

## 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](mailto:bluelightpensions@local.gov.uk)

### Contents

<b>Calendar of events</b>	<b>3</b>
<b>Actions arising</b>	<b>3</b>
<b>FPS</b>	<b>4</b>
Matthews – Supporting documents.....	4
Matthews – Data Sharing Agreement.....	4
Matthews – GAD Calculator: Input and Output Specification.....	5
Matthews – Corrective action .....	7
Matthews – Pay assumption.....	10
Matthews – Reference pay .....	12
Matthews – Individuals who defaulted on payments in the first options exercise .....	13
Age Discrimination Remedy – GAD tax and interest calculator .....	13
Age Discrimination Remedy - Contingent Decisions guidance .....	13
Age Discrimination Remedy – Accounting information .....	14
Firefighters' Pension Scheme Adjustment in Respect of 2021 and 2022 Revaluation.....	15
Technical query log.....	16
<b>FPS England SAB updates</b>	<b>16</b>
SAB LPB effectiveness committee vacancy .....	16
SAB website .....	16
<b>Other News and Updates</b>	<b>17</b>

LGA vacancy - Firefighters' Pensions Adviser .....	17
LGA vacancy – Programme Support Officer.....	17
Isio pension training programme for FRAs .....	18
The Pensions and Lifetime Savings Association (PLSA) – updated guidance ..	18
The Pensions Regulator blog .....	18
Automatic enrolment bill gets Royal Assent.....	19
The Pensions Dashboards Programme – FAQs newsletter .....	19
<b>HMRC</b>	<b>19</b>
Age Discrimination Remedy – HMRC member tax adjustment calculator .....	19
Age Discrimination Remedy – Pension Saving Statements and Pension Input Amounts .....	21
<b>Events</b>	<b>23</b>
FPS coffee mornings .....	23
<b>Legislation</b>	<b>23</b>
Statutory Instruments.....	23
<b>Useful links</b>	<b>24</b>
<b>Contact details</b>	<b>24</b>
<b>Copyright</b>	<b>25</b>
<b>Disclaimer</b>	<b>26</b>

## 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](mailto:bluelightpensions@local.gov.uk).

Table 1: Calendar of events

Event	Date
<a href="#">FPS coffee morning</a>	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**).*

[Click here to return to Contents](#)

*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.<sup>1</sup>*

*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.

---

<sup>1</sup> 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.

## **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.

[Click here to return to Contents](#)

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.

[Click here to return to Contents](#)

- 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.

[Click here to return to Contents](#)

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.

[Click here to return to Contents](#)

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.

[Click here to return to Contents](#)

## 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](mailto: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](#)

[Click here to return to Contents](#)



## 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](mailto: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](mailto:lorryanine.bennett@local.gov.uk) with any questions about the role.

[Click here to return to Contents](#)

## **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.

[Click here to return to Contents](#)

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.

[Click here to return to Contents](#)

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](#)

[Click here to return to Contents](#)

- [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](mailto: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](mailto: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 \[SR2023/133\]](#)

[Click here to return to Contents](#)

## 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](#)

## Contact details

Claire Johnson (Senior Firefighters' Pensions Adviser)

Telephone: 07920 861 552

Email: [claire.johnson@local.gov.uk](mailto:claire.johnson@local.gov.uk)

Tara Atkins (Firefighters' Pensions Adviser)

Telephone: 07825 731 924

Email: [Tara.atkins@local.gov.uk](mailto:Tara.atkins@local.gov.uk)

[Click here to return to Contents](#)



## Copyright

Copyright remains with Local Government Association (LGA). This bulletin may be reproduced without the prior permission of LGA provided it is not used for commercial gain, the source is acknowledged and, if regulations are reproduced, the Crown Copyright Policy Guidance issued by HMSO is adhered to.

## Disclaimer

The information contained in this bulletin has been prepared by the Bluelight Pensions team, part of the Local Government Association (LGA). It represents the views of the team and should not be treated as a complete and authoritative statement of the law. Readers may wish, or will need, to take their own legal advice on the interpretation of legislation. No responsibility whatsoever will be assumed by the LGA for any direct or consequential loss, financial or otherwise, damage or inconvenience, or any other obligation or liability incurred by readers relying on information contained in this bulletin.

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](mailto:bluelightpensions@local.gov.uk).