

FPS Bulletin 56 – April 2022

Welcome to issue 56 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, 17, and 31 May 2022
North-East regional group	18 May 2022
CIPFA Pension Board training event	18 May 2022
South-West & Wales regional group	19 May 2022
Fire Communications Working Group	13 June 2022
SAB	23 June 2022
Midlands regional group	27 June 2022
FPS Technical Group	18 July 2022

Event	Date
SAB	8 September 2022
FPS AGM (Save the date)	25 and 26 October 2022
SAB	8 December 2022

Actions arising

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

[Matthews – Second options exercise](#): FRAs to complete data request questionnaire by 30 June 2022.

[Payroll workshop](#): FRAs to register their interest by 13 May 2022.

[FRA Pension Contacts](#): FRAs to provide LGA with information on who should receive generic pension information by 31 May 2022.

FPS

Matthews – Second options exercise

In [FPS Bulletin 55 – March 2022](#) readers were informed on the progress of the second options exercise for retained firefighters.

An action arising was for FRAs to identify any retained firefighters who have transferred from retained to wholetime employment and maybe subject to aggregation. Since publication, we have met with colleagues from the Home Office and Government Actuary's Department (GAD), and it has become apparent through our discussions that additional data is required.

On 14 April 2022, an email was sent to lead FRA contacts asking for them to complete a short questionnaire which sets out what data is required and the purpose of the data.

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As we are now asking for additional data, we feel that it is appropriate to extend the deadline from 31 May 2022 by an additional month to **30 June 2022**. We appreciate that this is a significant ask and understand that FRAs may be focused on other areas, such as age discrimination remedy, however, we would not request this information if it was not vitally important.

ACTION: FRAs to complete data request questionnaire by 30 June 2022.

Payroll workshop

We were pleased to hear that, as we have now passed 1 April 2022, some FRAs have now shifted their attention to the data collection work needed for retrospective remedy. While this position is correct for many, we are aware that some FRAs haven't started this work yet. We have received feedback that this is primarily down to lack of confidence in the subject area.

Readers should be aware that there is a suite of tools available at their disposal to help with the data collection work. As well as providing a [remedy data collection guidance document](#), you also have access to a [blank remedy data collection template](#) and [remedy data collection template note for completion](#). These documents are freely accessible on the [FPS Regs and Guidance Website](#) and are stored under the [Implementation section of the Age discrimination remedy page](#).

While we appreciate that there is a relative amount of guidance out there, we are conscious that some people feel more comfortable discussing things as a group, rather than tackling them alone. We are therefore proposing to host a workshop which will be aimed at individuals within FRAs who have some form of responsibility over the data collection extract. We are labelling this as a payroll workshop; however, it will be your opportunity to raise any questions you may have in relation to the data extraction.

If this is something that you feel you and your FRA would benefit from, then please email bluelightpensions@local.gov.uk confirming the name of your FRA and who should be included on the invite.

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In addition to the above, we are seeking volunteers from FRAs to give the group some feedback on their initial experiences with the data collection work. If this is something you would feel comfortable doing, then again please drop an email to bluelightpensions@local.gov.uk. Any help and support from the sector is much appreciated.

Although we don't have a fixed date yet, we would ideally like to do this before the end of May. Please can we therefore request that all expressions of interest are submitted by Friday 13 May.

ACTION: FRAs to register interest in workshop event by 13 May 2022.

FRA pension contacts

Following feedback we have received from colleagues, we understand that not all of our messages are shared as intended within an organisation. We would therefore like to know who at your FRA needs to be sent information on generic pension related matters.

As a minimum we would like to include the Scheme Manager and at least one person who has day to day responsibility for pensions.

Please can you therefore provide the name and email address for your FRA's Scheme Manager and confirm names and email addresses for anyone else who needs to be included in our communications. We are happy to send communications to generic pension inboxes if this is your preferred method of communication.

Please send this information no later than **31 May 2022** by email to bluelightpensions@local.gov.uk.

ACTION: FRAs to provide LGA with information on who should receive generic pension information by 31 May 2022.

Technical query log

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

No new queries have been added this month.

FPS England SAB updates

Member benefit illustrations

Friday 1 April 2022 saw the first major milestone in age discrimination remedy (McCloud/ Sargeant or the 2015 Remedy) for the Firefighters' Pension Schemes, with the two final salary schemes being closed to future pension build-up and all members building up benefits in the reformed CARE scheme from that point.

To coincide with this and to provide members with a better understanding of the implications of remedy on their benefits, the Firefighters' Pensions (England) Scheme Advisory Board (SAB) worked with Barnett Waddingham to produce a [suite of illustrative member scenarios](#).

The illustrations are based on different scheme memberships, scenarios and salary profiles, with benefits shown at a range of key retirement milestones.

The member benefit illustrations follow the ["Your questions answered" fact checker](#) produced in February 2022 which aims to answer some recurring questions that members have about the 2015 Remedy.

SAB respond to Home Office consultation response on prospective remedy

On 20 April 2022, the SAB submitted a letter to the Home Office acknowledging the consultation response on regulation amendments to deliver prospective remedy for the FPS.

The SAB noted the response and welcomed the opportunity to engage further with the Home Office on issues falling outside the scope of the consultation, such as the ill-health process and early retirement factors for the FPS 2006. A full summary of

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the Board's discussion will be available in the meeting minutes of 24 March 2022, when published.

The SAB registered concern about the significant workload that implementation of Sargeant and Matthews within the required timescales will place on the Fire sector. The SAB felt that some smaller FRAs may be disproportionately impacted due to limited resource. The SAB also expressed concern about the likely requirement to comply with pensions dashboard regulations within a similar timeframe.

Other News and Updates

Appointment to the Bluelight Team

Following a successful recruitment campaign, we are delighted to announce that Elena Johnson has been appointed to the Bluelight Team in the role of Firefighters' Pensions Adviser (Governance) and will join the LGA on 16 May 2022.

Elena has 22 years' public service pension experience, in the LGPS and Firefighters' Pension Schemes. Elena commenced Local Government employment in January 2000 at Leicestershire County Council and currently works as a Pensions Team Manager there.

Elena's role will involve providing high-quality support to the Scheme Advisory Board (SAB) and FRA Local Pension Boards. Additionally, she will assist with priority developments in scheme governance.

Vacancy at Mid and West Wales Fire and Rescue Service

Please find below details of a current vacancy for Pensions Officer which is open to existing Mid and West Wales FRS employees and external applicants. The closing date for receipt of application forms is 16:30 on 9 May 2022.

The full details of the role and application form can be found on the [Current Vacancies](#) page of the Mid and West Wales FRS website.

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TPO – Early resolution factsheet updated

On 30 March 2022, The Pensions Ombudsman (TPO) published an updated version of its [factsheet on the Early Resolution Service](#).

The factsheet provides guidance to members on the Early Resolution Service. This includes explaining what it is, how it operates and what options parties to a complaint have.

TPO News – March 2022

On 31 March 2022, [the Pensions Ombudsman \(TPO\) published its March news](#). The news includes articles on:

- webinars taking place in May and June
- the recently updated factsheet on the Early Resolution Service
- new legal determinations

Combatting pension scams

Too few pension scheme trustees are protecting savers by reporting suspected scams, says The Pensions Regulator (TPR).

In November 2020, TPR launched its [Pledge to Combat Pension Scams](#), which encourages schemes to do more to protect savers from scammers, including reporting suspected scams to the authorities – Action Fraud or by calling 101 in Scotland.

So far, over 400 schemes have pledged or self-certified they meet the campaign’s saver-protecting principles covering an estimated 16 million pension pots.

But TPR says more must be done on reporting and every administrator, trustee and provider should take responsibility for protecting savers and join the Pledge.

Nicola Parish, TPR’s Executive Director of Frontline Regulation said: “Scammers screw up lives and industry must stand up and do all it can to protect savers from these life-shattering crimes by joining our pledge campaign and reporting any suspected scams.

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“New regulations have already introduced new duties on due diligence and warning members where a transfer shows features of a scam, so there’s no excuse for failing to report suspicions to the authorities”

TPR recently hosted a webinar giving:

- details of the evolving pension scams landscape
- information to support new duties to look for red and amber flags
- details about the pledge to combat pension scams
- updates from the Pension Scams Industry Group.

TPR has published [a recording of the pension scams webinar](#) on their website.

Annual allowance changes

The Government has changed the annual allowance rules. This has been done by section 9 of the [Finance Act 2022](#) and the [Registered Pension Schemes \(Miscellaneous Amendments\) Regulations 2022](#).

The changes apply in certain situations where annual allowance calculations for previous years are retrospectively amended.

The following is the LGA’s interpretation of the changes, which we emailed to lead FRA contacts on 5 April 2022. We thank our colleagues on the LGPS team for sharing this information with us.

Step 1: An employer becomes aware that information previously given was insufficient

The new regulations require employers to provide further information to administrators. This will apply where an employer becomes aware that information they provided previously, for a Pension Input Period (PIP) falling within the ‘relevant time’, was insufficient to enable the authority to correctly calculate the annual allowance.

The 'relevant time' begins with the start of the tax year six years before the 'current tax year' and ends with the end of the 'current tax year'. The 'current tax year' means the tax year in which the employer became so aware. So, if this happens in tax year 2022/23, the following PIPs will fall within the relevant time:

- 6 April 2022 to 5 April 2023
- 6 April 2021 to 5 April 2022
- 6 April 2020 to 5 April 2021
- 6 April 2019 to 5 April 2020
- 6 April 2018 to 5 April 2019
- 6 April 2017 to 5 April 2018
- 6 April 2016 to 5 April 2017

The employer must provide the further information within three months of becoming aware the information was insufficient or, if later, on or before 6 July following the end of the relevant PIP. The further information must enable the administrators to correctly recalculate the annual allowance.

Note: Employers must continue to provide administrators with any other changes that arise either outside of the relevant time or that do not affect the calculation of the annual allowance.

Step 2: The administrator must recalculate the annual allowance for the relevant PIP

If the administrator receives the further information from the employer for a PIP falling within the 'relevant time', it must recalculate the annual allowance. The 'relevant time' for this begins with the start of the tax year six years before the 'current tax year' and ends with the end of the 'current tax year'. The 'current tax year' for this purpose means the tax year in which the authority received the further information.

Administrators must also recalculate annual allowance amounts where there has been a change to the scheme rules. This will apply if the change results in a change to an annual allowance calculation for a PIP falling within the 'relevant time'. The 'relevant time' begins with the start of the tax year six years before the 'current tax year' and ends with the end of the 'current tax year'. The 'current tax year' for this purpose means the tax year in which the rule change is made.

After recalculating the annual allowance, if the member:

- exceeds the annual allowance for the relevant tax year - the administrator must send a pension savings statement to the member. It must send this within three months of receiving the further information/the rule change being made or, if later, by the 6 October following the end of the relevant tax year. They must also send an event report telling HMRC within three months of the date they sent the statement to the member, or if later, by 31 January following the tax year to which the report relates. It is not relevant whether the administrator had previously sent a pension saving statement for this period.
- does not exceed the annual allowance for the relevant tax year and the administrator has previously sent a pension savings statement for that period, it must send an updated statement. It must send this within three months of receiving the further information/the rule change being made, or, if later, by the 6 October following the end of the relevant tax year.

Deadline to make or amend mandatory scheme pay elections extended

Members must give mandatory scheme pays elections by no later than 31 July in the year following that in which the 'relevant tax year' ends. 'Relevant tax year' means the tax year the member exceeded the annual allowance.

However, for members who received a pension savings statement as a result of a recalculation under step 2, this deadline will likely have expired. For these cases, section 9 of the Finance Act 2022 extends the deadline if:

- the administrator gave the statement within the 'relevant time', and
- as a result of that statement, the member qualifies to elect for mandatory scheme pays.

'Relevant time' means a time falling:

- on or after 2 May in the year following the end of the relevant tax year, and
- before the end of the six-year period beginning with the end of the relevant tax year.

Where this applies, the member must instead give their election for mandatory scheme pays before:

- the end of the three-month period beginning with the day on which the administering authority gave the pension savings statement, or if earlier
- the end of the six-year period beginning with the end of the relevant tax year.

Though the 31 July deadline is extended in these cases, members remain unable to give a mandatory scheme pays election once they are entitled to payment of all their benefits under the scheme or, if earlier, once they have reached age 75.

The mandatory scheme pays deadline is not extended for members who previously qualified to elect for mandatory scheme pays in respect of the relevant tax year but chose not to. If the member did elect for mandatory scheme pays, the member will need to amend their initial election based on the recalculated amounts.

The new regulations have also changed the time limit for amending mandatory scheme pays elections. The time limit is set out in Regulation 4 of the Registered Pension Schemes (Notice of Joint Liability for the Annual Allowance Charge) Regulations 2011. Before, members had until the 31 July following the end of the four-year period beginning with the last day of the relevant tax year to amend an

election. With effect from 6 April 2022, this has been extended by two years. So, if a member exceeded the annual allowance in tax year 2019/20, the new deadline for giving the amended notice is 31 July 2026. The deadline was previously 31 July 2024.

Deadline for administrators to pay annual allowance charge to HMRC extended

Administrators must report and pay annual allowance charges to HMRC using Accounting for Tax (AFT) returns. Administrators must use the return for October to December in the year following that in which the tax year ends. Though, it can choose to use a return for an earlier period.

However, where the member makes a mandatory scheme pays election by the extended deadline, the deadline will likely have expired.

For these cases, section 9 of the Finance Act 2022 extends the deadline. Where members elect for mandatory scheme pays after 30 September in the year following that in which the relevant tax year ends, the administrator must report and pay the tax using the AFT return for the three-month period following the three-month period in which it receives the mandatory scheme pays election. Though it can choose to use the return for the period in which it received the election.

PASA publishes fraud guidance on pre-employment vetting

On 19 April 2022, the Pensions Administration Standards Association (PASA) published [fraud guidance on vetting new employees](#).

PASA has been made aware of cases of fraud undertaken or assisted by pension administration employees. In some cases, individuals deliberately gained employment with the intention of committing fraud. The guidance aims to counter this risk.

PDP progress update report published

On 27 April 2022, the Pensions Dashboards Programme (PDP) published a video introducing the [April 2022 progress update report](#). The video outlines the programme activity over the past six months. This is the fifth progress update report and provides a summary of what PDP has achieved since October 2021.

HMRC

Managing pension schemes service newsletter – April 2022

On 11 April 2022, HMRC published [Managing pension schemes service newsletter – April 2022](#).

The newsletter sets out that a new feature has been added to the Managing pension schemes service. The new feature allows administrators to migrate their schemes from the Pension schemes online service. The newsletter gives information on how to do this as well as links to guidance.

The newsletter also includes information on:

- recreating existing relationships on the Managing pension schemes service
- adding new scheme administrators
- authorising new practitioners
- submitting Accounting for Tax (AFT) returns, pension scheme returns, and event reports on the Pension schemes online service
- making payments for charges using the pension scheme tax reference number
- updating information
- future features that are expected shortly, such as bulk AFT reporting and updated financial information.

[Guaranteed Minimum Pension \(GMP\) equalisation newsletter – April 2022](#)

On 6 April 2022, HMRC published [Guaranteed Minimum Pension \(GMP\) equalisation newsletter – April 2022](#).

This newsletter supplements previous guidance in Guaranteed Minimum Pension (GMP) equalisation newsletters [February 2020](#) and [July 2020](#) relating to benefit adjustments that registered pension schemes may have to make to remove inequalities arising from GMPs.

Events

FPS coffee mornings

Our MS Teams coffee mornings are continuing every second Tuesday. 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.

The next session is due to take place on 3 May 2022.

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

[5 April 2022 – Public Service Pensions and Judicial Offices Act](#)

[19 April 2022 – Remedy project management update](#)

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.

FPS AGM – London – 25 and 26 October 2022 (save the date(s))

Our popular Fire Pensions Annual Conference is back for 2022! 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.

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You will hear important updates, including:

- Chair of the Scheme Advisory Board
- The Home Office
- The Pensions Regulator
- 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. The topics of such are yet to be determined, however, we will be seeking views from the sector as to what topics they would like to be covered.

Day 1 – Tuesday 25 October 2022 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 26 October 2022 09:30 – 15:30 Day 2 of the conference provides delegates with an annual update on the Firefighters' Pension Scheme from key stakeholders.

The full programme and booking link will be available shortly.

[CIPFA annual conference for Pension Board members](#)

Please see below details of a training event for board members which is being run by CIPFA. As the training is primarily aimed at LGPS local pension boards, but there is some cross-over with the uniformed public service schemes, CIPFA has offered a reduced rate for those involved in the governance of Fire pensions.

Event details: 09:30 - 16:00 Wednesday 18 May 2022

The Presentation Suite KPMG, 15 Canada Square, London E14 5GL

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Key speakers:

The event will be chaired by Mark Wynn from Cheshire Pension Fund. You will hear from key speakers such as Roger Phillips and Bob Holloway from the LGPS SAB, as well as Nick Gannon from TPR.

Themes:

The event will cover a number of key topics impacting Pension Boards. Of particular interest to Fire Board members include: TPR's New Single Code of Practice, Cyber Security and Good Governance. The event will also feature breakout sessions, where you will be able to discuss and share your views and experiences with other Board Members on the current issues impacting your role. The full agenda will be released before the conference.

Cost:

Discounted rate of £125 + VAT per delegate for Fire Pension Board Members. To take advantage of this special rate, please email CIPFA's Customer Service team via the link below.

Other info:

This event may have a Hybrid attendance option, for delegates who do not wish to attend in person. This will be confirmed later.

You can book onto the event at customerservices@cipfa.org.uk.

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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