP to confirm this staging date applies to all schemes with 100 or more relevant members at the scheme year end between 1 April 2023 and 31 March 2024, or if there will be a later staging date for FRAs.

Pre-Retirement Course

2.15 The Pension Team have recently appointed a retirement specialist in the public sector, known as 'Affinity Connect', to help members plan and achieve their retirement goals. To date, two courses have taken place online on 29 August and 18 October 2023. Initial feedback has been positive, and the Pension Team are planning to arrange further courses in 2024.

Firefighters' Pensions Annual Conference

2.16 The Firefighters' Pensions Annual Conference was held on 19 and 20 September 2023. Discussions included current legislation updates and challenges facing FRAs, and the importance of communicating with members to manage expectations. The update from The Pensions Regulator included findings from their 2023 'Governance and Administration survey'.

The key themes from the survey were:

- Time and resources to run pension schemes is a growing issue, particularly in terms of recruitment and retention of staff
- Risks are being taken more seriously
- Breaches of the law are rarely reported to TPR
- TPR's new enforcement policy has not yet had noticeable impact

Pension Team Resourcing

2.17 The Pensions Team are pleased to report the role of Pensions Support Assistant has been filled and the new member joined the team on 23 October 2023. This is a permanent role and will support the team over a variety of activities across all projects.

At the time of writing, the interviews for the role of Senior Pensions Adviser have been completed, and an offer is expected to be made in the next few days.

Communications

2.18 The following communications have been sent since the last local Pension Board meeting took place:

- **Pre-Retirement course News Item:** An article was published in SFRS news on 21 July 2023 advising members of new online pre-retirement course run by affinity connect.
- **Thinking of Retiring Soon News Item:** An article was published in SFRS news on 4 August 2023 regarding retirement process for members impacted by the McCloud legislation and retiring soon.
- **McCloud Remedy News Item:** An article was published in SFRS news on 4 August 2023 advising members of updated Remedy page on SharePoint.
- **McCloud Remedy Scams News Item:** An article was published in SFRS news on 18 August 2023 alerting members to pension scams.
- **Pre-Retirement course News Item:** An article was published in SFRS news on 18 August 2023 reminding members of new online pre-retirement course run by affinity connect.
- **McCloud Remedy Warm up Letters:** Letters were issued to members on 31 August 2023, with guidelines for when to expect to receive Remediable Service Statements.
- **Returning to Work after Retirement News Item:** An article was published in SFRS news on 15 September 2023 advising members of important information regarding re-employment principles and abatement on returning to work after retirement.
- **New XPS contact number News Item:** An article was published in SFRS news on 15 September 2023 advising members of a new telephone number for XPS from 1 October 2023
- **McCloud Remedy News Item:** An article was published in SFRS news on 13 October 2023 advising members of updated Remedy page on the FPS website including FAQs and member videos.
- **New Starter Pack for New recruits:** A pension information starter pack has been produced for distribution to new starters. The Pension Team have also arranged to give a presentation to new recruits at Wray Park on 6 December 2023.

2.19 Since the Pensions SharePoint site was shared with members of the Service, there has been a total of 5004 visits to the site. The below table shows a summary of site traffic since 1 August 2023.

Time Period	Total Number of Visits to the SharePoint Site	Number of Visits to Pensions SharePoint Site in this period	Number of individual member visits	Average time spent visiting the Site
1 August – 31 October 2023	5004	2211	715	3 minutes 43 seconds

An analysis of the data shows the most popular pages visited in the last period, were:

- Thinking of returning to work after retirement
- Planning for Retirement
- Ready to Retire checklist.

The 'News items' also continue to attract a lot of site traffic. Most recent popular items include the 'Pre-retirement course' and 'Age Discrimination Remedy update'.

Training from the LGA

2.20 From the training the LGA delivered to the Board in March 2023, the actions for the Service to work through, have been updated. These actions are applicable to all FRAs in England. An update of the progress the Service has made on the actions can be found below.

Project	LGA Advised Actions	Status
McCloud / Age discrimination	<ol style="list-style-type: none"> 1. Monitor optant outs. 2. Update websites and other resources. 3. Consider possible upcoming Independent Qualified Medical Practitioner (IQMP) referrals. 4. Collection and cleansing of remedy data. 	<ol style="list-style-type: none"> 1. Ongoing 2. Ongoing 3. Ongoing 4. Completed
McCloud IDF	<ol style="list-style-type: none"> 1. Consider adoption of the Immediate Detriment Framework. 2. Maintain communication with members and local rep bodies. 3. Continue data collection work for cases. 	<ol style="list-style-type: none"> 1. N/A as IDF did not proceed.
Matthews / Modified	<ol style="list-style-type: none"> 1. Respond to consultation. 2. Identify members in scope. 	<ol style="list-style-type: none"> 1. Completed 2. Completed
Pensions dashboard	<ol style="list-style-type: none"> 1. Consider how to connect. 2. Consider what resources will be needed. 3. Begin / continue to cleanse data. 	<ol style="list-style-type: none"> 1. Underway 2. Underway 3. Underway
Abatement	<ol style="list-style-type: none"> 1. Review existing policies. 2. Revisit previous cases if required. 3. Monitor cases for consistency in decision making and processes followed. 	<ol style="list-style-type: none"> 1. Completed 2. Completed 3. Ongoing

Risk Management

2.21 The Local Firefighters Pension Scheme (LFPS) Risk Register has been reviewed and is a standing agenda item on the LFPB.

3.0 Summary

3.1 The Board is asked to note the update provided.

Report contacts: Sally Wilson and Janine May
Contact details: E: sally.wilson@surreycc.gov.uk
E: janine.may@surreycc.gov.uk

Sources/background papers: N/A
Annexes: N/A

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Surrey Fire & Rescue Authority

Pension Board Report

2023/2024 – Q2

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01 Overview

Regulations and Guidance

April 2023

LGA issued Bulletin 68

Bulletin 68 covered many topics most with actions arising, see below:-

Actions arising

Consultation on the Firefighters' Pension Scheme (Remediable Service) Regulations 2023

FRA's are encouraged to respond to the consultation by the deadline of 23rd May 2023.

XPS will be providing their response.

Consultation on Retained Firefighters' Pensions: Proposed changes to the Firefighters' Pension Scheme (England) 2006

FRA's are encouraged to respond by the deadline of 9th June 2023 - XPS will be providing their response.

Commutation on retirement factors and guidance update

The factors are effective from 3 April 2023, please ensure that you are using the correct factors for any retirements following 3 April 2023 (inclusive). XPS confirm that they are using the correct factors

Secondary Contracts – Injury and Death Benefits

LGA suggest that FRA's review their contracts to ensure that a secondary contract has been awarded correctly.

Matthews Poster

LGA has been published a Matthews Poster which can be found under the Second options exercise resources on the special members of FPS 2006 page

Each FRA can personalise the poster and publicise the second options exercise at their fire authority and fire stations.

Annual Allowance - Impact of the backdated pay award

FRA's and administrators to consider the factsheet when determining their calculations for Annual Allowance where a backdated pay award has occurred.

Generic Text for Retirement and Estimates Letters

The Fire Communications Working Group has agreed template wording below for FRA's or Administrators to include within their estimate/retirement letters to cover re-employment.

FRA's and/or administrators need to consider whether to include this in their letters.

Request for contact details

FRA's are requested to remind members, in correspondence, which is sent out, to keep their administrators updated of any change in address or contact details. FRA's to include a request in correspondence to all members.

Other News

HMRC retained firefighter bulletin

We are aware that HMRC have recently sent out emails to Fire Authorities in England, Wales and Northern Ireland asking for further information in relation to National Insurance refunds for retrospective entry into the pension scheme.

Each Fire Authority scheme has received information bespoke to them.

HMRC have provided further clarity around the information they have requested which can be located in the first options exercise resource area of the Regulations and Guidance website.

May 2023

LGA issued Bulletin 69

Bulletin 69 covered many topics most with actions arising, see below:-

Actions arising

Consultation on the Firefighters' Pension Scheme (Remediable Service) Regulations 2023

FRAs and administrators should familiarise themselves with the response, ahead of the Home Office's response to the consultation

The Pension Regulator data requirements – 2023 scheme return:

FRAs and administrators to review the data scoring guidance for 2023 ahead of the scheme return.

Ill health re-assessment IQMP template referral letters available:

FRAs should send these and the relevant accompanying documentation to the IQMP using the relevant IQMP template referral letter.

Government Actuaries Department (GAD) - updated factors:

FRAs and Administrators to ensure that they are using the correct factors.

Data Conference Slides:

FRAs to view the slides and consider data more strategically now and in the future

Age Discrimination remedy – data sharing: Administrators to share pensionable data

for members who are subject to age discrimination remedy and have had an interbrigade transfer during the remedy period with the current FRA's administrator on request.

To review your privacy notice and add some additional wording, where relevant. Any amendments should be approved as per your internal processes.

Automatic enrolment – Call for evidence:

FRAs to be aware of this call for evidence.

The Public Service Pension Schemes (Rectification of Unlawful Discrimination) (Tax) (No. 2) Regulations 2023 :

Interested parties to review the consultation and establish whether you wish to respond to the consultation by 19 June 2023. Also, consider whether you wish to be part of the round table sessions.

SAB response to the Consultation on the Firefighters' Pension Schemes (Remediable Service) Regulations 2023:

FRAs and administrators should familiarise themselves with the response, ahead of the Home Office's response to the consultation.

SAB Guidance Note on Pensionable Pay Remedies:

FRAs to refer to the pensionable pay note when dealing with cases where elements of pay need retrospectively adjusting.

HMRC Remedy Newsletter:

Administrators and FRAs to consider whether you wish to volunteer to assist HMRC

June 2023

LGA issued Bulletin 70

Bulletin 70 covered many topics, most with actions arising; see below: -

Consultation on the retained Firefighters' Pensions: Proposed changes to the Firefighters' Pension Scheme (England) 2006:

FRAs and administrators to familiarise themselves with the LGA's response to the consultation ahead of the Home Office's response.

Consultation on The Public Service Pension Schemes (Rectification of Unlawful Discrimination) (Tax) (No.2) Regulations 2023:

FRAs and administrators to familiarise themselves with the LGA's response to the consultation ahead of the HMRC's response.

Data Collection for 2015 remedy:

FRAs to ensure that the data collection template is completed and sent to administrators by their set deadlines so that they are prepared to implement remedy from 1 October 2023.

Firefighters Pay Scales:

FRAs to familiarise themselves with the pay scales available ahead of the Special Members FPS 2006 (Matthews) remedy exercise to commence in October 2023.

Pay scales have been located going back to 1962. These have been added to the Firefighter Pay Scales page on the member-restricted area on the Firefighters' Regulations and Guidance website.

Home Office collection of FPS forecasts for 2023-24 to 2028-29:

FRAs should start preparing to collate the necessary information; this is similar to that provided last year.

Consultation on the retained Firefighters' Pensions: Proposed changes to the Firefighters' Pension Scheme (England) 2006:

FRAs and administrators to familiarise themselves with the SAB's response to the consultation ahead of the Home Office's response.

Consultation on The Public Service Pension Schemes (Rectification of Unlawful Discrimination) (Tax) (No.2) Regulations 2023:

FRAs and administrators to familiarise themselves with the SAB's response to the consultation ahead of the HMRC's response.

Added Years Factsheet:

FRAs and Administrators to ensure they are using the updated version on their websites. LGA has updated the Added Years Factsheet to include the rate for 2023; this can be found on the factsheet page of the Firefighters Pensions Regulations and Guidance website.

Government Actuary's Department (GAD): Data Projects and Long-Term Strategy:

FRAs are advised to read GAD's write-up of the event and their broader focus on data.

Remedy readiness self-assessment tool:

Scheme managers must complete the self-assessment tool and report to their senior teams and local pensions boards.

Data Conference Q & and Pension Dashboards:

FRAs and administrators may review the Q & A's for information.

Remedy member examples by GAD:

FRAs and administrators should read these with reference to slide 15 from the coffee morning of 26 January 2023.

The Public Service Pension Schemes (Rectification of Unlawful Discrimination) (Tax) (No. 2) Regulations 2023

As a third-party administrator, XPS responded on 16 June 2023.

Security to protect against data breaches.

You may be aware of some high-profile data breaches that have been in the news recently, affecting well known professional services firms. We understand that the information leaked includes core personal member authentication information and XPS have taken steps to ensure members data we hold is not breached.

Member Authentication

XPS take the security of members information very seriously. Due to the risks of cybercrime, fraud associated with postal and email interception, or impersonation, it is important that the processes we use are robust.

That is why we have standard processes to ensure a consistent approach is adopted for all our clients. Our current policy to authenticate a member is to ask them for 4 pieces of personal information.

- Full name
- Date of Birth (partial)
- Current Address
- NI number (partial)

However, we understand that all these data items have been compromised by at least one of the data breaches. This means that the information required to pass our security checks needs to be strengthened. To do this, we will ask the member for an additional piece of information that is unique to them and was not compromised in the breaches.

We have implemented changes that will ask members for additional personal information including their system ID, or where they do not have this, dates of joining or leaving the scheme or the related employment.

Data Transfers

There is also a low risk that there will be an increase in malicious software attacks from data transfers. Our IT Cyber Protection team have issued guidance to the whole of XPS (including the admin teams) on what to do if they receive any emails or data transfers. Data transferred through the XPS Secure site or file servers is automatically scanned for threats on receipt and the checks are repeated every night.

Ongoing

XPS will continue to monitor the position. If there are new developments, and additional security checks are needed, we will update our processes and keep you informed.

FRAs may want to highlight the risks of cybercrime and identity fraud in any upcoming member communications.

PASA Accreditation

We are delighted to advise you that XPS Administration has achieved accreditation against the PASA Pensions Administration Standards.

PASA Accreditation recognises the organisations in our industry that have evidenced compliance with the PASA Standards. This accreditation recognises the high-quality pensions administration service that XPS provides its clients.

PASA Accreditation is an independent assessment of compliance with the PASA Standards. The assessment requires applicants to:

- > Submit evidence of operational compliance with the PASA Standards; and
- > Complete an on-site review by an independent assessor to validate the evidence provided for each site where services are provided from.

The Pension Regulator has stated that good administration can be demonstrated by independent accreditation. XPS Administration will be subject to an annual assertion to show we are continuing to maintain our high standards and will be independently audited every three years.



Additional Work / Previous Minutes

Use of tracing service to confirm addresses for those members approaching, or beyond, Normal Retirement Age

XPS have been speaking with several suppliers over the past months, to try and incorporate a mortality screen, address trace and life existence check product. It is expected that a bespoke proposal will be sent to Surrey FRA in the next two weeks.

Conditional Data Testing

Our work is ongoing to map the entire Firefighter Pension Schemes to a Conditional Data testing facility within XPS which will give a conditional data score. This is a prerequisite to being able to prove that we are 'Dashboard Ready' in advance of connecting to MAPS Dashboard service in late 2026 following the governments restated connection confirmation.

We will also receive a refresh of the common data which will include more tests to prove the quality of this data. Once available, we will submit a data report into the Service.

National Fraud Initiative

Towards the later part of 2022, information was submitted to the National Fraud Initiative as it is done every two years. Queries are now available which the team are working through, this ensures there is no undeclared or unintended cross-over of benefits in payment from the Firefighters Pension Scheme and the state benefit system.

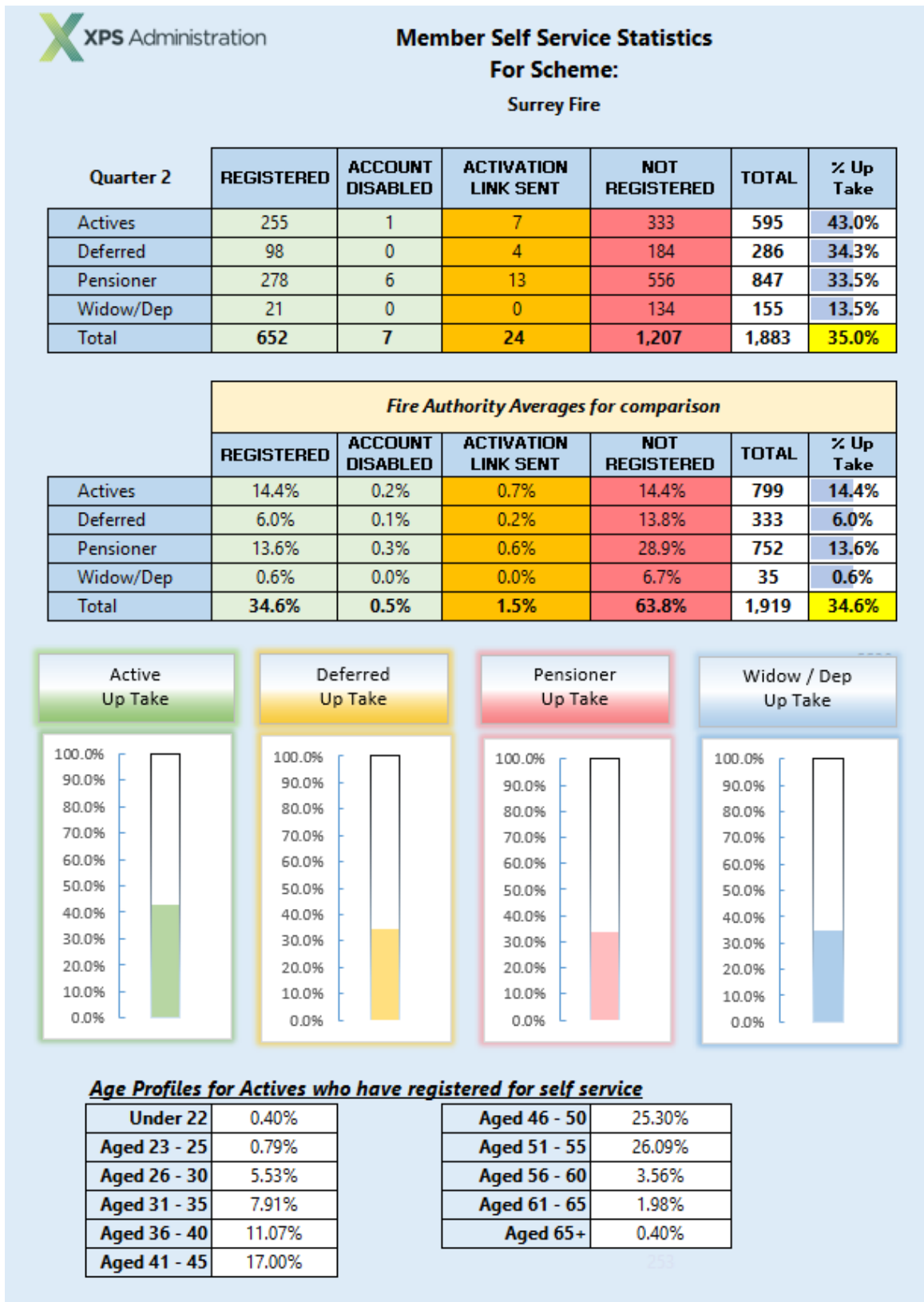
Analysis of late tasks

Further to your request to provide analysis regarding the work completed outside of the KPI periods.

This is being looked at within the Administration team. It is expected that this will become available. We are looking at the best ways to present this information as it is something that we are keen to provide. A Verbal update in respect of the longest failure will be provided to the Board.

02 Member Self Service

Analysis for member self service when compared to the previous quarter shows an increase across all membership cohorts.



03 Common Data

Surrey Fire						
Data Test	Common data score			Previous Quarter		
	Max Population	Total Fails	% OK	Total Fails	% OK	
NINO	2,325	2	99.91%	2	99.91%	
Surname	2,325	0	100.00%	0	100.00%	
Forename / Inits	2,325	0	100.00%	0	100.00%	
Sex	2,325	0	100.00%	0	100.00%	
Title	2,325	0	100.00%	0	100.00%	
DoB Present	2,325	0	100.00%	0	100.00%	
Dob Consistent	2,325	0	100.00%	0	100.00%	
DJS	2,325	0	100.00%	0	100.00%	
Status	2,325	0	100.00%	0	100.00%	
Last Status Event	2,325	5	99.78%	4	99.82%	
Status Date	2,325	17	99.27%	17	99.25%	
No Address	2,325	9	99.61%	10	99.56%	
No Postcode	2,325	18	99.23%	17	99.25%	
Address (All)	2,325	50	97.85%	50	97.81%	
Postcode (All)	2,325	58	97.51%	56	97.54%	
Members with a Fail	2,325	30	98.71%	27	98.81%	
Members with Multiple Fails	2,325	51	97.81%	51	97.76%	
Total Fails	2,325	81	96.52%	78	96.58%	

The Common Data reports are run on a quarterly basis, just after the quarter end.

Data quality is good and where we have failures here, it is likely that at least for some of them, they cannot be rectified.

An example of this is the NI Number – we currently pay pensions to people of all ages. For Surrey Fire and Rescue, your oldest dependent is 101 and the youngest 9.

For children in receipt of a dependents pension, they will not receive a NI Number of their own until they reach age 16. We therefore have to create a temporary NI Number which carries a prefix of TN, this is not a recognised NI Number, and will therefore fail the NI Number quality test. These will naturally be resolved in the passing of time.

The tests for Title are quite specific. Missing titles will fail, as will some of the lesser-known titles. Occasionally, if a member set has been imported and there are additional spaces within the Title field, these can also cause fails.

Address / Post Code Fails can occur either where the data is missing, or, where the address does not meet the standards as dictated by the UK postal service. Typically, we see that the deferred cohort are those with the most missing fails and overseas address can fail as they do not meet UK standards for format / layout.

04 Membership

This table is designed to be a very quick, at a glance, display of the membership movements within the schemes. This will be provided on a quarterly basis at each meeting on a rolling year basis.

Quarter 2 2023-2024

Scheme	Actives		Deferred		Pensioner		Widow		Dependant	
Old-FPS	0	-	68	-	796	▼	144	▲	7	▼
New-NFPS	4	▲	102	▲	23	▲	1	-	0	-
CARE - 2015	593	▲	116	▲	28	▲	2	-	1	-
Total	597	▲	286	▲	847	▲	147	▲	8	▼

Quarter 1 2023-2024

Scheme	Actives		Deferred		Pensioner		Widow		Dependant	
Old-FPS	0	-	68	▼	800	▲	139	▼	8	-
New-NFPS	3	▲	101	▲	21	-	1	-	0	-
CARE - 2015	547	▼	111	▲	25	▲	2	-	1	-
Total	550	▼	280	▲	846	▲	142	▼	9	-

Please note all active member records have been moved across to the 2015 scheme with effect from 1/4/2022. The reducing active numbers within non-CARE – 2015 are where records are being cleansed. The two record still denoted as in legacy schemes are to be deleted.

05 Completed Cases Overview

Current Year 2023/2024

Surrey Fire	Cases completed	Cases completed within target	Cases completed outside target	Cases: % within target
April	40	36	4	90%
May	46	39	7	85%
June	73	64	9	88%
Quarter 1	159	139	20	87%
July	88	86	2	98%
August	33	23	10	70%
September	36	27	9	75%
Quarter 2	157	136	21	87%
October				
November				
December				
Quarter 3				
January				
February				
March				
Quarter 4				
Year - Total	316	275	41	87%

Previous Year 2022/2023

Surrey Fire	Cases completed	Cases completed within target	Cases completed outside target	Cases: % within target
April	58	43	15	74%
May	64	44	20	69%
June	65	61	4	94%
Quarter 1	187	148	39	79%
July	49	35	14	71%
August	41	37	4	90%
September	42	37	5	88%
Quarter 2	132	109	23	83%

This table is designed to be a very quick, at a glance, display of the total cases completed within the year. Further details on specific workflows are shown below.

06 Completed Cases by Month

July 2023

Service	Days	Minimum Target	Cases	Within Target	Actual Performance
Death in Service	5	100	0	0	0
Death of a pensioner	5	100	1	1	100
Deferred Benefits	10	90	3	3	100
Divorce Cases	30	100	0	0	0
Estimates	10	100	4	3	75
General	10	100	12	12	100
Processing new entrants	10	90	59	59	100
Refunds	10	100	1	1	100
Retirement Actual	10	100	0	0	0
Retirement Options	10	100	1	1	100
Transfers – in (Calculation)	10	90	0	0	0
Transfers – in (Payment received)	10	90	1	1	100
Transfers – Out (Calculation)	10	100	0	0	0
Transfers – Out (Payment)	10	100	0	0	0
Variations	10	90	6	5	83

August 2023

Service	Days	Minimum Target	Cases	Within Target	Actual Performance
Death in Service	5	100	0	0	0
Death of a pensioner	5	100	3	2	67
Deferred Benefits	10	90	1	0	0
Divorce Cases	30	100	1	1	100
Estimates	10	100	0	0	0
General	10	100	16	8	50
Processing new entrants	10	90	0	0	0
Refunds	10	100	0	0	0
Retirement Actual	10	100	2	2	100
Retirement Options	10	100	1	1	100
Transfers – in (Calculation)	10	90	0	0	0
Transfers – in (Payment received)	10	90	0	0	0
Transfers – Out (Calculation)	10	100	0	0	0
Transfers – Out (Payment)	10	100	0	0	0
Variations	10	90	9	9	100

September 2023

Service	Days	Minimum Target	Cases	Within Target	Actual Performance
Death in Service	5	100	0	0	0
Death of a pensioner	5	100	0	0	0
Deferred Benefits	10	90	5	5	100
Divorce Cases	30	100	0	0	0
Estimates	10	100	0	0	0
General	10	100	13	6	46
Processing new entrants	10	90	0	0	0
Refunds	10	100	0	0	0
Retirement Actual	10	100	0	0	0
Retirement Options	10	100	3	1	33
Transfers – in (Calculation)	10	90	0	0	0
Transfers – in (Payment received)	10	90	0	0	0
Transfers – Out (Calculation)	10	100	0	0	0
Transfers – Out (Payment)	10	100	0	0	0
Variations	10	90	15	15	100

Task analysis - Fails

Month	KPI	Comments
July	Estimate	An estimate request for a 1992 member.
August	Death	This was the closing of the admin record following a notification of death of a member. The payroll side was actioned within 24 hours and no impact on overpayment.
	Generals	These cases were general enquiries around scheme membership and processes.
	Deferred	Deferment of member record.
September	General	These cases were general enquiries around scheme membership and processes.
	Pension options	This case was among the first post October and post Remedy calculations.
	Pension options	This case was among the first post October and post Remedy calculations.

Management Comment

With reference to Q2 KPI compliance is equal to what was reported in Q1.

Patterns of work continue to be the same as reported in previous months and quarters and the additional workload and queries for the legislative changes due to remedy was starting to make more of an impact in Q2.

It is worth noting that the average time to complete these late cases across the quarter was within two weeks, so outside of the 10 working day SLA, with a few outlying cases. The longest delay was 52 days, but this was a case that had been dealt with on a separate occasion and was a follow up query. None of the failure cases represented any impact on any payments. We will continue to monitor performance and raise any areas of concern where necessary.

07 Complaints

Full Name	Description	Date received	Date completed	Comment
	None this period			



Paul Mudd
Governance Manager
01642 030682

XPS Pensions Group, XPS Pensions, XPS Group, XPS Administration, XPS Investment and XPS Transactions are the trading names of Xafinity Consulting Ltd, Punter Southall Ltd and Punter Southall Investment Consulting Ltd.

XPS Administration is the trading name of PS Administration Ltd.

Registration

Xafinity Consulting Ltd, Registered No. 2459442. Registered office: Phoenix House, 1 Station Hill, Reading RG1 1NB. Punter Southall Investment Consulting Ltd Registered No. 6242672, Punter Southall Ltd Registered No. 03842603, PS Administration Ltd Registered No. 9428346. All registered at: 11 Strand, London WC2N 5HR. All companies registered in England and Wales.

Authorisation

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Surrey Local Firefighters' Pension Board 23 November 2023

FIRE BULLETINS

The Pensions Board has adopted a procedure to ensure that any FPS Bulletins released by LGA are reviewed and any necessary actions are noted and tracked through to completion.

Bulletins 71, 72, 73 and 74 (Annex 1, 2, 3 and 4) have been published since the last Board meeting.

- Bulletin 71 reminded readers that the Home Office request for submission of pension income/expenditure forecasts for the period 2023-24 to 2028-29 was due by Friday 25 August 2023. The Pension Team liaised with the Finance Team to complete the returns and these have been submitted before the deadline via the online DELTA system.
- The Bulletin advised readers that the Home Office published the government's [formal response](#) to the consultation on the draft Firefighters Pensions (Remediable Service) Regulations 2023 on 19 July 2023. [The Firefighters' Pensions \(Remediable Service\) Regulations 2023](#) were subsequently laid in Parliament on 20 July 2023 and will come into effect from 1 October 2023. The Pension Team are working closely with XPS to ensure processes are in place ready for the implementation of the regulations on 1 October 2023.
- Bulletin 71 informed readers that The Government Actuary's Department (GAD) has been working on the McCloud remedy contributions calculator and draft inputs for the calculator are available for testing. GAD have advised that a full data specification will be available in due course.
- The Bulletin also confirmed the position with regards to the application of interest and tax relating to the age discrimination remedy as follows:
 - Interest paid is taxable or tax-free depending on whether the original payment was tax free.
 - If the interest on a tax-free amount plus the original tax-free amount exceeds statutory limits, the excess becomes taxable as an unauthorised payment.
 - Schemes will deduct tax at the member's marginal rate and pay them the net amount. Arrears of pension are always taxable under PAYE.

- Pension Schemes [newsletter 140](#) sets out the tax treatment of interest.
- Bulletin 71 highlighted the issue of Pension Scams. The LGA have become aware of 3rd party organisations contacting members of public service pension schemes, selling their help in claiming 2015 remedy benefits. The FPS website includes a pension scam warning to members on the [2015 remedy page](#). The Pension Team have also updated their [Pension Scams page](#) on the SharePoint site and added a piece to SFRS News to alert members.
- The Bulletin confirmed that the LGA have created [warm up letters](#) to assist in managing member expectations on the timetable of when each cohort will be written to as part of the remedy exercise. The letters are available on the on the Firefighters' Regulations and Guidance website. A remedy video is also in the process of development in conjunction with Aon and will be available ahead of October 2023. The SFRS Pension Team have prepared warm-up letters, and these were sent to affected members at the end of August 2023.
- The Bulletin notified readers that an error had come to light in the previous Treasury Revaluation Orders for 2021 and 2022. This affects schemes such as the 2015 Firefighters' Pension Scheme which use revaluation based on average weekly earnings growth. The result is that revaluation for affected members could be up to 0.6% lower than if the correct figures had been used. The Home Office is currently considering how this error will be corrected and implemented by pension administrators. Further updates will follow in due course.
- Bulletin 71 confirmed that the Scheme Advisory Board (SAB) wrote to Chief Fire Officers on 4 May 2023, to share the scope and cost of the GAD benefit calculator in relation to the Matthews Second Options exercise. This has been agreed and is currently being developed and tested. We are awaiting confirmation of when this calculator will be available for FRAs to use.
- The Bulletin informed readers that The Pensions Regulator (TPR) has updated its ['Failing to comply with dashboards duties' guidance](#). Although the timelines in guidance will not be mandatory, schemes will be expected to demonstrate how they have had regard to the guidance. Scheme managers must be able to demonstrate that they have adequate governance and processes in place for making decisions about connection and ensure that they have access to all the relevant information before making decisions and acting on them. The connection deadline, of 31 October 2026, has been confirmed in legislation. A staging timetable is planned to be included in the guidance section to confirm when schemes are scheduled to connect.
- Bulletin 71 confirmed that [The Pensions Dashboards \(Amendment\) Regulations 2023](#) were made on 19 July 2023 and will come into force on 9 August 2023. The Pensions Dashboards Programme (PDP) has also launched a [video](#) introducing the dashboards available point which is the date when pensions dashboards will be made available to the public.
- The Bulletin informed readers that HMRC published its Pension Schemes [Newsletter 151 - June 2023](#) on 30 June 2023 and [Newsletter 152 – July 2023](#) on 20 July 2023.

The newsletters included articles on the annual allowance calculator; the abolition of the Lifetime Allowance – payment of standalone lump sums; Legislation Day (L-Day) 2023; Pension flexibility statistics; and the purpose of a registered pension scheme.

- The Bulletin confirmed that HMRC launched their consultation to abolish the pensions lifetime allowance (LTA) on 18 July 2023. The consultation is part of a wider consultation on proposed clauses for the next Finance Bill This is designed to deliver the changes necessary to abolish the pensions lifetime allowance from the tax year 2024 to 2025 onwards, as announced at Spring Budget 2023. The SFRS Pensions Team are liaising with the LGA in consideration of responding to the consultation.
- Bulletin 71 advised readers of that Scheme Managers will need to register for the [Secure Exchange Data Service \(SDES\)](#) in relation to the Age discrimination remedy member tax calculator. This will allow HMRC to provide schemes with the relevant member information so that they can make any necessary refund/adjustments in benefits. The SFRS Pensions Team is liaising with XPS administration to ensure the Scheme Manager is registered and access is delegated accordingly.
- Bulletin 72 discussed the issue with regards to payment of benefits under the Age Discrimination legislation, where a Deferred Choice Remediable Service Statement (DC-RSS) is not yet available. It is the LGA's view that it is not desirable to retire members into the legacy scheme without a choice, as this goes against the principles of remedy. A member should always have an informed choice where possible and [Regulation 8](#) should only be relied upon, to retire a member into the legacy scheme without a choice, in exceptional circumstances.
- The LGA have created a template covering letter explaining the purpose of the DC – RSS, to be used with two retirement quotes, one for the legacy scheme and one for the reformed scheme, along with the contribution adjustment information. This template covering letter has been published for administrators to use, on the [Age Discrimination Remedy – retrospective remedy pages](#) of the FPS website.
- Bulletin 72 informed readers that the Government Actuary's Department (GAD) [Remedy tax and contributions calculator specification](#) is now available on the Firefighters' Pensions regulations and guidance website. The SFRS team has been testing the calculator and ensuring all the relevant data is shared with XPS as needed.
- Bulletin 72 advised readers that The Pensions Regulator (TPR) has provided a summary of the Pensions Dashboard regulations on their [guidance](#) pages. TPR strongly advise scheme managers to continue preparing for dashboards, by engaging with those that support them with their dashboard duties. This includes continuing to assess the potential impact of these changes on their schemes, to agree a practical delivery plan and to continue getting to grips with members' data.
- The Bulletin confirmed that The Pension Regulator (TPR) – Scheme Return notice will be sent out from October 2023. The SFRS team are working with XPS administration to ensure that their scheme return contact details are up to date.

- Bulletin 72 advised that the Pensions Ombudsman (TPO) published a [member factsheet: Incorrect information](#), on 31 July 2023. The factsheet outlines what members should do if they have a complaint about receiving incorrect information.
- Bulletin 72 confirmed that the Pensions Administration Standards Association (PASA) published new [data guidance](#) on benefit accuracy for defined benefit schemes on 14 August 2023. They have previously issued guidance focused on [data quality](#) and they are building on this by now focusing on benefit accuracy.
- The Bulletin informed readers that The Money and Pensions Service (MaPS) published its [evidence review into pension scams](#) in the UK on 10 August 2023.

The key findings are:

- There remain significant challenges to estimate the scale of the problem.
- The types of scams and tactics are very similar to investment scams.
- The financial and emotional cost to individuals is high, going beyond financial loss and impacting on health and relationships.
- Once an individual has been targeted there is a high risk of retargeting.
- Government bodies, administrators and other organisations have at their disposal a range of touchpoints to provide strong protection against scams.

Scams are an ongoing issue in the Pensions Industry. The SFRS Pensions Information SharePoint site includes an information page on [Pension Scams](#) for members.

- Bulletin 72 informed readers that HMRC published their [August edition](#) of the Public Service Pensions Remedy Newsletter, on 18 August 2023. It confirmed that the [Public Service Pension Schemes \(Rectification of Unlawful Discrimination\) \(Tax\) \(No.2\) Regulations 2023](#) has been laid, and will come into force on 14 September 2023. The newsletter covered changes included in the Regulations including annual allowance reporting for those impacted by the public service pensions remedy and changes consequential to the Finance (No2) Act 2023.
- Bulletin 73 advised readers that the Government published their [response](#) to the draft Firefighters' Pension Schemes (England) (Amendment) Order 2023 on 8 September 2023. This legislation provides further access to the modified pension scheme for retained firefighters and sets out the policy intent to implement this.
- [The Firefighters' Pension Schemes \(England\) \(Amendment\) Order 2023](#) was also laid. The regulations come into force from 1 October 2023. The SFRS Pension Team has been working to ensure all members in scope have been identified and procedures are in place in readiness for the Second Options exercise.

- The bulletin informed readers that the LGA have published template letters and guidance for FRAs and these are available on the regulations and guidance [website](#). FRAs are encouraged to use the material provided, to ensure consistency across the sector.
- The bulletin also advised that there may be some cases where an FRA needs to obtain pay and service details from another FRA, to allow them to give the individual their options. In these cases, a data sharing agreement is needed and the LGA has commissioned Eversheds to provide template wording to be added to an FRAs privacy notice.
- Bulletin 73 reminded scheme managers of their requirements under the [Regulation 8](#) of the Occupational and Personal Pension Schemes (Disclosure of Information) Regulations 2015 to notify individuals of material alterations to basic scheme information within 3 months of the changes take place.

In terms of the Sargeant/age discrimination remedy, this requirement will be achieved when all eligible members have been sent a warm-up letter, (FPS Bulletin 71 and 72 above).

In terms of the Matthews/modified remedy, this requirement is achieved when FRAs send out the initial 'expression of interest' letter to those individuals who have been identified as being eligible under the second options exercise.

FRAs must ensure they comply with disclosure requirements by sending the appropriate letter to Sargeant and Matthews eligible members no later than 31 December 2023.

Further information regarding disclosure requirements is available on the regulations and guidance website [factsheet](#).

- Bulletin 73 confirmed that, on 12 September 2023, the Government Actuary's Department (GAD) released the Age Discrimination Remedy - Tax and Contribution Adjustment Calculator, user guide, data template and supporting administration process note. The material will be stored centrally on the member area of the FPS Regs and Guidance [website](#).

GAD have tested a diverse range of example members. However, they have not received any live member data for testing. As such there remains two risks:

- The calculator struggles to process very large datasets. This can be resolved by splitting data into separate groups.
- There are some complex cases which do not work as expected within the model

GAD strongly recommend users to check the results of the calculator for accuracy and appropriateness and report any issues directly back to GAD and the LGA: firepolicemcccloudtaxinterest@gad.gov.uk and bluelightpensions@local.gov.uk

- GADs understanding is that HMT will amend their Directions to line up to the NS&I interest rates. However, GAD are seeking confirmation, through the Home Office, of this. Therefore, it is recommended that no payments are issued until this has been confirmed.

The SFRS Pension Team is currently testing the GAD calculator against their data and any issues will be reported to GAD and the LGA.

- Bulletin 73 informed readers of the publication of [member remedy videos](#), that the LGA have produced in partnership with Aon. There is one video for retired members and one for active and deferred members.

A QR Code has been created to help direct individuals to the webpage and videos. The SFRS Pension Team have publicised this in SFRS News and added updated the Pensions SharePoint site.

- The Bulletin reminded FRAs that scheme regulations do not support aggregation of concurrent service. Therefore, for interbrigade transfers, it is important that both FRAs involved, agree a mutually acceptable transfer date which results in no break or overlap in service. Failure to do so could prevent members from combining their pension entitlement.

FRAs need to make employees aware of the pension implications, should an overlap of service occur when leaving and joining another FRA, even if only by a day.

- Bulletin 73 informed readers that [The Firefighters' Pensions \(Remediable Service\) \(Wales\) Regulations 2023](#) and [The Firefighters' Pensions \(Remediable Service\) \(Scotland\) Regulations 2023](#) have been laid and will come into force on 1 October 2023.

These Regulations implement the remedy to the reforms to the Welsh and Scottish Firefighters' Pension Schemes under the Public Service Pensions and Judicial Offices Act 2022 in respect of pensions for firefighters in Wales and Scotland.

- Bulletin 73 advised that the Home office announced, on 18 September 2023, that the contract for the Firefighters' Medical Appeals Board will be retained by Duradiamond Healthcare Limited, trading as Health Partners.

The framework documentation is currently being finalised and will be shared once all parties have signed up. The duration of the framework will be for an initial period of 3 years (up to 30 September 2026), with an option to extend for an additional 12 months.

- The Bulletin advised readers that The Pensions Regulator has published [guidance](#) on publishing annual benefit statements during 2023 to 2025. TPR are mindful of the challenges that FRAs and administrators may face whilst producing annual benefit statements and remediable service statements during 2023 to 2025 and have confirmed that they will take a risk-based, practical approach when reviewing, assessing, and responding to annual benefit statement breaches during this period.

- Bulletin 73 advised readers that The Pensions Regulator (TPR) has launched a new industry-facing [pension scams awareness campaign](#) focusing on Trustees and

Administrators, who are best placed to help protect savers from pension scams. By reporting their suspicions, they can defend their members' retirement from scammers.

- The Bulletin informed readers that HMRC published their September 2023 Managing Pension Schemes Service [newsletter](#). The newsletter covers the following topics:
 - Event reporting
 - Accounting for Tax (AFT) returns
 - Pension scheme return
 - Migrating your scheme
- Bulletin 74 advised readers that Eversheds Sutherland (International) LLP has been appointed to produce a data sharing agreement and additional privacy notice wording. These are available on the [FPS website](#) and are required for cases where the current FRA needs to obtain pay and service information from a previous FRA so they can provide an individual with their options under the Matthews Second Options exercise. SFRS are updating their privacy notice to include the additional wording.
- Bulletin 74 confirmed that a new GAD calculator page has been added to the restricted area of the FPS regulations website. GAD have also provided supporting documentation to help familiarise FRAs with the relevant inputs necessary for the calculator.

Examples of case types have also been added to assist FRAs in understanding which cases will be covered by which version of the calculator. This information will be used by the Pension Team to acknowledge and manage expectations on receipt of expression of interest forms.
- The bulletin informed readers of the requirement to maintain equity between the first and second options exercise and outlined procedures to follow if corrective action is needed due to data errors in the first options exercise. No corrective action is required by the SFRS Pension Team.
- Bulletin 74 confirmed that the government has provided regulations to support pay assumptions needed in the absence of pay data required to implement the Second Options exercise. The default assumption is that retained firefighters earn on average 25% of a whole-time regular firefighters' pay. However, it has been agreed that FRAs can determine the average pay rates from their own local experience or records, where this provides an assumption that the average retained pay is greater than 25% of a whole-time regular firefighter.

Historically the pay scales were based on age, length of service and whether the firefighter was deemed qualified. FRAs should be able to determine the appropriate pay scale using the individuals start date and date of birth as this will confirm both length of service and age. The only complication would be for individuals who are over age 19 and have more than 5 years' service, as pay scales for this cohort are based on whether they are qualified. In this circumstance, the LGA have advised that, in the absence of data, an average between the pay for a qualified and unqualified firefighter should apply.

A [Reference Pay Scales](#) spreadsheet, dating back to 1962, is available on the FPS guidance and regulations website.

- Bulletin 74 informed readers that ‘Contingent Decision guidance’ is now available in the [‘Age discrimination remedy’](#) section on the FPS regulations and guidance website. The guidance is intended to support a consistent national approach and sets out the approach a scheme manager should take when considering a Contingent Decision claim.

There are three categories of Contingent Decisions for which specific provisions have been made:

- I. **Opt-out:** A member would not have opted-out if they had been allowed to remain in the legacy scheme beyond their transition date or if protected members had been allowed to join the reformed scheme from 1 April 2015.
- II. **Transfers:** Members chose to transfer (in or out) and now wish to revisit the decision, or they chose not to transfer and now wish to do so.
- III. **Additional Service:** Members argue they would have purchased (more) additional service if they were in the alternative (legacy) scheme.

Currently, the guide only covers opt-outs and added pensions, details on transfers will follow in due course. There is also a [claim form](#) that members should use when submitting their claim. The SFRS Pension Team are liaising with XPS to mutually agree target dates before sharing the claim process with members.

- The bulletin reminded scheme managers of their responsibilities and duties in relation to [corrective payments](#) required as a result of the McCloud remedy. The [HMT Directions](#) set out the requirements under the [PSPJO Act 2022](#).
- Bulletin 74 reminded readers of an issue highlighted in respect of average weekly earnings in [FPS Bulletin 71](#). The Government intends to correct the position to align the Treasury Revaluation Orders for 2021 and 2022 with those of the previous years. This will result in an increase of 0.2% for 2021 and 0.4% for 2022. The SFRS pension team are liaising with XPS to ensure that the necessary administration changes are made, to correct the errors for affected members’ benefits, in advance of the regulatory changes being made
- The bulletin informed readers that pensions specialists, Isio are offering Firefighters’ Pension Scheme specific sessions aimed at upskilling those involved in running the Firefighters’ Pension Scheme, including those who support and govern them. The sessions start at the beginning of January with at least one session a week for 6 weeks thereafter. They will cover the McCloud/Sargeant age discrimination remedy, the Matthews Second Options exercise, and pensions tax for higher earners. More information is available on the [Isio website](#).
- Bulletin 74 advised readers that the Pensions Regulator (tPR) has published a blog titled [‘Why we are building relationships with pension administrators’](#) highlighting how they are using their supervision approach to build new relationships with pension administrators in view of the importance of “good administration”.

- The bulletin confirmed that a [Private Members Bill](#) has been granted Royal Assent to introduce powers to remove the lower earnings limit and to reduce the age for Auto Enrolment. The Department for Work and Pensions (DWP) will launch a consultation on implementing the new measures in due course.
- Bulletin 74 confirmed that HMRC have prepared a member tax adjustment calculator designed for members to correct their tax position if they have been affected by the age discrimination remedy.

The calculator will:

- work out any repayments that are due for a lifetime allowance or annual allowance charge an individual has previously paid.
- work out new, reduced or extra lifetime allowance or annual allowance charges that an individual may have to pay.
- submit information for HMRC to review.

HMRC's McCloud guidance and digital service can be accessed via the [government website](#). The LGA have also set up a page titled '[Age Discrimination Remedy – HMRC Member Tax Calculator](#)' on the FPS regulations and guidance website to house this information. The Remediable service statement covering letter has also been updated to include a link to the calculator.

- The bulletin provided clarity from HMRC regarding Pension Saving statements (PSS's) corresponding to the age discrimination remedy period. HMRC have confirmed that an individual would require both original and revised PSS's for tax years 2012-13 to 2021-22, alongside a PSS for 2022-23 to ensure an accurate revision of their tax position and compensation due in all cases. This information is provided to support pension administrators in their approach to issuing PSS's for remedy years.
- -----

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Annexes

Annex 1: FPS Bulletin 71

Annex 2: FPS Bulletin 72

Annex 3: FPS Bulletin 73

Annex 4: FPS Bulletin 74

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FPS Bulletin 71 – July 2023

Welcome to issue 71 of the Firefighters’ Pensions Schemes bulletin.

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, suggested items for future issues, or a job you would like to advertise, please email bluelightpensions@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 bluelightpensions@local.gov.uk.

Table 1: Calendar of events

Event	Date
FPS coffee morning	3 August 2023
Southwest and Wales Fire Pensions Officer Group	15 August 2023
Northwest Fire Pensions Officer Group	13 September 2023
SAB	14 September 2023
Firefighters' Annual Conference Day one	19 September 2023
FPS Technical Working Group	19 September 2023
Firefighters' Annual Conference Day two	20 September 2023
Northeast Fire Pensions Officer Group	4 October 2023
SAB	14 December 2023

Actions arising

[Home Office collection of FPS forecasts for 2023-24 to 2028-29](#): FRAs should ensure that they are using the correct CPI rates in their forecasts and ensure that they meet the submission deadline.

FRAs should also look out for the Home Office's follow up email, if you are affected and engage with them accordingly, to ensure the data submitted is accurate.

[Age discrimination remedy – retrospective remedy](#): FRAs and administrators to read the response and ensure that they are working to be ready for the regulations' implementation on 1 October 2023.

[Age discrimination remedy – Contributions Calculator inputs](#): FRAs and administrators may wish to familiarise themselves with the draft inputs, so that they can ensure they are holding all the relevant data.

[Age discrimination remedy - Interest and Tax](#): FRAs and administrators should note

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this position, to ensure that they act accordingly when carrying out remedy.

[Age discrimination remedy – Pension scams](#): Administrators and/or FRAs to add the suggested wording to the pension webpages.

[Age discrimination remedy – warm up letters](#): FRAs/administrators should use these to communicate with their members ahead of October 2023.

[Age discrimination remedy – Ill-Health re-assessment member outcome letters](#): Once the IQMP has provided their determination and FRAs have considered this and agree with the outcome, FRAs should send these using the relevant member outcome letter.

[Firefighters' Pension Scheme Adjustment in Respect of 2021 and 2022 Revaluation](#): FRAs and administrators to make themselves aware of this issue and start scoping the work involved.

[Government Actuary Department \(GAD\) – updated factors](#): FRAs and administrators to ensure that they are using the revised factors from the relevant implementation dates.

[Member benefit illustrations – FPS Northern Ireland](#): FRAs and administrators to make their members aware of the benefit illustrators, where applicable.

[Pension entitlements for retained Firefighters 2023 – FPS Wales](#): FRAs and administrators to review the consultation and respond accordingly.

[The Pensions Regulator Survey](#): We would encourage you to respond to the survey should you receive this.

[Abolishing the pensions lifetime allowance](#): FRAs and administrators to make themselves aware of the measures involved and consider whether they wish to respond to the consultation.

[Member remedy tax calculator](#): Scheme managers should register on the Secure Exchange Data Service ahead of the remedy exercise and delegate access

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accordingly.

FPS

Home Office collection of FPS forecasts for 2023-24 to 2028-29

In [FPS Bulletin 70 – June 2023](#) we informed you that Home Office had contacted FRAs giving them advance notice of their request for submission of pension income/expenditure forecasts for the period 2023-24 to 2028-29 via the online DELTA system.

On 6 July 2023, Home Office had emailed FRAs their formal commissioning letter requesting the pension forecasts. The letter sets out the centrally prescribed assumptions that must be applied when calculating an FRA's pension income and expenditure forecasts.

FRAs would be able to access the forms on DELTA from Monday 10 July and the deadline for DELTA returns is **cop Friday 25 August**.

Paragraph 3.1 of the letter sets out that the Home Office will shortly be requesting the local assumptions (for example on scheme member numbers, ill-health retirements etc.) that they are including in their forecasts and that this will be a separate return by email to the Home Office.

On 17 July 2023, Home Office emailed FRAs to inform them that the CPI figures in the original commission were incorrect, and to use the following correct rates in their forecasts:

Year	CPI rate
2023-24	10.1%
2024-25	5.4%
2025-26	0.6%

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2026-27	0.0%
2027-28	0.7%
2028-29	1.7%

The Home Office have informed us that they are currently progressing the AME Fire top up grant payments based on the accounting data submitted by each FRA on the online DELTA system. These payments are due to be made in late July 2023.

The Home Office are aware that some fire and rescue authorities have not yet completed their audit for the 2021/22 FY accounts. The Home Office will be following up with these FRAs later this year when their audits are completed. This will ensure that any changes between their audited and unaudited 21/22 Financial Year accounts are recorded for the purposes of the AME top up grant, and that any necessary audit adjustments (payments/recoveries) are actioned.

ACTION: FRAs should ensure that they are using the correct CPI rates in their forecasts and ensure that they meet the submission deadline.

ACTION: FRAs should look out for the Home Office’s follow up email, if you are affected and engage with them accordingly, to ensure the data submitted is accurate.

Age discrimination remedy – retrospective remedy

Further to [FPS Bulletin 67 – March 2023](#), where we informed you of the launch of [Home Office’s consultation on retrospective remedy](#), on 19 July 2023 Home Office published the government's [formal response to the consultation on the draft Firefighters Pensions \(Remediable Service\) Regulations 2023](#) and policy intent to implement the retrospective phase of the McCloud/Sargeant remedy.

[The Firefighters’ Pensions \(Remediable Service\) Regulations 2023](#) were subsequently laid in Parliament on 20 July 2023 and will come into effect from 1 October 2023.

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ACTION: FRAs and administrators to read the response and ensure that they are working to ensure they are ready for the implementation of the regulations on 1 October 2023.

Age discrimination remedy – Contributions Calculator inputs

The Government Actuary's Department (GAD) has been working on the McCloud remedy contributions calculator and have shared the draft inputs for the calculator.

Inputs are loaded into the calculator by importing from a CSV template. Imported values can be edited within the calculator before running or after running to make a required changed. Inputs can also be loaded manually.

The fields are detailed in the [Contributions Calculator inputs document](#) which form the columns of the input section of the calculator. A full description of each required field will be made available by GAD in due course.

For members where calculations are required for more than one scheme year, each scheme year is added as a new row. However, the output for each member is grouped together on the output.

If a calculation is being carried out monthly, a new row is required for each month. The output in these cases is similarly grouped.

ACTION: FRAs and administrators may wish to familiarise themselves with the draft inputs, so that they can ensure they are holding all the relevant data. A full data specification will be available in due course.

Age discrimination remedy – Interest and Tax

Following on from a number of queries relating to how interest in terms of tax should be applied, with thanks to HMRC and HM Treasury, please see the confirmed position below:

- Interest paid is taxable or tax free depending on whether the original payment was tax free.
- If the interest on a tax free amount plus the original tax free amount exceeds

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statutory limits (for example, total PCLS), the excess becomes taxable as an unauthorised payment.

- Schemes will deduct tax due at the member's marginal rate and pay them the net amount. Arrears of pension are always taxable under PAYE (see the HMRC [Employment Income Manual](#)).
- The application of tax to the amounts of interest paid in excess of commercial rates still applies. Although it is explained in relation to guaranteed minimum pension, [Pension Schemes newsletter 140](#) sets out the tax treatment of interest.
- For compensation, under the [PSPJOA](#) it is adjusted to take account of what the tax/tax relief would have been in cases where it would have been taxable or subject to tax relief.

ACTION: FRAs and administrators should take note of this position, to ensure that they act accordingly when carrying out remedy.

Age discrimination remedy – Pension scams

We have been made aware through our conversations with Cross Whitehall colleagues that 3rd party organisations are contacting members of public service pension schemes, selling their help in claiming the 2015 remedy benefits.

We have therefore put some high-level wording together, which we will also adapt for the Firefighters' members website, that you may wish to put on your website pages:

“We have become aware that third party organisations are contacting members of public service pension schemes, such as the firefighters' pension scheme, selling their help in claiming the 2015 Remedy (McCloud) benefits.

As the administrator for XXXX we *will not request a fee* for providing this information. *You do not need to go through a third party* to claim these benefits and we will contact you in due course to provide you with your remedial service statement to allow you to make your remedy option.

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Please remember to stay vigilant. If you are still unsure or have any concerns over a potential scam, please contact us for clarification.”

ACTION: Administrators and/or FRAs to add the suggested wording to the pension webpages.

Age discrimination remedy – warm up letters

In conjunction with the Firefighters’ Communications Working Group, warm up letters have been created to assist FRAs and administrators to manage member expectations on the timetable of when each cohort will be written to as part of the remedy exercise.

These letters include letters to beneficiaries. It was suggested by the group that not all FRAs/administrators will have contacted beneficiaries at this point; therefore, they may not wish to provide a warmup letter to this group.

A member remedy video is being developed in conjunction with Aon and will be available ahead of October 2023. The member video will reference the warmup letters.

These letters have been uploaded to the [Age discrimination remedy – retrospective remedy page](#) on the Firefighters’ Regulations and Guidance website.

ACTION: FRAs/administrators should use these to communicate with their members ahead of October 2023.

Age discrimination remedy – Ill health reassessment member outcome letters

In [FPS Bulletin 63 – November 2022](#), we published an [ill-health reassessment factsheet](#) to help FRAs determine which individuals require a reassessment of their ill-health determination as a result of remedy implementation.

In [FPS Bulletin 69 – May 2023](#), we published the IQMP template referral letters.

The member outcome letters for scenarios one, two, seven and nine as referred to in the ill-health assessment factsheet have now been added to the [Retrospective remedy webpage](#).

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ACTION: Once the IQMP has provided their determination and FRAs have considered this and agree with the outcome, FRAs should send these using the relevant member outcome letter.

Firefighters' Pension Scheme Adjustment in Respect of 2021 and 2022 Revaluation

We sent out an email on 11 July 2023 with a copy of a notification from the Home Office in respect of the Average Weekly Earnings (AWE) growth figures for 2021 and 2022. This will affect the Firefighters' Pension Scheme 2015:

"I'm emailing to make you aware of an issue that the Home Office have been working on with HMT, MoD and devolved administrations over the past few months, and a related WMS that was published on 6 July 2023: [Written statements - Written questions, answers and statements - UK Parliament](#)

During QA work for the Treasury Revaluation Order 2023, it was noted that the Orders for 2021 and 2022 used provisional Average Weekly Earnings (AWE) growth estimates published by the ONS the preceding November respectively rather than revised AWE figures published the preceding December. This deviates from the approach taken from 2015 to 2020 and in 2023, and our best assessment is that it occurred in error. This primarily affects schemes revalued based on AWE, i.e. the 2015 Firefighters' Pension Scheme including devolved schemes and the 2015 Armed Forces Pension Scheme. The overall effect is that revaluation for affected members is up to ~0.6% lower than it would have been if revised ONS figures had been used.

Revaluation order for April	Figure in Order	Statistic as published in latest ONS release
2022	4.1	4.5
2021	2.4	2.6

While primary legislation gives HMT a fairly broad remit on the choice of earnings measures, it is our and Treasury Ministers' view that, given the lack of a policy rationale for the change in methodology, affected members will need to be put back into the position they would have been in had revised AWE figures been used in 2021 and 2022. This is not straightforward legislatively as past Treasury Orders likely cannot be amended through future Treasury Orders or scheme regulations, but we believe that remedy can be provided through additional pension accrual under Section 3 PSPA 2013. MoD, HO and devolved administrations will consult and legislate for these scheme specific changes.

On the limited number of past Club transfers from the affected schemes, where transferred in pensions may have been smaller than should have been the case and/or revaluation provided on the basis of the sending scheme has been lower than it should have been following this correction. We have discussed this issue with CO and affected departments and DAs, and our preferred approach is to also correct the position for these members through a combination of the proposed s3 PSPA 2013 regulations and amendments to the Club Memorandum, and avoid receiving schemes having to make bespoke regulations in respect of a small number of past transfers in. However, there may be some issues to be worked through with this approach as the Club Memorandum cannot override conflicting rules of receiving schemes.

Please do share with SAB and happy for this to be put on the agenda at the next scheduled SAB.

There is no need for administration to take any further action for now, we will be in touch to discuss what implementing this change will mean.”

As indicated above, the Home Office will confirm further details on implementation in due course however FRAs and administrators should start scoping the work which will be involved following this notification.

ACTION: FRAs and administrators to make themselves aware of this issue and start scoping the work involved.

Government Actuary Department (GAD) – updated factors

In [FPS Bulletin 68 – April 2023](#) we confirmed that the CETV technical note had been suspended, and therefore all CETVs, Pensioner cash equivalents and non-club transfers-in should be suspended.

In [FPS Bulletin 69 – May 2023](#), we published that Home Office had confirmed that the first batch of updated factors had been provided by GAD. This updated the following factor tables:

- CETVs (x-201 to x-215),
- Pensioner cash equivalents (x-301 to x-312),
- Pension credits (x-313 to x-317),
- Pension debits (x-318 to x-328)

On 3 July 2023 Home Office confirmed that the second batch of updated factors had been provided by GAD. This updated the following factor tables:

- x-220 to x-221 (CARE TV ins),
- x-401 to x-403 (Early Retirement Factors),
- x-404 to x-407 (Late Retirement Factors)

and the following factor tables were withdrawn:

- x-216 to x-219 (non-Club tv ins for 2006 scheme)

These factors should be implemented as follows:

- x-220 to x-221 factors from **29 March 2023**.
- x-401 to x-403 and x-404 to x-407 factors from **3 July 2023**.

On 28 July 2023, Home Office confirmed that the third and final batch of updated factors had been provided by GAD. This updated the following factor tables:

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- x-501 to x-504 (Trivial Commutation),
- x-603 and x-621 (Scheme Pays (Annual Allowance)),
- x-622 to x-627 (Scheme Pays (Lifetime Allowance))

These factors should be implemented with effect from 28 July 2023.

The updated factors should be used in conjunction with the relevant existing guidance notes in force for the Firefighters' Pension Schemes.

The factors are published on the relevant [GAD guidance pages](#) of the Firefighters' Pension Scheme Regulations and Guidance website.

ACTION: FRAs and administrators to ensure that they are using the revised factors from the relevant implementation dates.

Member benefit illustrations – FPS Northern Ireland

In [FPS Bulletin 56 – April 2022](#) we made you aware that the Scheme Advisory Board had worked with Barnett Waddingham to produce a suite of illustrative member scenarios.

Barnett Waddingham have now produced this for members in Northern Ireland and this is available on the [FPS member website](#).

ACTION: FRAs and administrators to make their members aware of the benefit illustrators.

Pension entitlements for retained Firefighters 2023 – FPS Wales

On 14 July 2023, Welsh Government launched their [consultation for retained firefighters](#).

The consultation seeks to make changes to the New Firefighters Pension scheme 2007 about pension rights for Retained Firefighters and Firefighters' 2007 Compensation Scheme in respect of secondary contracts.

The closing date is 6 October 2023.

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ACTION: FRAs and administrators to review the consultation and respond accordingly.

Technical query log

The [current log of queries and responses](#) can be accessed by practitioners in the member-restricted area of the FPS Regulations and Guidance website. The queries have been anonymised and divided into topics. The log is updated monthly in line with the bulletin release dates.

There were no technical queries raised in July.

FPS England SAB updates

Government Actuary Department (GAD) – Matthews benefit Calculator

On 4 May 2023, the Scheme Advisory Board (SAB) wrote to Chief Fire Officers to share the scope and cost of the GAD benefit calculator, which is in addition to the scope of the workplan between Home Office and GAD, to ask for comments by 11 May 2023.

As no objections were received to the proposal, the SAB commissioned GAD to take this work forward.

GAD attended the [LGA coffee morning](#) on 6 June 2023 to discuss the scope of the calculator and have been working with stakeholders through the Matthews Working Group to develop the calculator. The calculator will be tested by those FRAs who have volunteered. The final calculator will then be made available for FRAs to use for the Matthews Second Options Exercise.

Cost Effectiveness Committee Meeting

On 25 July 2023, the Cost Effectiveness Committee met to discuss the draft 2020 Scheme valuation assumptions for England.

In this meeting the SAB actuarial advisors, First Actuarial, presented a report setting out advice and assurance to the committee on the data and assumptions advice given by the Government Actuary's Department (GAD) for the valuation of the

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Scheme as at 31 March 2020. The report also set out areas where they believe the SAB may wish to make representations to the Home Secretary on alternative assumptions or other issues such as data quality that are identified during the assumptions setting process. A response has now been collated and sent on behalf of the Chair of SAB to the Home Secretary.

Cost Effectiveness Committee Appointment

Following a vacancy on the Cost Effectiveness Committee for an FRA Local Pension Board representative, we are pleased to confirm that Councillor Ben Clayton has been appointed. The main objectives of the Cost Effectiveness Committee are to determine how much it costs to run the Firefighters' Pension Schemes and to respond to Home Office consultations regarding the actuarial cost of the scheme. As detailed above, the Cost Effectiveness Committee met on 25 July 2023 to discuss the draft assumptions for the 2020 valuation.

Other News and Updates

Firefighters Pensions – Pension Advisor Role(s) vacancy

The LGA pensions team works with and on behalf of authorities and other stakeholders across the Firefighters, Police, and Local Government pension schemes in England. To be part of this team is to be a vital element in the legislative and administrative framework of some of the largest pension schemes in the UK.

We are looking for inspirational individuals to work alongside experienced and talented pensions specialists in respect of the Firefighters' pension schemes.

Reporting directly to the Firefighters Senior Pensions Adviser, the successful candidates will assist with priority developments in scheme governance and provide support to employers, as well as to the Firefighters' Pensions Scheme Advisory Board, its committees, and Fire and Rescue Authorities' Local Pension Boards.

We have two roles being advertised within the Firefighters' pensions team. If you are interested in applying, please see the full advert on the [website](#).

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The Public Service Pensions and Judicial Offices Act 2022 (Commencement No 2) Regulations 2023

On the 3 July 2023 the [Public Service Pensions and Judicial Offices Act 2022 \(Commencement No 2\) Regulations 2023](#) were laid. These Regulations are the second Commencement Regulations made under the Public Service Pensions and Judicial Offices Act 2022 and bring into force Chapter 2 and sections 109 and 110 of the Act.

Chapter 2 makes retrospective provision to rectify unlawful discrimination in the way in which existing Judicial pension schemes were restricted under the Public Service Pensions Act 2013.

Regulation 2(b) brings into force section 109, to the extent that it is not already in force and to the extent that it applies for the purposes of Chapter 2 of the Act.

Regulation 2(c) brings into force sections 110, to the extent that it is not already in force and to the extent that it applies for the purposes of Chapter 2 of the Act.

The Pensions Regulator (TPR) - survey

Over the coming weeks, you may receive a survey from The Pensions Regulator (TPR) – this is an anonymous, factfinding exercise to understand some of the challenges faced by schemes in getting member data from the employer. For example, what data is collected, when this is provided and what is the process if there are delays.

The scheme selection is mainly focused on schemes who have a large number of employers and will be sent to the Scheme Contact they have on record (but may be forwarded to the most appropriate person to provide the information).

ACTION: We would encourage you to respond to the survey should you receive this.

Staging dates – The Pensions Regulator (TPR) expectations

The Pensions Regulator (TPR) has updated its [‘Failing to comply with dashboards duties’ guidance](#). The purpose of the update is to outline what schemes will need to do to demonstrate that they have had regard to the staging timetable. The staging

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timetable will be set out in connection guidance.

TPR expects schemes to do the following to show that they ‘have regard to the connection guidance’:

- Connect to dashboards by the connection deadline of 31 October 2026 that is set out in legislation. Failure to do so could result in regulatory action by TPR.
- A revised staging timetable will be set out in guidance which will indicate when schemes are scheduled to connect. All trustees and scheme managers must have regard to this guidance. Failure to do so will be a breach.
- Although the timelines in guidance will not be mandatory, schemes will be expected to demonstrate how they have had regard to the guidance. Amongst other considerations, this means that scheme managers:
 - should not make decisions about connection until they have engaged with the guidance.
 - must be able to demonstrate that they have adequate governance and processes for making such decisions. The reasoning for the decisions should be clearly considered and documented, as should how relevant risks are identified, evaluated and managed.
 - should make sure that they have access to all the relevant information before making decisions and acting on them. This includes engaging with those who are supporting them to develop a practical delivery plan. Clear and accurate audit trails need to be kept to demonstrate the decisions made, the reasons for them and the actions taken.
- A phased approach to staging enables a controlled and well-planned connection, reduces the risk of provider capacity constraints, and means savers can realise the benefits of pension dashboards as early as

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possible.

- Continuing to prepare for dashboards by engaging with those who will support them with their dashboard duties, such as ISP providers and administrators:
 - to assess the potential impact of these changes on their schemes
 - to agree a practical delivery plan, and
 - to continue activity on getting to grips with member data.

[The Pensions Dashboards Programme \(PDP\) video: An introduction to the dashboards available point](#)

The Pensions Dashboards Programme (PDP) has launched a [video introducing the dashboards available point](#). The dashboards available point is the date when pensions dashboards will be made available to the public.

[Pensions Dashboards \(Amendment\) Regulations 2023](#)

In [FPS Bulletin 70 – July 2023](#) we informed that further to the [written ministerial statement](#) made on 8 June 2023, that draft regulations had been laid to amend the Pensions Dashboard Regulations 2022.

On 19 July 2023 [The Pensions Dashboards \(Amendment\) Regulations 2023](#) were made and will come into force on 9 August 2023.

[The Police Pensions \(Remediable Service\) Regulations 2023](#)

On 19 July 2023 the [Police Pensions \(Remediable Service\) Regulations 2023](#), were laid and will come into force on 1 October 2023.

[Teachers' Pension Scheme \(Remediable Service\) Regulations 2023](#)

On the 26 July 2023 the [Teachers' Pension Scheme \(Remediable Service\) Regulations 2023](#), were laid and will come into force on 1 October 2023.

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HMRC

Pension Schemes Newsletter 151 – June 2023

HMRC published Pension Schemes [Newsletter 151 - June 2023](#) on 30 June 2023.

The newsletter contained articles on:

- the annual allowance calculator
- the abolition of the Lifetime Allowance – payment of standalone lump sums, and
- the Managing Pension Schemes service

Pension Schemes Newsletter 152 – July 2023

HMRC published Pension Schemes [Newsletter 152 – July 2023](#) on 20 July 2023.

The newsletter contained articles on:

- Legislation Day (L-Day) 2023,
- Relief at source – annual return of information for the tax year 2022 to 2023,
- Pension flexibility statistics
- Qualifying recognised overseas pension schemes transfer statistics, and
- Purpose of registered pension scheme

Abolishing the pensions lifetime allowance

On 18 July 2023 HMRC launched their [consultation](#) to abolish the pensions lifetime allowance (LTA). The LTA consultation is part of a wider consultation on proposed clauses for the next Finance Bill

This is designed to deliver the changes necessary to abolish the pensions lifetime allowance from the tax year 2024 to 2025 onwards, as announced at Spring Budget 2023.

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The closing date for responses is 12 September 2023.

ACTION: FRAs and administrators to make themselves aware of the measures involved and consider whether they wish to respond to the consultation.

Age discrimination remedy - Member tax calculator

As part of discussions with HMRC regarding the development of the member remedy tax calculator, it has been identified that Scheme Managers will need to register for the Secure Exchange Data Service (SDES), to allow HMRC to provide schemes with member information so that they can make any necessary refund/adjustments in benefits.

Once the Scheme Manager has registered, they will then be able to delegate access to their pension administrators, where applicable.

Guidance slides have been made available to assist Scheme Managers to register for the [Secure Exchange Data Service](#) (SDES).

ACTION: Scheme Managers should register on the Secure Exchange Data Service ahead of the remedy exercise and delegate access accordingly.

Events

FPS coffee mornings

Our MS Teams coffee mornings are continuing on a regular basis. The 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 pleased to include the presentations from recent session below, which was held on 11 July 2023:

[LGA update – Retrospective remedy and Mathews Second options exercise](#)

If you do not already receive the meeting invitations and would like to join us, please email bluelightpensions@local.gov.uk. Please note that attendance at the coffee mornings is generally restricted to FPS practitioners and managers.

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Firefighters' Pensions AGM – London – 19 and 20 September 2023

Great news!!! Bookings have opened for the AGM.

The two-day programme allows delegates to network with fellow colleagues and hear the latest news on the Firefighters' Pension Scheme (FPS) from the scheme's key stakeholders.

You will hear important updates, including:

- Chair of the Scheme Advisory Board
- The Home Office
- The Pensions Regulator
- The Government Actuary's Department
- Communications and engagement
- Legal Updates

As well as providing the opportunity to network with other FPS stakeholders, there will be interactive and thought-provoking workshops to take part in during the day on:

- Retrospective remedy - communications, and
- Matthews second exercise

Day 1 – Tuesday 19 September 2023 16:30 – 18:30

Primarily for Scheme Managers and Local Pension Board chairs, day 1 of the conference will provide practical guidance on the role of the scheme manager and will offer the opportunity to network with counterparts in other FRAs.

Following this session there will be a drinks reception on the terrace from 18:45.

Day 2 – Wednesday 20 September 2023 10.00 – 15:30

Day 2 of the conference provides delegates with an annual update on the

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Firefighters' Pension Scheme from key stakeholders.

Bookings are open on the LGA Events page.

[Firefighters' Pensions Annual Conference Day One](#)

[Firefighters' Pensions Annual Conference Day Two](#)

Legislation

Acts

[Finance \(No.2\) Act 2023](#) [2023/30]

Statutory Instruments

[The Firefighters Pensions \(Remediable Service\) Regulations 2023](#) [SI2023/843]

[The Pensions Dashboards \(Amendment\) Regulations 2023](#) [SI2023/858]

Useful links

- [The Firefighters' Pensions \(England\) Scheme Advisory Board](#)
- [FPS Regulations and Guidance](#)
- [FPS Member](#)
- [Khub 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](#)
- [LGPC Bulletins](#)
- [LGPS member site](#)
- [Scottish Public Pensions Agency - Firefighters](#)
- [Welsh Government Fire circulars](#)

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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 bluelightpensions@local.gov.uk.

FPS Bulletin 72 – August 2023

Welcome to issue 72 of the Firefighters’ Pensions Schemes bulletin.

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, suggested items for future issues, or a job you would like to advertise, please email bluelightpensions@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 bluelightpensions@local.gov.uk.

Table 1: Calendar of events

Event	Date
Northwest Fire Pensions Officer Group	13 September 2023
SAB	14 September 2023
Firefighters’ Annual Conference Day one	19 September 2023
FPS Technical Working Group	19 September 2023
Firefighters’ Annual Conference Day two	20 September 2023
Northeast Fire Pensions Officer Group	4 October 2023

Event	Date
SAB	14 December 2023

Actions arising

[Age Discrimination Remedy – Warm up letters](#): FRAs/administrators should use these to communicate with their members ahead of October 2023.

[Age Discrimination Remedy – Remediable Service Statements](#): Administrators are recommended to use the template covering letter, where the RSS is not yet available with existing retirement option letters offering the member a choice of legacy and reformed scheme benefits.

FRAs should have regard to the LGA’s proposed approach and understand that any decision to retire a member into the legacy scheme without a choice, is a scheme manager decision, and should be by exception only. FRAs should ensure that they understand the implications of retiring members into the legacy scheme without a choice.

[Age Discrimination Remedy – Remedy tax and contributions: input and output specification](#): FRAs and administrators should familiarise themselves with the draft inputs, so that they can ensure they are holding all the relevant data.

[The Pension Regulator – Scheme Return](#): FRAs to ensure that their scheme return contact details are up to date.

FPS

Age Discrimination Remedy - Warm up letters

Further to [FPS Bulletin 71 – July 2023](#), confirming that we have published warm up letters for FRAs/administrators to use, we have now published a deferred letter on the [Age Discrimination Remedy – retrospective remedy webpages](#).

ACTION: FRAs/administrators should use these to communicate with their members ahead of October 2023.

Age Discrimination Remedy – Remediable Service Statements

Following our Coffee Morning on the [Age Discrimination Remedy Consultation Response and Regulations](#) a question was raised with regards to Deferred Choice Remediable Service Statements (DC-RSS). The issue was whether, if the DC - RSS is not available by 1 October 2023, whether an administrator/FRA can rely upon [Part 3, Chapter 3, Regulation 8 \(c\)](#), of The Firefighters’ Pensions (Remediable Service) Regulations 2023 which states the following:

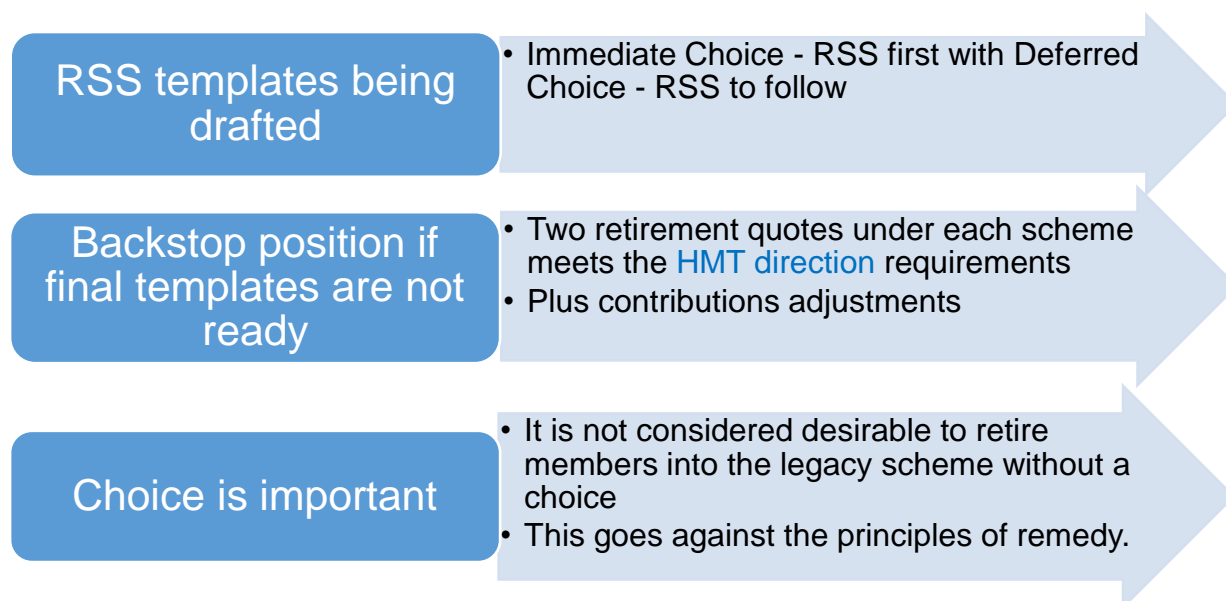
(8) No benefits are payable under the legacy scheme in respect of M’s pensionable service under that scheme unless—

- (a) a deferred choice decision is made in relation to M’s remediable service as a firefighter,
- (b) a section 10 election is deemed to have been made under [regulation 16](#) in relation to that service,
- (c) M has notified the scheme manager that they intend to claim benefits under a firefighters’ pension scheme in respect of their remediable service as a firefighter and it was not reasonably practicable for the scheme manager to provide a remediable service statement in respect of M in accordance with regulation 4(2)(c)(i) before the date on which such benefits become payable, or
- (d) M is deceased.

This implies that if the DC – RSS is not available, the member’s pension benefits can be paid from the legacy scheme, without a DC – RSS having been issued, and the member therefore not having made an informed choice. The Home Office has confirmed that this regulation does allow for that to happen. The LGA’s view is that the member **should** have a choice, and that Regulation 8 should only be relied upon in exceptional circumstances.

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We have set out the current position and our understanding and proposed approach as below:



We have created a template covering letter explaining the purpose of the DC – RSS, to be used with two retirement quotes, one for the legacy scheme and one for the reformed scheme, along with the contribution adjustment information. This template covering letter has been published on the [Age Discrimination Remedy – retrospective remedy webpages](#).

ACTION: Administrators are recommended to use the template covering letter, where the RSS is not yet available with existing retirement option letters offering the member a choice of legacy and reformed scheme benefits.

ACTION: FRAs should have regard to the LGA’s proposed approach and understand that any decision to retire a member into the legacy scheme without a choice, is a scheme manager decision, and should be by exception only. FRAs should ensure that they understand the implications of retiring members into the legacy scheme without a choice.

Age discrimination – Contributions Calculator

In [FPS Bulletin 71 – July 2023](#) we informed you of the Government Actuary's Department (GAD) work on the contribution calculator inputs.

We are now happy to share the [Remedy tax and contributions calculator: input and output specification.](#), which is published on the Firefighters' Pensions regulations and guidance website.

ACTION: FRAs and administrators should familiarise themselves with the draft inputs, so that they can ensure they are holding all the relevant data.

Technical query log

The [current log of queries and responses](#) can be accessed by practitioners in the member-restricted area of the FPS Regulations and Guidance website. The queries have been anonymised and divided into topics. The log is updated monthly in line with the bulletin release dates.

This month we have received one technical query which related to:

- Deferred benefits being brought into payment if someone has opted out, page 69.

Whilst this is a query that we have already previously received a similar question on, clarity was sought from the Home Office, and this has been reflected on the technical log.

FPS England SAB updates

SAB website

You can use the links below to find out about the latest updates on the work of the SAB and its committees on the SAB website:

- [SAB membership](#)
- [SAB meeting and agenda papers](#)

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- [Committee meetings and agenda papers](#)

The next SAB meeting will be on 14 September 2023.

Other News and Updates

Firefighters Pensions Team

In respect of the LGA Firefighters' Pensions Team, we say goodbye this month to Elena Johnson. Elena has been acting up as Senior Pensions Adviser in the team whilst Claire Johnson has been on maternity leave and will leave the LGA on 31 August 2023. We wish Elena every success for the future.

From the beginning of September Claire Johnson will return from maternity leave into her new role as Senior Firefighters' Pensions Adviser.

The Pensions Dashboards (Amendment) Regulations 2023

Further to FPS Bulletin [70 – June 2023](#) and [71 – July 2023](#), [The Pensions Dashboards \(Amendment\) Regulations 2023](#) came into force on 9 August 2023. The Pensions Regulator (TPR) has provided [a summary of the regulations](#) on their Pension Dashboard guidance pages.

TPR strongly advise scheme managers to continue preparing for dashboards, by engaging with those that support them with their dashboard duties, such as administrators and ISP providers:

- to assess the potential impact of these changes on their schemes,
- to agree a practical delivery plan and
- to continue activity on getting to grips with members' data.

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Pensions Dashboards Programme Newsletter

In August 2023, the Pensions Dashboards Programme (PDP) published its [August newsletter](#). There are articles on:

- The reset update
- Financial Conduct Authority updated rules
- Frequently asked questions on pensions dashboards
- Inviting PDP to an event.

The Pension Regulator (TPR) – Scheme Return

As in previous years the scheme return notice will be sent out from October 2023. TPR are encouraging FRAs to ensure that their scheme return [contact details are up to date](#).

More information about the scheme return, and how to prepare can be found on TPR's [public service scheme return](#) webpages.

ACTION: FRAs to ensure that their scheme return contact details are up to date.

The Pensions Ombudsman - Incorrect information member factsheet

On 31 July 2023, the Pensions Ombudsman (TPO) published [a member factsheet called 'Incorrect information'](#).

The factsheet outlines what members should do if they have a complaint about receiving incorrect information.

Pensions Administration Standards Association - Data guidance on DB benefit accuracy

On 14 August 2023, the Pensions Administration Standards Association (PASA) published [new data guidance on benefit accuracy for defined benefit \(DB\) schemes](#).

[PASA has previously issued guidance focused on data quality](#) and they are building on this by now focusing on benefit accuracy.

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Government Actuary appointed

On 2 August 2023, [HM Treasury announced the appointment of Fiona Dunsire](#) as the new Government Actuary. Fiona joins the Government Actuary's Department on a five-year fixed term appointment.

The Money and Pensions Service publish 2023/24 corporate plan

On 17 August 2023, the Money and Pensions Service (MaPS) [published its 2023/24 corporate plan](#).

The report outlines five priority themes designed to help the delivery of MaPS' main services and to help savers get the guidance and advice they need on money, debt and pensions.

The Money and Pensions Service publish review into pension scams

On 10 August 2023, the Money and Pensions Service (MaPS) [published its evidence review into pension scams in the U K](#).

The key findings are:

- There remain significant challenges to estimate the scale of the problem.
- The types of scams and tactics are very similar to investment scams.
- The financial and emotional cost to individuals is high, going beyond financial loss and impacting on health and relationships.
- Once an individual has been targeted there is a high risk of retargeting.
- Government bodies, administrators and other organisations have at their disposal a range of touchpoints to provide strong protection against scams.

HMRC

Secure Data Exchange Service (SDES)

In [FPS Bulletin 71 – July 2023](#), we let you know about the Secure Data Exchange Service, which is the service that HMRC will use to share member data with Schemes, relating to the HMRC member tax calculator.

HMRC have since confirmed that they will be in contact with each scheme manager contact shortly with the required links so that FRAs can register for SDES. They have asked that schemes register as soon as possible on receipt of the invitation.

We understand therefore that you will receive some additional information from HMRC that will enable you to do this.

The Public Service Pension Schemes (Rectification of Unlawful Discrimination) (Tax) (No. 2) Regulations 2023

In [FPS Bulletin 69 – May 2023](#), we informed you that HMRC had published their consultation on The Public Service Pension Schemes (Rectification of Unlawful Discrimination) (Tax) (no.2) Regulations 2023.

On 17 August 2023, the Government laid [The Public Service Pension Schemes \(Rectification of Unlawful Discrimination\) \(Tax\) \(No.2\) Regulations 2023](#). The Regulations come into force on 14 September 2023.

HMRC Public Service Pensions Remedy Newsletter

On 18 August 2023, HMRC published their August edition of the [Public Service Pensions Remedy Newsletter](#). Within this edition they cover:

- [The Public Service Pension Schemes \(Rectification of Unlawful Discrimination\) \(Tax\) \(No.2\) Regulations 2023](#) has been laid and will come into force on 14 September 2023.
- Reporting of annual allowance (AA) tax charge for 2022 to 2023.
- Scheme pays extended to fully retired members.
- Scheme administrators' applications for repayment of overpaid tax.

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- Lifetime allowance excess lump sum that is no longer a lifetime allowance excess lump sum due to remedy.
- Benefits from member voluntary contributions (MVCs) in payment before the remedy comes into force.
- Changes consequential to Finance (No 2) Act 2023

Events

FPS coffee mornings

Our MS Teams coffee mornings are continuing on a regular basis. The 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 pleased to include the presentations from recent sessions below:

[Retrospective remedy consultation response and regulations](#)

If you do not already receive the meeting invitations and would like to join us, please email bluelightpensions@local.gov.uk. Please note that attendance at the coffee mornings is generally restricted to FPS practitioners and managers.

Firefighters' Pensions AGM – London – 19 and 20 September 2023

As cover in [FPS Bulletin 71 – July 2023](#) bookings are now opened for the AGM.

The two-day programme allows delegates to network with fellow colleagues and hear the latest news on the Firefighters' Pension Scheme (FPS) from the scheme's key stakeholders.

You will hear important updates, including from:

- The Chair of the Scheme Advisory Board
- The Home Office
- The Pensions Regulator

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- The Government Actuary's Department
- Communications and engagement
- Legal Updates

As well as providing the opportunity to network with other FPS stakeholders, there will be interactive and thought-provoking workshops to take part in during the day on:

- Retrospective remedy - communications, and
- Matthews second exercise

Day 1 – Tuesday 19 September 2023 16:30 – 18:30

Primarily for Scheme Managers and Local Pension Board chairs, day 1 of the conference will provide practical guidance on the role of the scheme manager and will offer the opportunity to network with counterparts in other FRAs.

Following this session there will be a drinks reception on the terrace from 18:45.

Day 2 – Wednesday 20 September 2023 10.00 – 15:30

Day 2 of the conference provides delegates with an annual update on the Firefighters' Pension Scheme from key stakeholders.

Bookings are open on the LGA Events page.

[Firefighters' Pensions Annual Conference Day One](#)

[Firefighters' Pensions Annual Conference Day Two](#)

Legislation

Statutory Instruments

[The Public Service Pension Schemes \(Rectification of Unlawful Discrimination\) \(Tax\) \(No. 2\) Regulations 2023](#) [SI 912/2023]

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Useful links

- [The Firefighters' Pensions \(England\) Scheme Advisory Board](#)
- [FPS Regulations and Guidance](#)
- [FPS Member](#)
- [Khub 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](#)
- [LGPC Bulletins](#)
- [LGPS member site](#)
- [Scottish Public Pensions Agency - Firefighters](#)
- [Welsh Government Fire circulars](#)

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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 bluelightpensions@local.gov.uk.

FPS Bulletin 73 – September 2023

Welcome to issue 73 of the Firefighters' Pensions Schemes bulletin.

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, suggested items for future issues, or a job you would like to advertise, please email bluelightpensions@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 bluelightpensions@local.gov.uk.

Table 1: Calendar of events

Event	Date
FPS coffee afternoon	4 October 2023
FPS Technical Working Group	12 December 2023
SAB	14 December 2023
FPS Communications Working Group	19 December 2023

Event	Date
FPS coffee morning	31 October 2023

Actions arising

[Firefighters' Pensions Schemes \(England\) \(Amendment\) Order 2023](#): FRAs and administrators to familiarise themselves of the consultation response ahead of the Matthews second options exercise.

[Disclosure requirements](#): FRAs to ensure they comply with disclosure requirements by ensuring they send the appropriate letter to Sargeant and Matthews eligible members no later than 31 December 2023.

[Age Discrimination Remedy – terminology](#): FRAs and administrators to note that whilst there is different terminology it all relates to the same exercise.

The Matthews second exercise can also be referred to as 'remedy' but relates to a different exercise.

[Age Discrimination Remedy – GAD Tax and Contribution Calculator](#): FRAs and administrators to familiarise themselves with the calculator and carry out testing against their data and feedback any issues to GAD and LGA.

[Age Discrimination Remedy – Funding update](#): FRAs to note this and ensure that they provide the relevant data when required.

[Age Discrimination Remedy – Member video](#):

FRAs and administrators to publicise the QR code and signpost individuals to the fps member website for information relating to remedy, in particular the member videos as part of your communications.

[Concurrent Service – Interbrigade transfers](#): FRAs to make employees aware of the pension implications, should an overlap of service occur when leaving and joining another FRA, even if only by a day.

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[Public Service Pensions \(Valuations and Employer Cost Cap\) Directions 2023](#): FRAs and administrators should familiarise themselves with the Directions order to ensure that they are aware of the changes.

[Public Service Pensions Remedy – Member calculator](#): FRAs to provide a Single Point of Contact (SPOC) to the Public Service Pensions Remedy mailbox.

FRAs and administrators to familiarise themselves with the inputs that the member will need information for.

FPS

Firefighters' Pension Schemes (England) (Amendment) Order 2023

In [FPS Bulletin 68 – April 2023](#), we informed you that the consultation on the retained Firefighters' Pensions: proposed changes to the Firefighters' Pension Scheme (England) 2006 had been launched. On 8 September 2023, Government [published their response](#) to the draft Firefighters' Pension Schemes (England) (Amendment) Order 2023 to provide further access to the modified pension scheme for retained firefighters and the policy intent to implement this.

[The Firefighters' Pension Schemes \(England\) \(Amendment\) Order 2023](#) were also laid. The regulations come into force from 1 October 2023.

ACTION: FRAs and administrators to familiarise themselves with the consultation response ahead of the Matthews Second Options exercise.

Matthews - Supporting documentation

To assist FRAs with the Matthews second options exercise the Firefighters Communications Working Group have undertaken a thorough review of the communication material which was available for the first options exercise. Where appropriate, the material has been updated to reflect the position of the second options exercise. The template letters and guidance FRAs require have now been published and can be found on the [Special Members of FPS 2006](#) page of the regulations and guidance website.

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To ensure consistency across the sector, FRAs are encouraged to use the material provided.

A data sharing agreement and template wording to be added to an FRAs privacy notice, has been commissioned through Eversheds, for those cases where an FRA needs to obtain pay and service details from another FRA to allow them to give the individual their options.

Disclosure Requirements

In advance of the regulations for the Sargeant and Matthews remedies coming into force on 1 October 2023 we would like to remind scheme managers of their requirements under the [Regulation 8](#) of the Occupational and Personal Pension Schemes (Disclosure of Information) Regulations 2015. Which is to notify individuals of material alterations to basic scheme information within 3 months of the changes take place.

In terms of the Sargeant remedy, this requirement will be achieved when all eligible members have been sent a warm up letter, details of which can be found in [FPS Bulletin 71 – July 2023](#) and [FPS Bulletin 72 – August 2023](#).

In terms of the Matthews remedy, this requirement is achieved when FRAs send out the initial 'expression of interest' letter to those individuals who have been identified as being eligible under the second options exercise.

For further information regarding disclosure requirements please see our [factsheet](#) which is available on the regulations and guidance website.

ACTION: FRAs to ensure they comply with disclosure requirements by ensuring they send the appropriate letter to Sargeant and Matthews eligible members no later than 31 December 2023.

Age Discrimination Remedy – terminology

We thought it might be useful to clarify the different terminology people use when referring to the Age Discrimination Remedy.

'McCloud' is the judgement that relates to the Judges discrimination case and is

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widely used by other public sector schemes, HM Treasury and HMRC.

'Sargeant' is the judgement that relates to the firefighters' age discrimination case.

'Remedy' is the terminology used for the remedy exercise to 'put right' the age discrimination found in the judgements. This is also referred to as 'age discrimination remedy'.

Not to be confused with the Matthews second options exercise which can also be referred to as 'remedy' but relates to a different exercise.

ACTION: FRAs and administrators to note that whilst there is different terminology it all relates to the same exercise.

Age Discrimination Remedy – GAD Tax and Contribution Calculator

On 12 September 2023, the Government Actuary's Department (GAD) released the Age Discrimination Remedy - Tax and Contribution Adjustment Calculator, user guide, data template and supporting administration process note.

The material will be stored centrally on the member area of the FPS Regs and Guidance website. A new page titled '[Age Discrimination Remedy – GAD Tax and Contribution Calculator](#)' has been created specifically for this material. Our intention is to keep the material on this page up to date, we therefore recommend that you refer to this section to access the most current version as emails will not be sent each time, we update the page is updated. We therefore recommend that you do not save the calculator locally, instead please use the website to access the current version.

Since launch we can confirm that the calculator has been updated to allow for those who use Excel 2019.

GAD have confirmed that should stakeholder IT departments wish to audit the VBA (Visual Basic for Applications) macros, a password can be provided. Please contact GAD directly using the firepolicemcccloudtaxinterest@gad.gov.uk email for access.

It is recommended that stakeholders carry out testing of the calculator and report any

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issues directly back to GAD firepolicemccloudtaxinterest@gad.gov.uk. It would also be helpful if you could copy the LGA into such emails using our central email address (bluelightpensions@local.gov.uk), this will allow us to monitor where any issues arise.

Over the course of the model's development, GAD have tested a diverse range of example members. However, they have not received any live member data for testing. As such there remains two risks

- 1) That the calculator struggles to process very large datasets
 - a. They do not expect this to be a likely issue, but if users encounter it, they can resolve the issue by splitting data into separate groups.
- 2) That there are some complex cases which do not work as expected within the model
 - a. As above, GAD strongly recommend users to check the results of the calculator for accuracy and appropriateness.

Please note that the NS&I interest rates go past those set out in the HMT PSP Directions 2022. GADs understanding is that HMT will amend their Directions to line up to these rates. However, GAD are seeking confirmation, through the Home Office, of this. **Therefore, please do not issue any payments until this confirmation has been received.**

Webinar

On Monday 25 September GAD held a webinar, to run through how the calculator is to be used, and to answer any questions or issues raised. The slides are available to view for anyone who was unable to attend. You can find these under the Webinar and Slides tab on the [Age Discrimination Remedy – GAD Tax and Contribution Calculator](#) page.

GAD have made the recording of the webinar available online, and an access email should have been sent to all webinar invitees. The access email will be from an

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egress email address and may have been picked up by junk/spam filters. If you wish to watch the recording but have not received the access email, please contact GAD at firepolicemcccloudtaxinterest@gad.gov.uk.

ACTION: FRAs and administrators to familiarise themselves with the calculator and carry out testing against their data and feedback any issues to GAD and LGA.

Age Discrimination Remedy – Funding update

As covered in our email on 7 August 2023, Home Office have confirmed that the Sargeant expenditure, including compensation payments, will be paid out of the AME top up grant. Further instructions will be provided accordingly.

Age Discrimination Remedy – Member videos

We are delighted to announce the publication of the member remedy videos, that we have been working in partnership with Aon. There is one video for retired members and one for active and deferred members.

For those of you who attended the remedy communications workshop at the AGM last week, you will have had a ‘premiere’ viewing of the videos. We are pleased to confirm that the final version has now been added to the [fps member website](#).

We would like to thank Aon for their hard work in the design and development of the videos and we hope that stakeholders like them as much as we do, and that they are a useful alternative communication method to compliment the letters that are being sent out.

A QR Code has been created to help direct individuals to the webpage and videos for FRAs and administrators to use.

Remedy Page:



Active and Deferred member remedy video:



Pensioner member remedy video:



ACTION: FRAs and administrators to publicise the QR code and signpost individuals to the fps member website for information relating to remedy, in particular the member videos as part of your communications.

[Fire England updated Government Actuary's Department \(GAD\) factors](#)

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In [FPS Bulletin 68 – April 2023](#), [FPS Bulletin 69 – May 2023](#) and [FPS Bulletin 71 – July 2023](#) we published that Home Office had confirmed that the first, second and third batch of updated factors had provided by GAD.

On 28 September 2023, Home Office confirmed that the fourth and final batch of updated factors have been provided by GAD. This updated the following factors tables:

- x-701 to x-702 (Added Pension)

and the following factor tables have been withdrawn:

- x-703 to x-704 (2006 scheme purchase of increased benefits), x-801 (CPD)

All other factors remain unchanged from the previous version of this workbook.

The factors are effective from 28 September 2023.

The revised factor table has been uploaded to the [Additional Pension Benefits \(APBs\)](#) page under GAD guidance on the firefighters' regulations and guidance website.

Concurrent Service – Interbrigade transfers

We would like to remind FRAs that scheme regulations do not support aggregation of concurrent service. We therefore strongly recommend that, when a firefighter is subject to an interbrigade transfer, the FRA that they are transferring to and the FRA they are transferring from agree a mutually acceptable transfer date which results in no break or overlap in service. Failure to do so could prevent members from combining their pension entitlement.

ACTION: FRAs to make employees aware of the pension implications, should an overlap of service occur when leaving and joining another FRA, even if only by a day.

Annual Allowance factsheet

The [annual allowance factsheet](#) has been updated to reflect the spring budget announcements, as covered in [FPS Bulletin 67 - March 2023](#). The factsheet can be

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found in the [guides and sample documents page](#) of the regulations and guidance website.

Annual Allowance 2022/2023 note

In conjunction with the firefighters' communication working group, a suggested [annual allowance 2022/2023 note](#) has been created should FRAs and/or administrators wish to use it to inform individuals of the impact of the age discrimination remedy provisions on pension saving statements in the next 12 months.

Firefighters' Pensions (Remediable Service) (Wales) Regulations 2023

On 6 September 2023, the Welsh Government published their [response to the consultation on the Firefighters' Pensions \(Remediable Service\) \(Wales\) Regulations 2023](#).

[The Firefighters' Pensions \(Remediable Service\) \(Wales\) Regulations](#) have also been laid and will come into force on 1 October 2023.

These Regulations implement the remedy to the reforms to the Welsh Firefighters' Pension Schemes under the Public Service Pensions and Judicial Offices Act 2022 in respect of pensions for firefighters in Wales.

Firefighters' Pensions (Remediable Service) (Scotland) Regulations 2023

[The Firefighters' Pensions \(Remediable Service\) \(Scotland\) Regulations 2023](#) have been laid and will come into force on 1 October 2023.

These Regulations implement the remedy to the reforms to the Scottish Firefighters' Pension Schemes under the Public Service Pensions and Judicial Offices Act 2022 in respect of pensions for firefighters in Scotland.

Firefighters' Medical Appeals Board – Tender Outcome

On 18 September 2023, the Home Office announced that the tender for the Firefighters' Medical Appeals Board has now concluded. The contract has been retained by Duradiamond Healthcare Limited, trading as Health Partners.

The framework documentation is currently being finalised and will be shared once all

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parties have signed up. It is expected that fire services will be able to call off the framework from the 1 of October 2023. The duration of the framework will be for an initial period of 3 years (up to 30 September 2026), with an option to extend for an additional 12 months.

Where relevant the [ill health and injury](#) member restricted pages on the Regulations and Guidance website will be updated.

Technical query log

The [current log of queries and responses](#) can be accessed by practitioners in the member-restricted area of the FPS Regulations and Guidance website. The queries have been anonymised and divided into topics. The log is updated monthly in line with the bulletin release dates.

Queries have been answered this month in the following categories:

- Concurrent Service – Interbrigade Transfers.

FPS England SAB updates

SAB Meeting 14 September 2023

The Scheme Advisory Board (SAB) last met on 14 September 2023 and the meeting covered the following areas:

- GAD Matthews Calculator update
- Retained Firefighters' Pensions: Proposed changes of the Firefighters' Pension Scheme (England) order 2006 – Government response and Data Sharing Agreement.
- Home Office response to McCloud consultation.
- Local Pension Board Effectiveness – consistency and knowledge sharing.

You can use the links below to find out about the latest updates on the work of the SAB and its committees:

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- [SAB membership](#)
- [SAB meeting and agenda papers](#)
- [Committee meetings and agenda papers](#)

Other News and Updates

Public Service Pensions (Valuations and Employer Cost Cap) Directions 2023

The Public Service Pensions Act 2013 provides the legal framework for regular actuarial valuations of the public service pension schemes to measure the costs of the benefits being provided. These valuations will inform the future contribution rates to be paid into the schemes by employers. The 2013 Act, when taken together with regulations made under it and the Public Service Pensions and Judicial Offices Act 2022, also provides for the introduction of a reformed cost control mechanism to ensure that the benefits of the pension schemes remain fair to members and taxpayers. The Directions, made under the 2013 Act, implement this policy.

HM Treasury is publishing Directions which revoke and replace the previous Directions due to the extensive changes necessitated by the reforms to the cost control mechanism, and to ensure that the 2020 valuations of the public service pension schemes can be completed using updated assumptions. The Treasury has a statutory duty to consult the Government Actuary before making the Directions. The Treasury completed this statutory consultation during August 2023.

The links to the relevant documents, including the 2023 Directions have been published on the FPS Regs website on the [restricted Scheme Valuations](#) page.

ACTION: FRAs and administrators should familiarise themselves with the Directions order to ensure that they are aware of the changes.

Publishing Annual Benefit Statements 2023 to 2025

The Pensions Regulator has published [guidance on publishing annual benefit statements during 2023 to 2025](#).

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TPR are mindful of the challenges that FRAs and administrators may face whilst producing annual benefit statements and remediable service statements during 2023 to 2025 and have confirmed that they will take a risk-based, practical approach when reviewing, assessing, and responding to annual benefit statement breaches during this period.

[PASA's dashboard data accuracy guidance](#)

The Pensions Administration Standards Association (PASA) has recently updated their [Dashboards Data Accuracy Guidance](#). This is a tool to help schemes with their data preparation duties.

The guidance highlights key data points that should not only be present but also accurate. It explains how data should be checked and provides a list of shared, public, and private data sources that can be used to validate member information.

[TPR's Pension Scams Reporting campaign](#)

The Pensions Regulator (TPR) has launched a new industry-facing [pension scams awareness campaign](#) focusing on Trustees and Administrators, who are best placed to help protect savers from pension scams. By reporting their suspicions, they can defend their members' retirement from scammers – and stop their actions having such a devastating effect on victims' lives.

[Pensions Dashboard Programme – Introduction to dashboards webinar](#)

On 4 October 2023 the Pensions Dashboard Programme (PDP) will be hosting a [webinar to re-introduce dashboards](#).

Chris Curry, PDPs Principal, who recently attended our Fire AGM, will present alongside others from the programme to explain dashboard goals, the role of the regulators and provide information on what the pensions industry can do to prepare.

HMRC

Public Service Pensions Remedy – Member calculator

Tax Adjustment inputs

HMRC have produced a [document](#) that sets out the inputs a member will need to put into the member calculator.

This is the information a user could be asked in order to calculate compensation and/or tax adjustments (biographical info entered by the user is not included). The calculator is designed to only ask users for the information specific to their circumstances, so questions around the tax (AA or LTA) and the years will be displayed as appropriate, based on the options they select at the beginning of the journey. The wording of the questions in this document does not reflect the wording in the calculator itself- that wording has been user tested and approved by content designers.

As previously communicated, the information which users will need to have from their pension scheme to complete the calculator is;

- original pension input amount (for each tax year from 2012/13 to 2022/23) – 2012/13 to 2014/15 is only required if the member did not have an AA tax charge in 2014/15, so the correct carry forward amount is used from 2015/16
- revised pension input amount (for each tax year from 2015/16 to 2022/23)

ACTION: FRAs and administrators to familiarise themselves with the inputs that the member will need information for.

Abolition of the LTA – Our Consultation Response

Further to [FPS Bulletin 71 – July 2023](#), where we made you aware of the HMRC consultation to abolish the pensions lifetime allowance (LTA), which was part of a wider consultation on proposed clauses for the next Finance Bill.

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Whilst we were not able to provide our response to stakeholders ahead of the deadline, we wanted to share with you our response as follows:

“Thank you for the opportunity to respond to the consultation on abolishing the pension lifetime allowance. We welcome this development to remove the LTA as it currently affects recruitment and retention of our senior leaders in fire.

Our comments focus on the position of the tax-free lump sum. As it is not clear whether the drafters have given thought to how this will affect paying lump sums above the PCLS. Paying unauthorised tax on lump sum payments has been a common occurrence for Fire schemes since 2010 when the commutation factors rose, which we believe is unique to police and fire.

To confirm in 2010 when the commutation factor rose above 20, there was no change to the scheme rules of the 1992 Firefighters Pension Scheme to limit the lump sum to the PCLS, therefore officers could choose to take the higher lump sum and pay an unauthorised tax charge of 40%, while the scheme manager must pay the scheme sanction charge.

For high earners, whose lump sum would be more than £268,275, it is not clear how this should be treated, and whether the unauthorised amount charge of 40% applies or the marginal rate instead. For administrative purposes identifying and applying the marginal rate is onerous and a fixed rate would be a simpler solution.

It would also be useful to allay fears of the LTA being introduced, for the consultation response to be clear about any process in the future where the LTA was introduced which would need to happen through legislation and could not happen overnight.”

[HMRC – Managing Pension Schemes Service Newsletter - September 2023](#)

HMRC has published their [September 2023 Managing Pension Schemes Service newsletter](#). The newsletter covers the following topics:

- Event reporting
- Accounting for Tax (AFT) returns

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- Pension scheme return
- Migrating your scheme

Events

FPS coffee mornings

Our MS Teams coffee mornings have been a little bit 'parched' just recently.

Following Claire Johnson's return from maternity we have held a couple of 'drop in' sessions with stakeholders to discuss the needs of the group, and how best to take forward the coffee mornings in the future.

We will be kicking these off again in the afternoon of 4 October 2023. The topic on the agenda this time will be Matthews, so make sure your cup is full, and that you are sitting comfortably to join us.



We will then be launching the first version of the Matthews GAD calculator on a coffee morning on 31 October 2023, where they will run through some examples in the calculator, this will be at the usual morning time, so get this in your diary.

If you do not already receive the meeting invitations and would like to join us, please email bluelightpensions@local.gov.uk. Please note that attendance at the coffee mornings is generally restricted to FPS practitioners and managers.

Firefighters' Pensions Annual Conference

Our two-day event opened with a meeting of the regional chairs of each regional fire pensions officers' group, followed by our quarterly technical working group meeting. As I sure you can imagine there was a lot to discuss.

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Updates from these meetings will be provided at your next regional group.

We would like to encourage that each Fire and Rescue Service and local pension boards are represented at these meetings, as well as the pension administrators. The discussions that are had are invaluable and it is a great opportunity to network, and informally discuss items that are 'hot topics' (no pun intended) in Firefighters' Pensions and share regional experiences and training in a 'safe space'.

Day one

We were pleased to welcome 44 delegates to the first day, which was aimed at Scheme Managers and Local Pension Board members, along with other parties interested in all things Governance.



Following a warm welcome from Joanne Livingstone, the Chair of the Firefighters' Pensions (England) Scheme Advisory Board, who was accompanied by Claire Johnson, Senior Pensions Advisor, the audience heard from Chris Curry, Principal of the Pensions Dashboard Programme. Chris gave the audience an update with regards to the change in the dashboard connection deadline, what PDP is working on, and advised what FRAs should be doing in preparation.



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Nick Gannon, TPR Policy Lead gave the audience a ‘sneaky peek’ of the Governance & Administration Survey results and how Fire and Rescue Services compared against other Public Sector Schemes. Nick highlighted the importance of providing accurate responses, so that they can be used to inform assistance that tPR can provide to the industry. Particularly when Schemes may need assistance in getting accurate data from employers.

Nick then gave an update on the General Code of Practice, and how this is in the process of being laid before parliament. Nick was able to demonstrate its functionality and how each section interacts with one another, where relevant.



Joanne Livingstone ended the session with an engaging discussion on the importance of Local Pension Board Effectiveness and how this integrated with the work of the Scheme Advisory Board. Joanne covered some interesting points and gave ‘food for thought’ for pension board members to take away.



The day finished with a drinks reception, which is always a great networking opportunity to catch up with new and old colleagues of the Fire Pensions Community.

You can review [day one's slide](#) on the events page of the Firefighters' Regulations and Guidance website.

Day two of the event was fully booked and saw 96 delegates across all areas of Firefighters' Pensions attend Bevin Hall at 18 Smith Square.



Joanne Livingstone, Chair of the Firefighters' Pensions (England) Scheme Advisory Board opened the event with a very warm welcome to all delegates and introduced and thanked our speakers for the day.



We then welcomed Alexander Waters, Senior Lawyer from the Pensions

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Ombudsman to the stage, where he gave a background to who the Pensions Ombudsman are and what they aim to achieve. He then provided an update on what they are currently seeing in relation to the Firefighters' Pension Schemes and any relevant case studies.

Alexander also referred to some very useful resources that are available on their website, which are linked within their slides.



After a short refreshment break, the audience broke off into two workshops:

Matthews Second Options Exercise, which was led by Brian Allan, Actuary and Martin Agass, from the Government Actuary Department (GAD), and Claire Johnson from LGA. Brian gave an update on where they are on the development of the Matthews calculator. He also confirmed that there would be 2 implementation dates for the calculator, and that some cases won't be able to be processed until the 2nd version is published.

More details of those cases are within GAD workshop slides.

Remedy: Communications which was led by colleagues from Aon, Virginia Burke and Ben Smithson, and Tara Atkins from LGA. The room was full, we even had to get more chairs!!!! It was a great workshop, and there was so much conversation about engaging and worthwhile communications.

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Tara started off by giving an overview of what the workshop was all about and provided an update on what communication work the LGA had been working on and had in the pipeline for remedy.

Delegates then split into 3 groups and took 2 questions each about communications, before feeding back to the group. The feedback is available for all FRAs and administrators to view on the events page of the FPS Regulations and Guidance website.

We then broke for a well-earned lunch, where the audience networked, and had opportunity to talk and take with exhibitors and take some promotional 'goodies' from First Actuarial, ITM, XPS Pension Group and Isio.

First Actuarial - provide [financial wellbeing services](#), which they offer to a range of organisations across the private and public sector. First Actuarial are also the actuarial advisors to the Firefighters' Pensions (England) Scheme Advisory Board.



ITM - are [pension data experts](#), providing specialist data management, systems and pension technology solutions within UK financial services.




XPS Pension Group: A [leading consulting and administration business](#) fully focused on UK pension schemes. XPS currently administer pensions for three fire clients.



Isio - is a [leading independent UK provider](#) of actuarial consulting, pensions administration, investment advisory, employee benefits and wealth management services.

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Isio were promoting their new [independent training sessions](#) in relation to the Firefighters' Pension Schemes. The sessions cover the McCloud/Sargeant age discrimination remedy, the Matthews exercise from 1 October 2023 and pensions tax for higher earners.



Isio and the Firefighters' Pension Scheme

We know that Fire and Rescue Authorities (FRAs) have some challenges in terms of pensions at the moment:

- helping employees understand their pensions benefits
- impact of the Pensions Remedy including pensions tax implications
- collecting data and dealing with the Matthews second options exercise

At Isio we are passionate about improving members understanding of their pension benefits, increasing their financial confidence thereby benefiting staff motivation and engagement.

From November we will be providing the following training sessions aimed at Fire and Rescue Authorities, to improve their understanding of the pension schemes:

- Session 1** – aims to build an understanding of the Firefighters' Pension Schemes, Matthews and the impact of the Pensions Remedy.
- Session 2** – focuses on the scheme manager and the local pensions board and their role in implementing the Pensions Remedy, Matthews and next steps.
- Session 3** – introduces the UK pensions tax regime, focusing on the annual allowance (AA), and the options available to pay for any charges.
- Session 4** – if you are interested in booking on any of the above sessions, please see the reverse for contact details.

If you are interested in booking on any of the above sessions, please see below for contact details.

Our experienced Public Services Pensions Team has already helped many schemes, employers, and members across the public service pension schemes on the Pensions Remedy and the AA and LTA implications.

Colin Dobbie
colin.dobbie@isio.com

Colin is an actuary with 15 years' experience of working on the Firefighters' Pension Scheme. Colin has also delivered seminars to Police Forces on pensions benefits and the Pensions Remedy (including pensions tax implications) as part of CIPFA's award winning Achieving Finance Excellence in Policing training programme.

Paul Moffatt
paul.moffatt@isio.com

Paul is a Director at Isio with 22 years industry experience. He leads our member engagement work across the public service schemes. Please contact either Colin or Paul if you would like to know more.

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Firefighters' Pension Scheme.indd 1 25/09/2023 14:46

Before the Chair welcomed us back from lunch, Joanne had a very important job to do and chose a winner for First Actuarial's champagne prize draw.



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Once the Chair had welcomed us back, we heard from Brian Allan from GAD who gave an update on the 2020 valuation, including how the Scape Rate Discount will impact and expected timeline. Brian then covered the Cost Control Mechanism and observations from the HM Treasury 2020 valuation Directions.



Our very own Claire Johnson then took to the stage, with a very warm welcome having just returned from maternity leave, nothing like throwing her into the deep end!



Claire was tasked with giving a technical/legislative update on both Matthews and Remedy. Claire gave a summary of each remedy exercise, and then concentrated on the impact on a member if they are affected by both remedies.

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This was followed by an update from Helen Fisher, Head of Police and Fire Pensions at the Home Office. Helen refrained from giving a further update on Matthews and Remedy, as she quite rightly said Claire had done an excellent job in her session.



Helen did however cover the Average Weekly Earnings (AWE) issue where it was identified that the Orders for 2021 and 2022 used provisional AWE growth estimates rather than revised AWE figures. The impact of this is that administrators will need to reassess the CARE benefits for these two years as the revaluation applied is incorrect. This in turn will impact the figures to be provided in the Remediable Service Statements.

Helen then covered the Carer's Leave Act 2023, which will require an amendment to the Firefighters Pension Scheme regulations, in a similar way as was needed when parental bereavement leave came in.

For our final session of the day, we welcomed Aon to the stage, where Virginia Burke, Senior Public Sector Pensions Consultant and Ben Smithson, Senior Communications Consultant, held a great session and covered how you can make your communications work harder. Sadly Lauren Harper, who was also due to join them was unwell but had done a lot of work in the background towards their presentation.



It was an insightful session, which included rockets, pink elephants and neurotech. Take from that what you will, but the pictures taken below, show just how enthusiastic Ben is when talking about what is possible when looking to create a 'great' communication strategy.



Joanne Livingstone, then closed the meeting with her appreciation to all delegates who had engaged and made the two days a worthwhile and meaningful conference and wished everyone a safe trip home.

The slides for [day two](#) are available on the events page of the Firefighters' Regulations and Guidance website.

We would like to thank all for their participation and support, particularly our events

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team, speakers and exhibitors for contributing to the success of the event, and to all delegates who took time out of their busy schedules to attend.

Legislation

Statutory Instruments

[Firefighters' Pension Schemes \(England\) \(Amendment\) Order 2023](#) [SI2023/986]

[The Firefighters' Pensions \(Remediable Service\) \(Wales\) Regulations 2023](#) [SI 2023/961]

[The Firefighters' Pensions \(Remediable Service\) \(Scotland\) Regulations 2023](#) [SI 2023/242]

[The Local Government Pension Scheme \(Amendment\) \(No3\) Regulations 2023](#) [SI 2023/972]

Directions Orders

[Public Service Pensions \(Valuations and Employer Cost Cap\) Directions 2023](#)

Useful links

- [The Firefighters' Pensions \(England\) Scheme Advisory Board](#)
- [FPS Regulations and Guidance](#)
- [FPS Member](#)
- [Khub 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](#)
- [LGPC Bulletins](#)
- [LGPS member site](#)

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- [Scottish Public Pensions Agency - Firefighters](#)
- [Welsh Government Fire circulars](#)

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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 bluelightpensions@local.gov.uk.

FPS Bulletin 74 – October 2023

Welcome to issue 74 of the Firefighters' Pensions Schemes bulletin.

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, suggested items for future issues, or a job you would like to advertise, please email bluelightpensions@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 bluelightpensions@local.gov.uk.

Table 1: Calendar of events

Event	Date
FPS coffee morning	7 November 2023
FPS LGA drop-in sessions for FRAs	23 November 2023
FPS Technical Working Group	12 December 2023
SAB	14 December 2023
FPS Communications Working Group	19 December 2023

Actions arising

[Age discrimination remedy – Contingent Decisions guidance](#): Scheme managers to read the guidance and mutually agree any setting of target dates with their administrator before sharing the claim process with members.

[Firefighters' Pension Scheme Adjustment in Respect of 2021 and 2022 Revaluation](#): Scheme Managers will be required to correct this error retrospectively.

FPS

Matthews – Supporting documents

In [FPS Bulletin 73 – September 2023](#) we informed readers that supporting documentation for the RDS second options exercise, including template letters and guidance was available on the [Special Members of FPS 2006](#) page on the FPS regulations and guidance website. Following feedback, we can confirm that we have updated the RDS Employee Informal Guidance document to include further information on tax.

To ensure that FRAs are using the most up to date version, it is recommended that you refer to the guidance published on the website, rather than saving documents locally.

Matthews – Data Sharing Agreement

At the most recent Scheme Advisory Board meeting approval was given to commission the services of Eversheds Sutherland (International) LLP in respect of producing a data sharing agreement and additional privacy notice wording. These are required for cases where the current FRA needs to obtain pay and service information from a previous FRA so they can provide an individual with their options.

The [Data Sharing Agreement](#) (DSA) has been uploaded to the [Special Members of the FPS 2006](#) page on the FPS regulations and guidance website. The leading FRA will need to complete the DSA as per the 'note to FRAs' that are within the document and this should then be sent to the FRA holding the relevant pay and service information before any data is shared. The DSA should only be used for cases, affected by the Matthews exercise.

It is also recommended that an FRA should update their existing privacy notice to include additional wording as follows:

*As set out on the [Firefighters' members website](#) , from October 2023, a second options exercise will take place to allow eligible retained firefighters to buy pension service as a special member of the Firefighters' Pension Scheme 2006 (**FPS 2006**).*

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A retained firefighter transferring from one Fire and Rescue Authority (FRA) to another without a break in service will be treated as having continuous service with the second FRA.

If you are a retained firefighter that has expressed an interest in the second option exercise, and you have provided service for more than one FRA, we (i.e. the first FRA) will need to share information about you with that other FRA so they can identify you, including your name, national insurance number and date of birth. This is your personal data under data protection laws. The second FRA would then return that same data back to us along with your relevant service term(s) and pay information. We both need to exchange this information in order to determine your entitlement to the FPS 2006 and this means that sharing this data is justified under data protection laws because [it's necessary for compliance with legal obligations].

If you have any queries about the information that is shared about you as part of your expression of interest in the second option exercise, please contact us.¹

For information about your data protection law rights and how to exercise them in relation to this data sharing by us, as well as other legal text needed – please see the main section of our privacy notice. This section above is strictly only about the data shared and what lawful reasons justify that.

Matthews – GAD Calculator: Input and Output Specification

Further to the [Matthews implementation and GAD calculator update](#) coffee afternoon which was held on Wednesday 4 October, we have created a new [Special members of FPS 2006 Scheme - GAD Calculator](#) page which can be accessed via the restricted area of the FPS regulations and guidance website.

¹ Drafting notes for FRAs using this: Assumption is that your own privacy notices do already comply with Articles 13 and 14 UK GDPR/DPA 2018 i.e. cover all relevant requirements. This wording is strictly only intended to explain what data is shared by you with the second FRA and what lawful reason(s) justify that under UK GDPR/DPA 2018. Assumption is that your sharing of data with the second FRA will not involve any restricted transfer i.e. data sharing outside the UK.

Within the page tabs have been created as follows:

- First Options Exercise – GAD calculator
- Second Options Exercise – GAD calculator
- Second Options Exercise – Case types

To allow for FRAs to familiarise themselves with the relevant inputs for the calculator, GAD has provided an [Input and output specification document](#) and a copy of the .CSV [Data input template](#) for bulk input to the calculator, which is the data input process recommended by GAD for FRAs with bulk cases. These documents are saved under the ‘Second Options Exercise – Resources’ tab. It is our intention to upload the first version of the calculator here once it has been released for general use (expected w/c 06/11).

In addition to storing the calculator, we intend to use this page to host any additional guidance provided by GAD. To ensure that FRAs are using the most up to date version, it is recommended that you use the guidance published here, rather than saving the documents locally.

A tab has also been added called ‘Second Options Exercise – Case types’, this is to assist FRAs in understanding which cases will be covered by which version of the calculator. FRAs should use this information to acknowledge and manage expectations on receipt of expression of interest forms.

For individuals that fall into the case-by-case scenarios, further guidance will be provided in the new year. It is recommended that all FRAs stockpile these cases for now until instructions are provided which confirm how these cases are to be shared with GAD. In line with guidance provided in [FPS Bulletin 73 – September 2023](#) these cases should still be acknowledged.

Matthews – Corrective action

Regulations stipulate a requirement for equity between the first and second options exercise. This means that pay/service information used for periods covered in the first options exercise (1 July 2000 onwards) should carry through for individuals who remain eligible under the second options exercise. The only time that this should not apply is if the FRA identify an error in the data used for the first exercise, in which case incorrect data must be substituted with correct data.

It was highlighted in a recent coffee morning that, whilst undertaking data collection work for the second options exercise, some FRAs have noticed that incorrect pay figures were used during the first options exercise.

The Home Office have confirmed that it is not the purpose of the second options exercise to correct purchases made under the first options exercise. However, it is acknowledged that corrective action is needed and that existing members should be made aware of any errors which have been identified.

The remedial steps FRAs should take depends on whether the individual made an election under the first options exercise. This article set outs what process should be followed in all circumstances.

Scenario one - Individual did not elect under the first options exercise and is now eligible under the second options exercise

These individuals are not currently FPS 2006 special members and therefore no corrective action is needed for existing contracts.

As they are eligible under the second options exercise FRAs will be contacting these individuals again and the individual may question why the data used from 1 July 2000 onwards (commencement date for first options exercise) does not agree with the data used for the first options exercise.

It is therefore recommended that FRAs proactively bring this error to the individuals attention and provide a clear explanation as to why alternative data has been used for the second options exercise.

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Scenario two - Individual elected under the first options exercise and is now eligible under the second options exercise

These individuals are currently FPS 2006 special members and corrective action is needed for existing contracts.

Step one – FRA to identify what pay figure is incorrect – Is it the actual pay, or reference pay?

- a. If the actual pay is incorrect, it would mean that the member is paying/paid too much or too little.
- b. If the reference pay is incorrect, it would mean that the benefit entitlement (service awarded) is too much or too little.

Step two – FRA to use the calculator for the [first options exercise](#) using the correctly identified data.

Step three – FRA to compare the output from the original calculation with comparison calculation.

Step four – Action for this step is dependent on what anomaly was identified in step one and the outcome of step three:

- a. **Actual pay identified as incorrect and the comparison between the two calculations shows that the members has underpaid for their contract meaning that they should be awarded more service.**

Rectification action is needed by way of alerting the member to the error and providing them with full details of the contribution discrepancy.

The member should be given an option to pay the contribution difference using their original payment method i.e. *periodic contributions or lump sum.

Alternatively, the member could elect to keep their current entitlement under the terms of their existing contract.

Administrators should be informed of the members decision and update the members record where appropriate.

b. Actual pay identified as incorrect and the comparison between the two calculations shows that the members has overpaid for their contract meaning that they should be awarded less service.

Rectification action is needed by way of alerting the member to the error and providing them with full details of the contribution discrepancy.

The member should be informed that they are eligible for a refund of any overpayment made – further guidance would be need should the member elect for this option.

Alternatively, the member could elect to keep their current entitlement under the terms of their existing contract.

Administrators should be informed of the members decision and update the members record where appropriate.

c. Reference pay identified as incorrect and the comparison between the two calculations shows that the member has been allocated too much service.

This scenario should not affect the member contributions (as these are based on actual pay), however, it will affect the service they have been awarded by the administrator.

The FRA should alert the member to this error setting out the correct position.

Additionally, the FRA should inform the administrator and the members record should be updated appropriately.

d. Reference pay identified as incorrect and the comparison between the two calculations shows that the member has been allocated too little service.

This scenario should not affect the member contributions (as these are based on actual pay), however, it will affect the service they have been awarded by the administrator.

The FRA should alert the member to this error setting out the correct position.

Additionally, the FRA should inform the administrator and the members record should be updated appropriately.

* Periodic contributions would need to be reviewed and possibly altered to take account of any gaps in the repayment schedule. We believe that the correct regulatory option available is to recalculate the instalments so that the remaining balance is repaid at the original 10 year point – in line with [Rule 6A\(8\)](#). The calculator has been specifically designed to ensure that the correct proportion of interest is applied for the 10-year period.

It is recommended that the remedial work set out in steps one to four is carried out before the member is offered further options under the second options exercise. This is to ensure that there is no crossover or unnecessary confusion for the member.

The LGA strongly encourage that, to ensure full transparency and robust governance practices, any cases which are highlighted in scenarios one or two are flagged to the Local Pension Board.

Matthews – Pay assumption

In [FPS Bulletin 73 – September 2023](#), we informed you of government's response to the draft Firefighters' Pension Schemes (England) (Amendment) Order 2023 to provide further access to the modified pension scheme for retained firefighters and the policy intent to implement this.

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Readers will be aware that the second options exercise provides eligible individuals the opportunity to purchase historic service prior to 1 July 2000. This raises further complications with regards to the availability of employee records. To resolve this, government has provided regulations which allow for a central set of assumptions to be used for service, pay and rank prior to 1 July 2000 where there is no robust data to rely upon.

By way of reminder, in the absence of evidence or data, FRAs are to assume that the individual was a firefighter. Additionally, in the absence of pay data for pre-July 2000 membership FRAs can determine the average pay rates from their own local experience or records, where this provides an assumption that the average retained pay is greater than 25% of a whole-time regular firefighter. Where this is not possible, the FRA should apply the default assumption that retained firefighters earn on average 25% of a whole-time regular firefighters' pay. Just to confirm that if your local assumptions produce lower than 25% of a whole-time regular firefighter you should apply the default assumption.

Although inclusion of assumptions is helpful, Stakeholders have raised a valid question with regards to what should be assumed as there are multiple scale points for the firefighter rank. Most recently the firefighter rank and subsequent pay is based on three components these are trainee, development and competent. Historically the pay scales were based on age, length of service and whether the firefighter was deemed qualified.

With regards to the historic pay scales, FRAs should be able to determine the appropriate scale using the individuals start date and date of birth as this will confirm both length of service and age. The only complication would be for individuals who are over age 19 and have more than 5 years' service, as pay scales for this cohort are based on whether they are qualified. After careful deliberation, the LGA have concluded that, in the absence of data, it seems appropriate to apply an average between the pay for a qualified and unqualified firefighter in this circumstance.

Matthews – Reference pay

With special thanks to Helen Scargill, Jill Swift, and Irina Volkova-Heath for their valuable contribution, the LGA have put together a table which sets out the reference pay for relevant periods going back to 1960.

The reference pay spreadsheet can be accessed on the [Firefighters Pay Scales page](#) on the FPS guidance and regulations website.

In advance of using the reference pay spreadsheet, it is worth noting that:

- The 1962 circular indicates that there might not have been a pay award between 01/04/1960 and 01/01/1962.
- The lowest banding based on age changed from under 21 to under 19 in 1964/65. The circular outlines some assimilation arrangements so FRAs might want to refer to this circular if there are any cases going back this far.
- In 1970 the circular listed a rate for 46-hour pensionable element so that rate has been used.
- In some years there are rates listed for a 48 and 56-hour working week, 48-hour rates have been used in the spreadsheet.
- In 1972 there were no annual under 18 rates listed so these have been calculated these manually based on the hourly rate/weekly rate outlined in the circular and the formulas used to determine the rates.
- In 1973, again no annual rates were listed in the circular, so the annual rate has been calculated based on the weekly rates x 52.1666 which was the formula used for calculating pay in 1973. Additionally, there were a couple of rates missing in this year for under 18s and for unqualified FF after 15 years' service an assumed pay figure based on the previous year has been used.
- There are no rates available for 1975 or 1976. The 1976 rates have been calculated using the 1977 circular minus the 10% increase, these 1976 rates have been used to calculate 1975 rates minus a 5% increase.

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- In some early years there is mention of different rates for female Firefighters, but as the data is missing in most cases.
- 2003/04 comprised of rank to role changes.

Matthews – Individuals who defaulted on payments in the first options exercise

We have been made aware that during the first options exercise there were some individuals who opted to join the FPS 2006 as a Special Member but defaulted on their periodic contributions. As they had not paid their contract in full, they were awarded a proportion of benefits.

Stakeholders have asked whether, for individuals who are eligible for the second options exercise, would any service which has been defaulted on becomes in scope. After discussion with the Home Office, we can confirm that under the terms of the second options exercise individuals who fall into Cohort 2 (being eligible to purchase pre-July 2000 service and having service from July 2000 to April 2006) will be able to purchase any service that they didn't in the first options exercise, this extends to any period which was previously defaulted on.

Age Discrimination Remedy – GAD tax and interest calculator

In [FPS Bulletin 73 – September 2023](#) we informed you that the GAD tax and interest calculator, including supporting guidance documents, had been published on the [FPS regulations and guidance website](#).

In addition to the documents already there, GAD has provided a new [output and interest guidance document](#) which has been uploaded to the website. The guide covers the simplified output sheets from the calculator and a beginners guide to calculating interest.

Age Discrimination Remedy - Contingent Decisions guidance

In order to support a consistent national approach, we are pleased to let you know that we have now published our [Contingent Decision guidance](#) in the '[Age discrimination remedy – Retrospective remedy](#)' section on the FPS regulations and guidance website.

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The guidance sets out the approach a scheme manager should take when considering a Contingent Decision claim and confirms that scheme managers should mutually agree any setting of target dates with their administrator before sharing the claim process with members.

By way of reminder, a Contingent Decision is a decision taken by a member, relating to their membership of the firefighters' pension scheme, that would have been different had it not been for the discrimination identified by the courts.

There are three categories of Contingent Decisions in the fire pension scheme for which specific provisions has been made:

- I. Opt-out: A member would not have opted-out if they had been allowed to remain in the legacy scheme beyond their transition date or if protected members had been allowed to join the reformed scheme from 1 April 2015.
- II. Transfers: Members chose to transfer (in or out) and now wish to revisit the decision, or they chose not to transfer and now wish to do so.
- III. Additional Service: Members argue they would have purchased (more) additional service if they were in the alternative (legacy) scheme.

Currently, the guide only covers two of the three areas, these are opt-outs and added pensions, details on transfers will follow in due course. To accompany the guidance, we have also provided a [claim form](#) that members should use when submitting their claim. Additionally, we are working on a member guide which will be shared with the sector in a future bulletin.

ACTION: Scheme managers to read the guidance and mutually agree any setting of target dates with their administrator before sharing the claim process with members.

[Age Discrimination Remedy – Accounting information](#)

On 20 October 2023, HMT [wrote](#) to scheme managers outlining the respective responsibilities of the scheme and HMT moving forward and the future funding arrangements for remedy.

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The letter confirms that corrections to pension benefits, compensation for overpaid tax and compensation for financial losses will all be accounted for under AME.

With regards to the compensation for financial losses, these are paid by scheme managers under the powers of the [PSPJO Act 2022](#) and the letter reminds scheme managers of their duties to comply with the [Directions](#) which sets out requirements under which scheme managers must comply.

Firefighters' Pension Scheme Adjustment in Respect of 2021 and 2022 Revaluation

In [FPS Bulletin 71 – July 2023](#), we made you aware of an issue in respect of Average Weekly Earnings (AWE) growth figures for 2021 and 2022. In summary, the 2021 and 2022 Treasury Revaluation Order had used a provisional increase figure in November of that year rather than a revised figure in December which was used in the previous Orders from 2015 to 2020.

Whilst the legislation setting out how the revaluation is applied does not specifically state how a figure of AWE growth is obtained for the purposes of revaluation, the Government intends to correct the position to align the Treasury Revaluation Orders for 2021 and 2022 with those of the previous years. This will result in an increase of 0.2% for 2021 and 0.4% for 2022.

It is not anticipated that there will be any changes to the increase to member benefits of 0.2% for 2021 and 0.4% for 2022, as set out in HM Treasury Written Ministerial Statement. That said, the Home Office intends to consult on amendments to the Firefighters' Pension Scheme (England) Regulations 2014, to ensure regulation changes achieve the desired outcome. In the meantime, the Home Office asks all fire and rescue authorities in England to apply the necessary administration changes needed to correct the error that occurred in the 2021 and 2022 revaluation orders for affected members' benefits in advance of the regulatory changes being made with immediate effect.

The Home Office have provided a [note confirming this position](#).

ACTION: Scheme Managers are to ensure that this error is corrected retrospectively.

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Technical query log

The [current log of queries and responses](#) can be accessed by practitioners in the member-restricted area of the FPS Regulations and Guidance website. The queries have been anonymised and divided into topics. The log is updated monthly in line with the bulletin release dates.

Queries have been answered this month in the following categories:

- Special 2006 Members
- Non-Club Transfer

FPS England SAB updates

SAB LPB effectiveness committee vacancy

We have a vacancy on the Local Pension Board (LPB) effectiveness committee for a practitioner representative.

The LPB effectiveness committee considers how local pension boards and scheme managers can be supported centrally and has been particularly active in designing board surveys and developing draft guidance for joint LPB applications.

The required commitment is usually three to four meetings per year, and these are currently being held virtually. If you are interested in sitting on the committee or would like more information, please email bluelight.pensions@local.gov.uk

SAB website

You can use the links below to find out about the latest updates on the work of the SAB and its committees on the SAB website:

- [SAB membership](#)
- [SAB meeting and agenda papers](#)
- [Committee meetings and agenda papers](#)

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Other News and Updates

LGA vacancy - Firefighters' Pensions Adviser

We are looking for someone to join us at the LGA to provide high-quality support to FRAs, FPS practitioners and the Scheme Advisory Board (SAB) as a [Firefighters' Pensions Adviser](#) on a home or office-based contract.

The ideal candidate will have knowledge and experience of the FPS and excellent communication skills to support scheme stakeholders through several upcoming legislative developments that will require clear and comprehensive information and will bring with them significant administrative and communication challenges.

The closing date for applications is 17 November 2023 and interviews are scheduled to take place in the week commencing 27 November 2023.

Please contact claire.johnson@local.gov.uk with any questions about the role.

LGA vacancy – Programme Support Officer

Our colleagues in the LGPS Pensions Team are looking for someone to join them at the LGA in an administrative support role as a [Programme Support Officer](#) on a home or office-based contract.

The ideal candidate will be able to work independently across multiple projects at any one time, update and analyse spreadsheets, produce reports, chase external stakeholders for information, plan and prepare meetings and events, take minutes, raise orders and invoices, monitor budgets, routinely keep project information, and records up to date, understand and follow corporate policies and procedures. They will also need to identify appropriate venues for conferences and training events and negotiate contracts that offer the best value for money.

The closing date for applications is 8 November 2023 and interviews are scheduled to take place in the week commencing 13 November 2023.

Please contact lorryanine.bennett@local.gov.uk with any questions about the role.

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Isio pension training programme for FRAs

You may recall that at the [Firefighters Pension AGM](#), pensions specialists, Isio, attended to promote their training sessions in relation to the Firefighters' Pension Schemes. The sessions start at the beginning of January with at least one session a week for 6 weeks thereafter. They cover the McCloud/Sargeant age discrimination remedy, the Matthews exercise from 1 October 2023 and pensions tax for higher earners.

The sessions are aimed at upskilling those involved in running the Firefighters' Pension Scheme including finance, HR, payroll and scheme management, including those who support and govern them. They can be accessed together or separately and count as valuable CPD.

Having delivered similar sessions for Police forces, these were very well received with more sessions planned later this year. Some Fire colleagues had enquired about joining the Police sessions, but Isio are now putting on similar Firefighters' Pension Scheme specific sessions.

For more information on the Firefighters' Pension Scheme sessions and how to book please visit [Firefighters' Pension Scheme training programme \(isio.com\)](#).

The Pensions and Lifetime Savings Association (PLSA) – updated guidance

PLSA has published [revised guidance on helping members with pension sharing orders \(PSOs\) on divorce](#). This sets out the suggested ranges are indicative only, and schemes may find it appropriate to charge higher or lower amounts, contingent on the circumstances of each member's request. It also includes a flowchart for establishing when schemes can apply these charges.

The updated guidance will apply from 2 January 2024.

The Pensions Regulator blog

The Pensions Regulator (tPR) has published a blog titled '[Why we are building relationships with pension administrators](#)' highlighting how they are using their supervision approach to build new relationships with pension administrators.

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tPR write that “policy initiatives such as pensions dashboards and value for money, and unforeseen challenges like Covid and cyber leaks, have put the importance of good administration back in the spotlight.”

They also write “that administrators have a crucial role to play, which is why in our role to protect savers and enhance the system, we are changing our regulatory approach to work more closely with administrators.”

TPR have also published a blog titled '[Tick of tasks one by one with our pensions dashboards checklist](#).' Which highlights the tPR's dashboard preparation checklist, which explains which actions schemes should already be working on and maps out the 'nuts and bolts' of dashboard preparation.

[Automatic enrolment bill gets Royal Assent](#)

A [Private Members Bill](#) has been granted Royal Assent to introduce powers to remove the lower earnings limit and to reduce the age for Auto Enrolment.

The Department for Work and Pensions (DWP) will launch a consultation on implementing the new measures in due course.

[The Pensions Dashboards Programme – FAQs newsletter](#)

The Pensions Dashboards Programme (PDP) has published a series of [FAQ newsletters](#), which covers some of the frequently asked questions that the PDP have received about returning value data from multiple sources and illustration dates and different types of testing required.

HMRC

[Age Discrimination Remedy – HMRC member tax adjustment calculator](#)

In [FPS Bulletins 71- July 2023](#), [72 – August 2023](#) and [73 – September 2023](#) we covered various elements of the HMRC member tax calculator.

The calculator is designed for members to correct their tax position if they have been affected by the age discrimination remedy.

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The service will:

- work out any repayments that are due for a lifetime allowance or annual allowance charge an individual has previously paid.
- work out new, reduced or extra lifetime allowance or annual allowance charges that an individual may have to pay.
- submit information for HMRC to review.

Once an individual has submitted this information, HRMC will then contact an FRA through their single point of contact (SPOC) who has registered for the Secure Exchange Data Service (SDES) through the SDES.

An FRA will then need to:

- repay any overpaid tax charges the individual paid from 6 April 2015 to 5 April 2019.
- increase the individuals pension benefits to cover the amount of repayment due for overpaid tax charges they paid on your behalf.

If an individual has extra tax charges to pay, a notice will be sent to the individual by post. If they are due a refund for tax charges, HMRC will pay this to the individual using the bank details they provide. If the FRA paid the tax charges through scheme pays, the refund will be made to the FRA.

HMRC's McCloud guidance and digital service are now live. Please see links to the different products below:

- [Calculator / Digital Service \('Calculate your Public Service Pension Adjustment'\)](#)
- [The Interactive Guidance tool \('Check if you are affected by the Public Service Pensions Remedy'\)](#)
- [The McCloud GOV.UK guidance collections page](#)

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- [The McCloud pensions newsletter](#)

We have set up a page titled '[Age Discrimination Remedy – HMRC Member Tax Calculator](#)' on the FPS regulations and guidance website to house this information, so that we can update any links should they change. We have also added this to the [FPS member website](#).

We have updated the [remediable service statement – covering letter](#) to include the link to calculator. If you are using your own version, please ensure that you add the associated link.

Please note that we have not had sight of the associated communications before now, so this is also the first time for us to view these. We will look at these, and where needed report any feedback to HMRC, if you have any immediate feedback from members, please send this to the bluelightpensions@local.gov.uk

[Age Discrimination Remedy – Pension Saving Statements and Pension Input Amounts](#)

HMRC have provided clarity regarding the specific years for which Pension Saving Statements (PSS's) and revised PSS's will be needed for an individual to accurately calculate compensation due, and tax charges due/owed to them. An individual would require both original and revised PSS's for tax years 2012-13 to 2021-22, alongside a PSS for 2022-23 to ensure an accurate revision of their tax position and compensation due in all cases.

Further information regarding specific cases has been provided below:

- In some cases, not having both original and revised PIA's from all remedy years, plus 2012-15 (where the member has not paid an AA charge in 2015-16), will result in an inaccurate revision of the member's tax and/or compensation position.

- It is not possible to ascertain, without seeing all an individual's tax and pensions information in one place, whether providing incomplete information will lead to an inaccuracy in their calculation. The only place where all that information will be brought together is the calculator, and so it is only at the point the individual enters all of the relevant information into the calculator that anyone can know for certain whether original and revised Pension Input Amount's (PIAs) from all remedy years are needed or not.
- Therefore, the service requires original and revised PIAs for all remedy years (apart from 2012-15 where member has paid an AA charge 2015/16) to guarantee an accurate calculation for the member.
- HMRC cannot tell individuals to omit information when we know that this could lead to an inaccuracy in their tax or compensation position. Consequently, HMRC guidance will tell an individual that they need original and revised PIA's for all tax years from 2012-2023 (or 2015-2023 where appropriate) and the individual will need this information to use the digital service.
- Where an inaccurate revision is calculated, due to incomplete information being provided, this will often be to the detriment of an individual.
- Therefore, while schemes are not mandated to automatically issue statements except in circumstances where they are required to by statute, an individual who has breached their AA threshold in any remedy year is likely to request PSS's for all remedy years, and (in many cases) 2012-15 too, where they haven't automatically been provided – and an individual has a legal right to do this.

It is not for HMRC to decide on pension schemes' approach to issuing PSS's for remedy years, but we trust that the above clarification will help schemes to decide.

HMRC has provided [examples](#) showing some scenarios in which incomplete information can lead to inaccurate outcomes in both years prior to and after the year of a charge.

Events

FPS coffee mornings

Our MS Teams coffee mornings are continuing in November. The 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.

In November, due to leave and other meeting commitments, we plan to hold one coffee morning which will be on Tuesday 7 November. The topic we are planning to explore is interest in respect of the Sargeant remedy.

We are pleased to include the presentations from recent sessions below:

[4 October 2023 - Matthews implementation and GAD calculator update](#)

[17 October 2023 - Remedy Contingent Decisions](#)

[31 October 2023 - Matthews GAD Calculator launch and demo](#)

If you do not already receive the meeting invitations and would like to join us, please email bluelightpensions@local.gov.uk. Please note that attendance at the coffee mornings is generally restricted to FPS practitioners and managers.

Legislation

Statutory Instruments

[The Firefighters' Pension Schemes \(Amendment\) Regulations \(Northern Ireland\) 2023 \[SR2023/178\]](#)

[The Firefighters' Pensions \(Remediable Service\) \(Northern Ireland\) Regulations \[SR2023/133\]](#)

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Useful links

- [The Firefighters' Pensions \(England\) Scheme Advisory Board](#)
- [FPS Regulations and Guidance](#)
- [FPS Member](#)
- [Khub 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](#)
- [LGPC Bulletins](#)
- [LGPS member site](#)
- [Scottish Public Pensions Agency - Firefighters](#)
- [Welsh Government Fire circulars](#)

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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 bluelightpensions@local.gov.uk.

RISK SCORING MATRIX :

- Risks are scored on their likelihood and impact
- When determining the risk impact, it is important to recognise that this is the impact on the **whole of Surrey County Council**, not your specific service/areas/project
- The impact statements are shown below as a guide as to what might constitute, for example, a minor impact.
- Please contact the Risk Manager if you require further support.

LIKELIHOOD		
Level	Likelihood	Odds
1	Rare	<10%
2	Unlikely	10% to 30%
3	Possible	30% to 70%
4	Likely	70% to 90%
5	Very Likely	>90%

IMPACT					
Level	Impact	Financial (revenue)	Residents	Reputational	Performance
1	Minimal	<£100k	Minimal impact on a small proportion of the population	Has no negative impact on reputation and no media interest	Minimal impact on achievement of one or more SCC priority objectives
2	Minor	£100K to £1m	Minor impact on a small proportion of the population	Minor damages in a limited area. May have localised, low level negative impact on reputation and generates low level of complaints	Minor impact on achievement of one or more SCC priority objectives
3	Moderate	£1m-£2.5m	Moderate impact on a large (or particularly vulnerable group) proportion of the population	Moderate damages but widespread. Significant localised low level negative impact on the organisations reputation which generates limited complaints.	Moderate impact on achievement of one or more SCC priority objectives
4	Major	>£2.5m to £10m	Major impact on a large (or particularly vulnerable group) proportion of population	Major damage to the reputation of the organisation. Generates significant number of complaints and likely loss of public confidence. Unwanted local or possibly national media attention.	Major impact on achievement of one or more SCC priority objectives
5	Severe	>£10m	Serious long term impact on a large (or particularly vulnerable group) proportion of population	Serious damage to the reputation of the organisation. Large number of complaints. National media coverage. Possible government intervention.	Serious long term impact on achievement of one or more SCC priority objectives

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Risk ID	Risk Title	Risk Owner	Risk with current mitigation controls in place		
			Likelihood (1-5)	Impact (1-5)	Overall Score
1	Data Management	Scheme Manager	2	3	6
2	General Member Communications	Senior Pensions Advisor / Pensions	1	2	2
3	Policies	LFPB Chair	1	2	2
4	Governance & Compliance	Scheme Manager	1	2	2
5	Pensions Team Skills and Team Resourcing	Scheme Manager	3	4	12
6	Software	Bus Ops	2	1	2
7	Pension Board	LFPB Chair	2	2	4
8	10% Day Related Flexible Hours Allowance and Variable Crewing Hours Allowance	Scheme Manager	3	3	9
9	Retained Firefighters' Modified Pension Scheme Update (Matthews) Project	Scheme Manager	3	3	9
10	McCloud / Age Discrimination	Scheme Manager	3	4	12
11	2022 / 2023 Pay Award	Scheme Manager	3	2	6
12					

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Risk ID	Risk Title	Risk Area	Risk sub-ID	Causes	Effect	Risk Owner	Likelihood (1-5)	Impact (1-5)	Overall Score	Key Existing Management Controls	Planned Enhancements to Controls (Actions)	Action by Whom	Target Review Date
1	Data Management		1A	Incorrect data due to employer error, user error or historic error.	Service disruption such as incorrect annual benefits statements being processed. Data not secure or appropriately maintained.	Scheme Manager	2	3	6	TREAT/TOLERATE 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.		Senior Pensions Advisor / Pensions Project Officer & XPS	Dec-23
1	Data Management		1B	Failure to hold personal data securely	Data is shared with unauthorised parties or can be targeted by cyber criminals	Scheme Manager				TREAT/TOLERATE 1) Information security was identified as a possible risk by XPS in their Assurance Report on Internal Controls (2022). Controls were detailed in the document, and the auditor did not feel further measures could be taken at present. 2) XPS submitted a Certificate of Assurance to SFRS in June 2022 to confirm they comply with the requirements of the cyber essential plus scheme. 3) All files shared between SFRS and XPS Administration are sent securely via the XPS file sharing portal. All files sent to SFRS from XPS are password protected. 4) Paperwork submitted to SFRS is scanned and saved onto the server. Hard copies are destroyed via the confidential shredding service. 5) SCC IT data security policy adhered to where applicable.		Scheme Manager	Dec-23
2	General Member Communications		2A	Failure to communicate adequately and timely with scheme members		Senior Pensions Advisor / Pensions Project Officer	1	2	2	TREAT/TOLERATE 1) Develop a communications strategy for scheme members in relation to scheme changes and updates. 2) Update the pensions SharePoint Site. 3) Pension Administrators to send out ABS and PSS. 4) Communicate to members the new LGA pensions website. 5) Members self-service portal available from XPS. 6) Send regular communications and updates via SFRS News.		Senior Pensions Advisor / Pensions Project Officer	01/07/2023 the Pension Team suggest this risk is closed
3	Policies		3A	LFPB Policies and strategies not in place or reviewed.		LFPB Chair	1	2	2	TREAT/TOLERATE 1) Reviewed by the Board 2) Ensure roles and responsibilities are clarified. 3) An overriding pension policy has been created and is available on SharePoint.		Local Firefighter Pension Board	01/12/2023 the Pension Team suggest this risk is closed

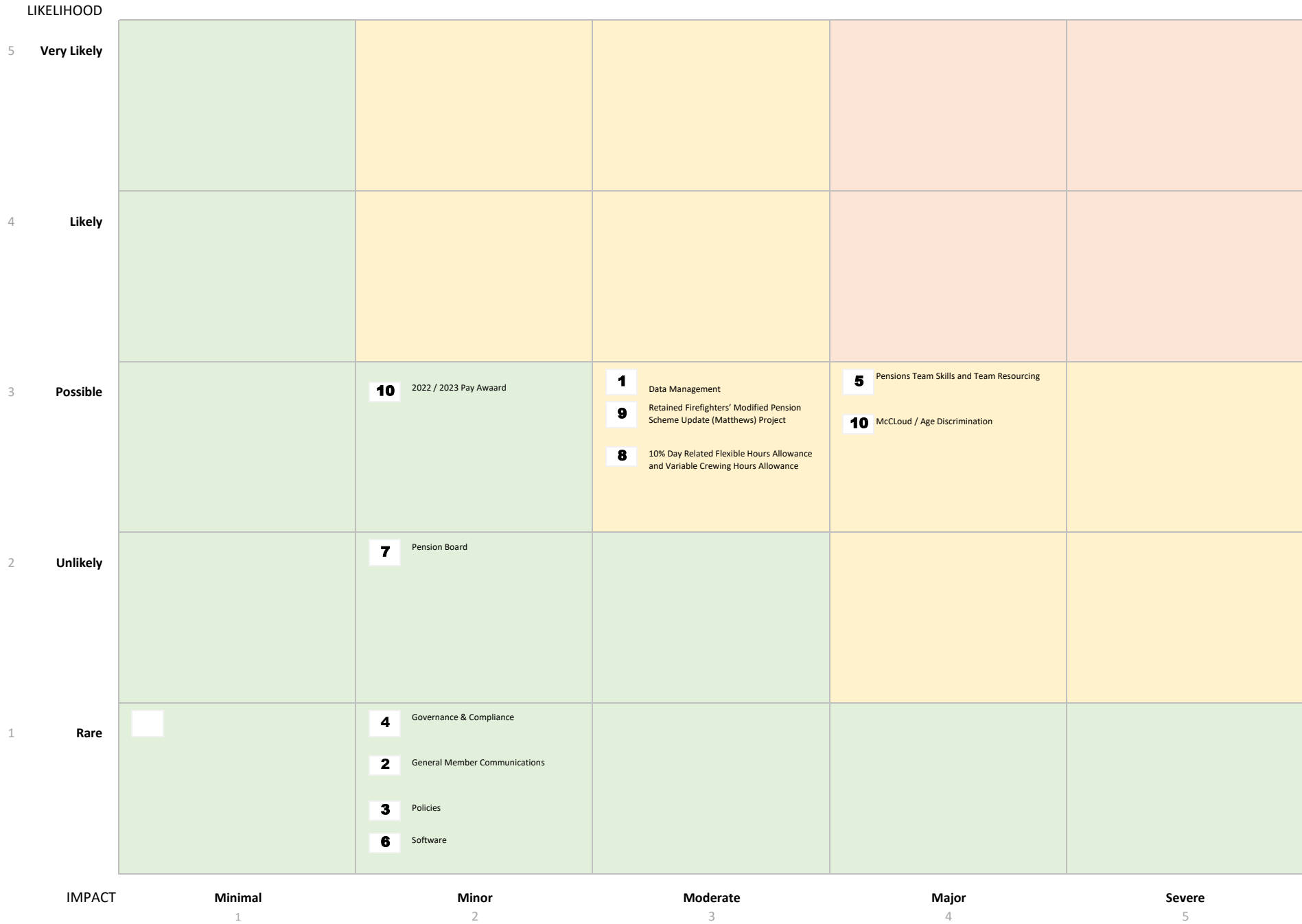
Risk ID	Risk Title	Risk Area	Risk sub-ID	Causes	Effect	Risk Owner	Likelihood (1-5)	Impact (1-5)	Overall Score	Key Existing Management Controls	Planned Enhancements to Controls (Actions)	Action by Whom	Target Review Date
4	Governance & Compliance		4A	Failure to administer the scheme in line with regulations 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.		Scheme Manager	1	2	2	TREAT/TOLERATE 1) Update Pensions Team's knowledge through various sources such as SAB and the LGA. 2) Ensure team training is up to date. 3) Pensions Team to attend and regional fire administrator working groups. 4) 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.		Scheme Manager / Senior Pensions Advisor / Pensions Project Officer	01/12/2023 the Pension Team suggest this risk is closed
			4B	Inability to respond to a significant event.	Prolonged service disruption and damage to reputation.	Scheme Manager				TREAT/TOLERATE 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.		Scheme Manager / Senior Pensions Advisor / Pensions Project Officer	01/12/2023 the Pension Team suggest this risk is closed
5	Pensions Team Skills and Team Resourcing		5A	The lack of available skilled resources coupled with the absence of a coordinated training plan to address knowledge gaps.	Inefficiencies in Pension Admin	Scheme Manager	3	4	12	TREAT/TOLERATE 1) Administration was transferred to a third party in September 2021. 2) Migration to XPS who do have this knowledge will continue to process key cases using the 2 bank staff we have retained to work on fire. 3) Probable resourcing issues with McCloud and the Modified Scheme legislation both being implemented at the same time. Resource needs to be identified for both of these projects. A business case has been confirmed to recruit a new member to the team to assist with the admin in the team. 5) Training is also taking place with the Subject Matter Experts to improve the knowledge of pensions within the team.		Senior Pensions Advisor / Pensions Project Officer & XPS	Dec-23
			5C	Expertise and knowledge lies with Bank staff.	If the Bank staff leave unexpectedly there will not be an opportunity to pass on their knowledge which may impact the exit process and value and efficiency of the service going forward	Scheme Manager				TREAT/TOLERATE 1) If Bank Staff leave the Service significant knowledge of the firefighters pensions will be lost, at present no process in place for the transfer of knowledge. 2) Initial discussions have taken place to transfer the knowledge to the newer team members. 3) The first session has taken place for the transfer of knowledge to take place particularly in relation to BAU tasks. Further topics will be discussed in the coming weeks. 4) Unit 4 access has been granted to all Pension Team members. 5) Bank staff to provide training before leaving. 6) The tasks completed by the Bank staff is listed so training can be directed as required.	Access to SAP/Unit 4 pay data to be granted to Pensions Team staff	Scheme Manager / Senior Pensions Advisor / Pensions Project Officer	Dec-23
6	Software		6A	Business Operations have raised a risk in respect of Transfer to third party administrator. The change comes right at the heart of the testing programme for Unit 4/DB&I delivery.	With a SAP freeze in place because of the DB&I programme it is going to be very challenging to design/test/deliver reporting for the new provider for 1 Aug AND design/test/deliver it again for the Unit 4 system in time to go-live with that system in December. There is not the resource to do this.	Bus Ops	2	1	2	TREAT/TOLERATE 1) Meeting took place with business ops on 22 February 2021. Outcome was agreement to look into an annual data submission in March 2022 which would allow for new system to be in place and reports built. 2) Year end data was sent to XPS by end of April 2022. The GL mapping has been finalised. 3) A 'go-live' date for the new system is confirmed as June 2023. Once Unit 4 is in use, monthly data transfers with XPS will be able to take place via i-connect. 4) Further discussions need to take place with XPS once Unit 4 is live to ensure data can be transferred seamlessly and whether year end reporting is still required. 5) Unit 4 is in place and the Pension Team are testing the data quality of the migration of SAP to Info Archive. Initial data testing is positive. The system is due to go live at the end of 2023 when further testing will be required in the 'live' environment.		Senior Pensions Advisor	Dec-23

Risk ID	Risk Title	Risk Area	Risk sub-ID	Causes	Effect	Risk Owner	Likelihood (1-5)	Impact (1-5)	Overall Score	Key Existing Management Controls	Planned Enhancements to Controls (Actions)	Action by Whom	Target Review Date
7	Pension Board		7A	Gaps in skills and knowledge of Board members	Board will be unable to adequately make decisions, provide assurance and to scrutinise the efficiency of the SFRS Pension Schemes.	LFPB Chair	2	2	4	TREAT/TOLERATE 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 annual training provided by the LGA. The last session took place on 12/04/23 4) Training log in place and all members have completed TPR toolkit for Board Members. 5) Training packs to be sent to new board member and support to be provided by the wider Board and pensions team to increase their knowledge. 6) A new employer member joined the Board in July 2022 and was provided with the relevant details of the TPR toolkit for Board Members.		Local Firefighter Pension Board	Dec-23

Risk ID	Risk Title	Risk Area	Risk sub-ID	Causes	Effect	Risk Owner	Likelihood (1-5)	Impact (1-5)	Overall Score	Key Existing Management Controls	Planned Enhancements to Controls (Actions)	Action by Whom	Target Review Date
8	10% Day Related Flexible Hours Allowance and Variable Crewing Hours Allowance		8A	Failure to respond to legal advice for staff of the 10% pensionable pay allowances.	There is a risk the employer may not collect all contributions due.	Scheme Manager	3	3	9	TREAT/TOLERATE 1) Officers to report to the Board. 2) Legal advice has been received. Contact has been made with members. 3) Letters going to Fire Services to communicate with members who have transferred out. 4) Members that are currently in receipt of the 10% allowance are now making regular contributions. 5) Priority groups 1 to 3 have been completed.		Scheme Manager	Dec-23
			8B	As part of this project, SFRS will be required to pay contributions to the pension pot for members pensions in relation to the 10% allowance the member received at the time of employment which were not previously pensionable. SFRS will also need to pay members additional amounts in terms of lump sums and pension arrears. It is not yet known if this will be covered by the pension top up grant received each year. Additionally there may also be Unauthorised Payment Charges or tax contributions which the Service will be required to pay due to the length of time which has passed since the original lump sums were paid and also the amount of the lump sum.	Increase pressure on SFRS operating fund if the costs cannot be covered by the pension fund.	Scheme Manager				TREAT/TOLERATE 1) Andy Tink to be informed and guidance to be sought from him. 2) Monitoring of the costs involved as the calculations for each priority group are finalised. Legal advice is required to confirm the tax needed for the pension arrears lump sum. This has been requested from Weightmans. 3) A budget has been created to identify how much the costs are for the project and is updated as the calculations for each priority group are finalised. Legal advice is required to confirm the tax needed for the pension arrears lump sum. This has been requested from Weightmans. 4) Legal advice has been received and the Service are now happy with their position. The project is due to recommence shortly. Pension arrears and pension lump sums will be liable for unauthorised payment charges and surcharges.		Senior Finance Business Partner / Senior Pensions Advisor / Pensions Project Officer	Dec-23
9	Retained Firefighters' Modified Pension Scheme Update (Matthews) Project		9A	Failure to notify staff of the Modified Pension Scheme	The employer and employee have to collect contributions and make contribution shortfalls.	Scheme Manager	3	3	9	TREAT/TOLERATE 1) Officers to report to the Board. 2) Legal advice has been received. Contact has been made with members. 4) Letters have gone out to members who returned an expression of interest form and to those that did not respond. 4) An update from the Home Office and LGA have confirmed the modified scheme will open via the second options exercise in October 2023. The affected members have been notified	1) A dedicated risk register for the Matthews project has been created to horizon scan forthcoming risks associated with this project.	Scheme Manager / Senior Pensions Advisor / Pensions Project Officer	Sep-23
			9B	Following the European Court of Justice's decision in O'Brien v Ministry of Justice which is a case concerning fee paid judges in the Judicial Pension Scheme, the UK Government have recognised the right for retained firefighters employed before 1 July 2000 to elect to become a special member from the start date of their employment.	A second options exercise will require additional resources which are limited.	Scheme Manager				TREAT: 1) A second options exercise is required, for which legal discussions have commenced between central government, the LGA on behalf of FRAs and trade union legal representatives to consider who is in scope and the details of the settlement exercise. 2)SFRS Pension Team and the LGA have responded to the Home Office consultation document. Deadline was 9 June 2023. 3)Administration processes to implement the options exercise to be determined once legislation confirmed 4) The second options exercise opens in October 2023. Communications to members have been sent out. 5) The LGA have provided draft communications to send out to members and continue to advise on how to progress the exercise.		Scheme Manager / Senior Pensions Advisor / Pensions Project Officer	Dec-23

Risk ID	Risk Title	Risk Area	Risk sub-ID	Causes	Effect	Risk Owner	Likelihood (1-5)	Impact (1-5)	Overall Score	Key Existing Management Controls	Planned Enhancements to Controls (Actions)	Action by Whom	Target Review Date
			9C	Communications have been sent to affected members to provide a further opportunity for those who did not respond to previous mailings to confirm if they want further information on the second option to join the modified scheme. The scheme will reopen in October 2023.	The lack of updates from the Government and action the pensions can take, may cause members further and prolonged frustrations.	Scheme Manager				TREAT/TOLERATE 1) Open and transparent communications are to be sent regularly to keep affected members up to date. 2) Update from the Government has been received in March 2022 as to when the second options exercise will open (October 2023). Calculations cannot be finalised as there are a number of standard assumptions which the Home Office need to confirm first. It is unknown as to when the standard assumptions will be completed and shared to FRA's.		Scheme Manager / Senior Pensions Advisor / Pensions Project Officer	Dec-23
			9D	It was expected in January 2022 onwards for updates to be provided by the government (Home Office & Her Majesty's Treasury) for updates around the McCloud and Matthews/O'Brien projects. Unfortunately there has been little movement throughout 2022 and the updates provided means further work cannot be completed. Furthermore we have received insights from the LGA that significant progress will not be possible until Q3 or Q4 of 2023.	Member's frustrations may increase further as there is no work for SFRS to continue with until Q3 or Q4 of 2023.	Scheme Manager				TREAT: 1) The pensions project team continue to read the latest guidance and attend LGA coffee mornings where further information on these projects could be gained. 2) The team are also sending communications at appropriate intervals to ensure members are kept up to date and key messages remain transparent.	The GAD are designing a calculator for all Fire Services to use to ensure a consistent approach is taken when members' pension benefits are being calculated. Calculations will be carried out in-house at the Fire Service.	Scheme Manager / Senior Pensions Advisor / Pensions Project Officer	Dec-23
			9E	It is known at this stage of the financial costs to implement the Modified Scheme. - The standard assumptions have not yet been disclosed to the Fire Sector. - Employee contributions could date back as far as the 1960s.	The Service is unable to plan accordingly. As the standard assumptions have not yet been defined, the Service cannot begin to predict the costs	Scheme Manager				TREAT: 1) The Service will be able to undertake preliminary work such as identifying those in scope, data cleansing, identifying access to legacy systems etc. Some of this work has started. 2) Calculations cannot be carried out the GD calculator has been released to FRAs (due in two phases - 1 November and 31 December 2023)		Scheme Manager / Senior Pensions Advisor	Dec-23
10	McCloud / Age Discrimination		10A	Following the McCloud / Sargeant ruling, it was identified younger members of the 1992 pension scheme would face discrimination on the basis of their age due to the implementation of the 2015 pension scheme. Primary legislation has been put in place to move all members to the 2015 scheme. Secondary (remedial) legislation is due to come into effect in October 2023.	Members are feeling frustrated for the delay in receiving their 1992 benefits. Further delays are to be expected as the member has to wait for their Remedial Service Statement to be sent in due course.	Scheme Manager	3	4	12	TREAT: 1) The Pensions Team are liaising with the LGA, XPS and the Fire Sector to understand the legislation and how it is to be implemented. 2) The Pensions Team are sending regular communications to members of the Service on the McCloud project. A new page has also been created on the pensions SharePoint page. 3) The team are responding to all actions which are expected of the Service such as working through the data collection exercise and responding to the consultation.	1) A dedicated risk register for the McCloud project has been created to horizon scan forthcoming risks associated with this project.	Scheme Manager / Senior Pensions Advisor	Dec-23
11	2022 / 2023 Pay Award		11A	On 7 March 2023, it was agreed operational staff would receive a pay increase. The increase included a 7% pay rise backdated to July 2022 and a further 5% implemented from July 2023. The increase in pay will only be paid in the 2023 / 2024 financial year.	Due to when the award will be paid, this may cause an Annual Allowance charge for some members. Additionally, some members will pay a higher level of tax due to two pay awards being paid in the same tax year.	Scheme Manager	3	2	6	TREAT: 1) Further information on managing any annual allowance charges is anticipated from the LGA. 2) The annual allowance threshold has increased from the tax year 2023/2024 which may reduce some members from paying annual allowance charges.		Scheme Manager / Senior Pensions Advisor	Dec-23

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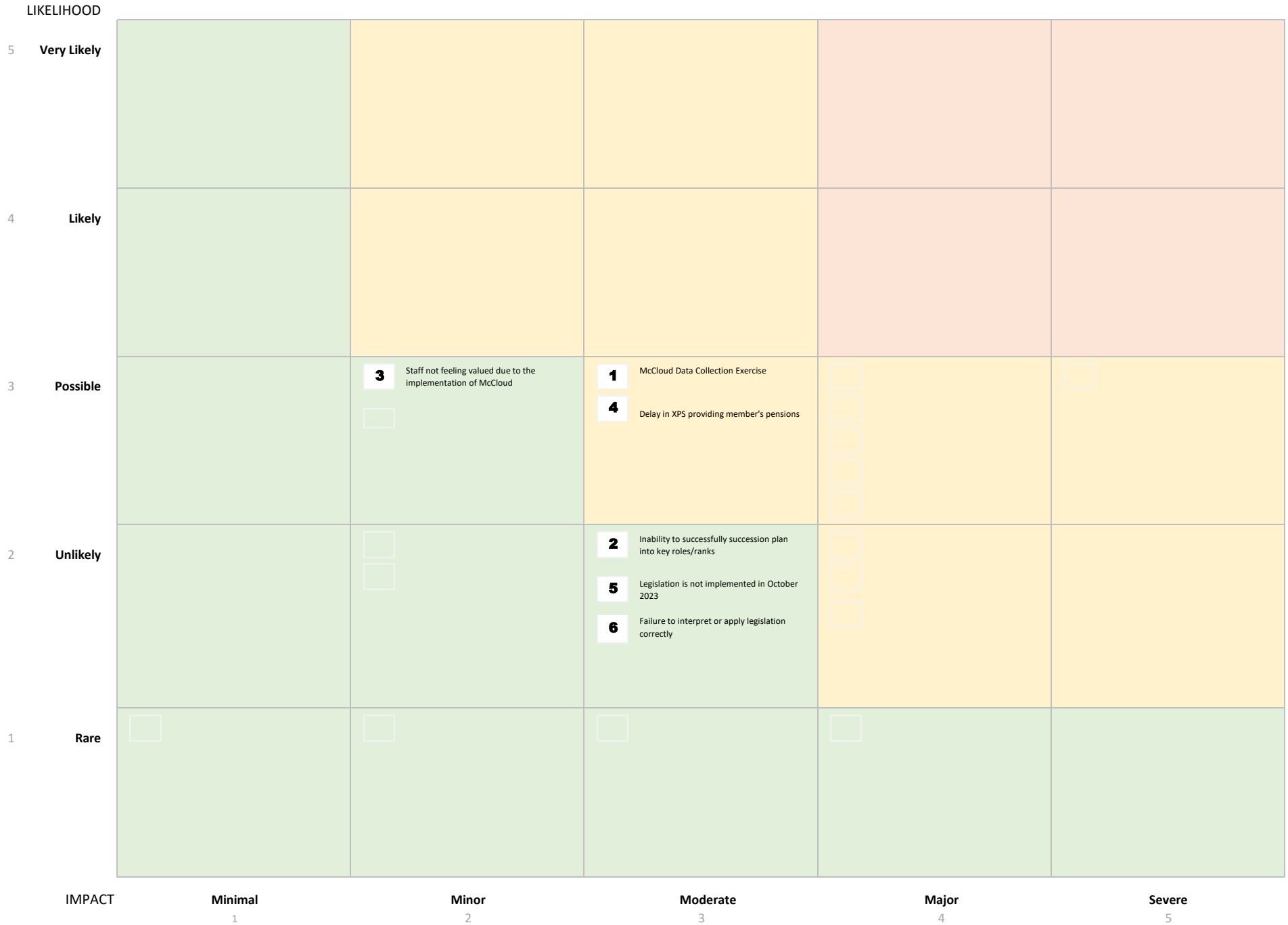
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Risk ID	Risk Title	Risk Owner	Risk with current mitigation controls in place		
			Likelihood (1-5)	Impact (1-5)	Overall Score
1	McCloud Data Collection Exercise	Scheme Manag	3	3	9
3	Staff not feeling valued due to the implementation of McCloud and when pension payments will be made.	Scheme Manag	3	2	6
2	Inability to successfully succession plan into key roles/ranks across the Service could result in degradation of some activities/Services.	Scheme Manag	2	3	6
4	Delay in XPS providing member's pensions	Scheme Manag	3	3	9
5	Legislation is not implemented in October 2023	Scheme Manag	2	3	6
6	Failure to interpret or apply legislation correctly	Scheme Manag	2	3	6

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Risk ID	Risk Title	Risk Area	Risk sub-ID	Causes	Effect	Risk Owner	Likelihood (1-5)	Impact (1-5)	Overall Score	Key Existing Management Controls	Planned Enhancements to Controls (Actions)	Action by Whom	Target Review Date
1	McCloud Data Collection Exercise	Pensions will not be paid on time when the legislation comes into effect.		Time taken to go through members' records and complete the spreadsheet. Team capacity to complete the task. Payroll system is not able to create the required report. Limitation of specialist resource to transpose / translate the data. Unit 4 going live in June 2023, may impact on the access to data required for McCloud once the legislation comes into effect.	Data collection exercise is not completed ahead of the legislation coming into effect.	Scheme Manager	3	3	9	Bank contract staff are in place who hold the specialist knowledge to complete the exercise. Knowledge transfer is taking place for Pensions Team staff to all assist with the data collection exercise. Discussions are underway with teams in SCC to ensure the implementation of Unit 4 does not impact the project. Pensions Project Assistant has been recruited and is working on the data collection exercise. Regular meetings are taking place with XPS on a monthly basis.	A business case is being considered to ensure data remains available after Unit 4 is live. The pension team have been testing the 'SAP info archive data' to ensure data quality and accuracy is maintained once SAP is closed down	Senior Pensions Advisor	Dec-23
2	Inability to successfully succession plan into key roles/ranks across the Service could result in degradation of some activities/Services.	High level of retirements in Q3 2023		October 2023 legislation date may mean members want to retire later on their 'correct pension.	Higher than usual number of members could leave the Service at the same time in or around October 2023. XPS will be unable to process members' pensions on time.	Scheme Manager	2	3	6	Regular updates are being submitted to the Pensions Team detailing those who can retire. SharePoint is updated regularly to provide member updates. A collaboration is taking place with Workforce Planning to ensure communications remain consistent. Continuous monitoring of retirees to monitor leavers against predictions. Create and share communication plan.	pre-retirement courses have been arranged with an external provider (Affinity Connect) Regular communications continue to educate members regarding retirement/ returning to work and abatement	Pensions Project Officer	Dec-23
3	Staff not feeling valued due to the implementation of McCloud and when pension payments will be made.	Member expectations not being met.		Lack of clarity as to how contributions will be obtained and subsequent pension paid. The impact of other pension projects (10% and modified/Matthews) onto the member.	Members may need to wait longer before their pension is increased. Members may not have the money available to pay the contributions required at once. Due to the number of members in Surrey, it may take longer for XPS to complete the work compared to other services with fewer numbers. This may mean members will hear of firefighters at other Services who are obtaining their RSS sooner and are seen as 'being treated better'.	Scheme Manager	3	2	6	Pensions Team are communicating to members via different channels with the aim to avoid misunderstanding.		Pensions Project Officer	Dec-23
4	Delay in XPS providing member's pensions	Pension payments		Increase in members wishing to retire once the new legislation is in effect.	Members are unhappy with the Service received and may raise an IDRP.	Scheme Manager	3	3	9	XPS have been informed of members who are due to leave in October which the Service are aware of. XPS are aware that some members may delay their retirement date due to the legislation implementation date. XPS have recently completed an aggressive recruitment drive in order to prepare for the legislation and meet their KPIs. XPS are working with Heywood to aim for the software to be ready for October 2023. Pensions Team provide regular communications to active members. Continue planned meetings with XPS on the McCloud project.	KPI's are due to be updated by XPS to reflect the new legislation.	Senior Pensions Advisor	Dec-23

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5	Legislation is not implemented in October 2023	Pension payments		Government is unable to implement legislation to specified deadline. Legislation came into force on 1 October 2023	Member's will be dissatisfied with the delay incurred until they are contacted with their Remedial Service Statements (RSS).	Scheme Manager	2	3	6	Pensions Team are communicating to members via different channels with the aim to avoid misunderstanding and manage expectations.		Closed ?	
6	Failure to interpret or apply legislation correctly	Member expectations not being met.		Incorrectly processing the McCloud remedy not in line with legislation and/or Home Office expectations	Active members may have delayed retirements and pensioner may have a delayed remedy of pension benefits. May result in calculations being conducted incorrectly thus paying members incorrectly.	Scheme Manager	2	3	6	Pensions Team are liaising with the LGA, XPS and the Fire Sector to understand the legislation and how it is to be implemented. LGA have provided draft communications for sending to members	The Home Office are designing a calculator for all Fire Services to use to ensure a consistent approach is taken when members' pension benefits are being calculated. Calculations will be carried out by XPS, not in-house at the Fire Service.	Senior Pensions Advisor	Dec-23



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1	Failure to notify or identify staff eligible to join the Modified Scheme.	Members will not receive their pension entitlement.		Members who have left the Service and we have no current address on record. Members who have died and Next of Kin (NoK) is not known.	Member / Next of Kin will not receive pensions benefits which they are entitled to.	Scheme Manager	1	2	2	The pensions team have identified members they believe are in scope. A poster to raise awareness has been produced by the Pensions Team and sent to all Station Commanders to display on station boards. Home Office consultation has removed deadline for members to apply for Matthews Remedy. Fire & Rescue Authorities are able to use their discretion to accept applications after 18 months.	Pensions team continue to review their communications plan and communicate with members via different channels. A 'Matthews Second Options' SharePoint page has been drafted and will be added to Pension SharePoint site. Pensions team will liaise with the Fire Brigades Union (FBU), Old Comrades Association (OCA) and National Association of Retirement Firefighters (NARF) in an attempt to try and trace a member's Next of Kin for members who have passed away.	Pensions Project Officer	Dec-23
2	Interaction of Matthews and McCloud legislation.	Uncertainty around how the legislation will be implemented. Members not feeling valued due to time taken for implementation of Matthews legislation. Member expectations not being met.		McCloud and Matthews legislation is due to be implemented on the same date. Uncertainty around how this will work in practice.	Members are unhappy with the service received and may raise an IDR. Interaction of McCloud and Matthews remedy may result in calculations being conducted incorrectly thus paying members incorrect benefits.	Scheme Manager	3	2	6	The Pensions Team are communicating to members via different channels with the aim of keeping members up to date. Once clarification has been received regarding the interaction of the Matthews and McCloud legislation, updates will be provided to members when deemed necessary. The pensions team have responded to the Home Office's consultation and have provided feedback accordingly.	KPI's are due to be updated by XPS to reflect the new legislation. 37 members have been identified who are impacted by both Matthews and McCloud legislation. The Pensions Team continue to work closely with the Local Government Association (LGA) and keep abreast of current advice and guidance via collaborative coffee morning sessions and documentation/press releases.	Pensions Project Officer	Dec-23
3	Data accuracy.	Calculations and assumptions necessary for some members backdated service.		Data unlikely to be available for all members' service history.	Members may be unhappy with the assumptions to be used for periods of service where there is no information held on SFRS records.	Scheme Manager	1	2	2	Home Office has provided guidance in the consultation documenting the proposed assumptions to use where data is not available. Members will be able to provide examples of evidence that can be accepted (e.g. P60s). The Pensions Team completed a data collection exercise for the Home Office on SFRS' members affected by the Matthews legislation.	The pensions team continue to work closely with the Local Government Association for guidance regarding how and what assumptions will be used for missing historical data. Further guidance is available on the LGA website.	Subject Matter Experts & Senior Pensions Advisor.	Dec-23
4	Interpretation of Matthews consultation document.	Eligibility for Matthews remedy.		Proposed Matthews legislation ambiguous regarding which cohorts members qualify for. Within the consultation, the indicative timetable notes that FRAs need to provide a statement of service and cost within 3 months of receiving the expression of interest form.	Members may not be given correct service entitlement. Members may be unhappy that they may not receive the correct service entitlement and subsequently may raise an IDR. Three cohorts have been identified within the consultation. Our members fall into cohort 3 (employees who were not given an option to join the first options exercise) The consultation suggests these members are unable to purchase continuous service pre-1 July 2006. Clarification needed from the Home Office that members can be placed in more than one cohort. The Service may not be able to meet the 3 month deadline which means members won't receive a statement of service.	Scheme Manager	1	3	3	The Pensions Team have responded to the consultation voicing concerns over the definition of the different cohorts. The Service have also provided feedback regarding the proposed timeframes. FRAs will need to issue a statement of service.	The Pensions Team continue to work closely with the Local Government Association and the wider fire sector for any pertinent updates. The legislation has been laid and came into force on 1 October 2023. LGA has provided draft communications for sending to members. GAD have produced a calculator for FRAs to use and this will be available in two phases in November and December 2023.	Senior Pensions Advisor.	Dec-23

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5	Legislation is not implemented in October 2023.	Delay in processing member benefits.		Government is unable to implement legislation to their specified deadline. The legislation came into force on 1 October 2023	Members' will be dissatisfied with the delay incurred until they are contacted with their options statements.	Scheme Manager	1	2	2	The Pensions Team are communicating to members via different channels providing updates when the legislation will be enforced to manage members' expectations.	The Pensions Team continue to work closely with the Local Government Association and the wider fire sector for any pertinent updates.	Closed?	
6	Failure to interpret or apply legislation correctly.	Member expectations not being met.		Incorrectly processing the Matthews remedy not in line with legislation and/or Home Office expectations. For example, failure to open the second options exercise.	Members may receive incorrect pension entitlement.	Scheme Manager	1	3	3	Preliminary work has been undertaken by the Pensions Team and the Service have also responded to the Home Office's consultation providing feedback.	The Pensions Team continue to work closely with the Local Government Association and the wider fire sector for any pertinent updates.	Senior Pensions Advisor.	Dec-23
7	Unable to determine financial implications of implementing the modified scheme.	Budget		It is unknown at this stage of the financial costs to implement the Modified Scheme. Further risk of fines/compensation etc. if incorrect benefits are awarded due to complexities of interaction between both McCloud and Matthews.	The Service is unable to budget accordingly until further clarification can be provided from the Home Office. The Service may need to pay interest charges on pension arrears owed to members.	Scheme Manager	1	1	1	The Service have allocated monies to cover potential liabilities of implementing the Modified Pension Scheme. Further work to be undertaken.	The pensions team continue to work closely with the Local Government Association and keep abreast of current advice via collaborative coffee mornings.	Senior Pensions Advisor.	Dec-23

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