



## Surrey Local Firefighters' Pension Board

### 26 April 2024

## 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 77, 78 and 79, (Annex 1, 2 and 3) have been published since the last Board meeting.

- Bulletin 77 confirmed that the [Police and Firefighters' Pensions \(Remediable Service\) \(Amendment\) Regulations 2024](#) were laid, on 18 January 2024, and will come into force on 9 February 2024. These regulations amend the Firefighters' Pensions (Remediable Service) Regulations 2023, to correct several drafting errors including instances whereby the word 'police' was used instead of 'firefighter'. Additionally, regulation 51A (entitlement to ill-health benefits where a remedy member's legacy scheme is the 2006 scheme) has been updated to include provisions for special members.
- The Bulletin informed readers that the LGA would like to collect data relating to the Matthews Second Options exercise, from the first quarter of the implementation process (1 October 2023 to 31 December 2023).  
The LGA are also collecting data on behalf of the Home Office to review opt out member behaviour. FRAs have been asked to complete the data requests and return to the LGA by 21 February 2024
- Bulletin 77 confirmed that GAD published the second version of the Matthews Second Options calculator on 1 February 2024. This version replaces the first version and includes support for members who purchased service under the first Matthews exercise. The SFRS Pension Team are in the process of preparing Member Option Statements for members who have returned their Expression of Interest forms.
- The Bulletin also referred to Second Option exercise cases not covered by the GAD calculator. The process for dealing with these manual case scenarios is under development. This will be informed by the level of complexity and anticipated case volume for different scenarios. Further details are awaited on availability of guidance, how to share cases and response times. In the meantime, FRAs should stockpile these cases until instructions are provided. The Pension Team have identified two cases that will need to be forwarded to GAD for manual calculation. The individuals concerned have been informed.

- Bulletin 77 included further information relating to Added Pension Compensation under the Age Discrimination Remedy Regulations. When members are 'rolled back' to their relevant legacy scheme any Added Pension Contributions that have been paid between 1 April 2015 and 31 March 2022 must be returned to the member. This is because Added Pension arrangements do not exist in the legacy schemes and therefore it is not possible for these types of benefits to form part of the members pension benefits in the legacy scheme. The LGA have published guidance and supporting material in the [Retrospective remedy](#) section of the FPS regulations and guidance website. The Pension Team has identified one member who is affected by this regulation and has contacted him accordingly.
- Bulletin 77 confirmed that a Data Sharing Agreement should be sought in relation to the Age Discrimination remedy, where a firefighter was employed by a previous FRA during the remedy period. This is because the leading FRA will need to obtain pay, tax, service and contributions data, from the previous FRA, to complete the GAD calculator, and a data sharing agreement is required to facilitate this. Templates and guidance are available in [the retrospective remedy section](#) of the FPS regulations and guidance website. The SFRS Pension Team are liaising with compliance to ensure the existing privacy notice is updated accordingly.
- The Bulletin informed readers that the Home Office have confirmed transfers do not fall within the scope of the contingent decision regulations. The LGA have updated the contingent decision guidance to reflect this.
- Bulletin 77 advised readers that a Remediable Service Statement Factsheet is now available to help scheme managers and pension administrators understand the regulatory requirements and deadlines associated with the production of an RSS. The RSS factsheet has been published in the Age Discrimination remedy – [Remediable Service Statement section](#) of the FPS regulations and guidance website.
- The Bulletin discussed the injury calculation for a retained firefighter appointed after 2006. It was confirmed that the 'Guide to the Firefighters Compensation Scheme 2006' published in January 2007, does not align with the [Firefighter's Compensation Scheme \(England\) \(Amendment\) Order 2006](#). If the guide was followed, rather than the regulations the injury entitlement would be lower, resulting in an underpayment of benefits. The LGA have removed the guide from their website and requested administrators to review how they have calculated injury pensions for retained firefighters appointed after 5 April 2006 and consider whether a recalculation is required.
- The Bulletin informed readers that the Pensions Regulator (tPR) has refreshed its [six key processes](#) factsheet to aid understanding and compliance of FRAs and Local Pension Boards following the most recent [Governance and Administration survey](#).
- Bulletin 77 advised readers that the Government has issued a [written ministerial statement](#) concerning the increases to apply to public service pensions in April 2024. As expected, this confirms that:

FPS pensions will increase by 6.7% from 8 April 2024 (a lower, pro-rata increase will apply to pensions that started after 23 April 2023).

This increase is in line with the increase in the Consumer Prices Index for the year up to September 2023.

Active FPS pension accounts will be revalued in line with changes in Average Weekly Earnings and will increase by 7.7% from 6 April 2024.

The Pensions increase multiplier tables are available in the '[Annual update SIs](#)' section of the Legal Landscape page of the FPS regulations and guidance website.

The written ministerial statement also confirms the revaluation increases that will apply in the major public service pension schemes. These increases will apply to CARE benefits transferred to the FPS on Club terms.

- The Bulletin also confirmed that the [Draft Guaranteed Minimum Pension Increase Order 2024](#) has been published by the Stationary Office. The draft Order specifies the amount by which the Guaranteed Minimum Pension element of an individual's occupational pension entitlement (a Guaranteed Minimum Pension accrued in a formerly contracted-out occupational pension scheme between 1988 and 1997) must be increased with effect from 6 April 2024.
- The Bulletin informed readers that the Pensions Regulator [General code](#) was laid in Parliament on 10 January 2024. This brings together and updates ten existing codes of practice into one set of clear, consistent expectations on scheme governance and administration.

The ten codes of practice which have been rolled into one are as follows:

- Reporting breaches of the law
- Early leavers
- Late payment of contributions (occupational pension schemes)
- Late payment of contributions (personal pension schemes)
- Trustee knowledge and understanding
- Member nominated trustees/ directors putting arrangements in place
- Internal controls
- Dispute resolution reasonable periods
- DC code
- Public service code

Whilst the new code looks different; with TPR's expectations summarised within focused modules, many of the standards set out are not. The new format is set out in such a way, with the intention to make it easier for scheme managers to understand TPR's expectations and to self-measure whether, and how, they are meeting them.

- The Bulletin informed readers that HMRC is consulting on provisions aimed to implement PIA aggregation or negative PIA policy. The aim of this policy is to allow FPS members to offset notionally negative pension growth for Annual Allowance purposes in closed legacy schemes against positive growth in active reformed schemes, beginning from the 2023-24 tax year. HMRC has now published the draft SI amending the Finance Act 2004 to this effect. The Pension Team is liaising with XPS administration to consider a response to the consultation.

- Bulletin 77 reminded readers that the format of LGA training is changing for 2024. The LGA have now released training dates and details of the proposed speakers:
  - Tuesday 26 March 2024 10:00 – 14:00 (MS Teams) – *limited spaces remaining*
  - Monday 17 June 2024 13:00 – 17:00 (MS Teams) – *fully booked*
  - Wednesday 18 September 2024 11:00 – 15:30 (In person - 18 Smith Square)
  - Thursday 23 January 2025 10:00 – 14:00 (MS Teams) – *13 spaces remaining*

Attendees will hear from a range of speakers including:

**LGA** – to provide an overview of the FPS scheme(s) and current pension related hot topics e.g. Matthews and McCloud

**SAB (England) Chair** – to give an introduction and overview of the work that SAB are involved in.

**Fire LPB Effectiveness Committee Chair** – to provide input on LPB effectiveness and what the committee have been working on.

**The Pensions Regulator** – to provide an update on the Administration and Governance survey and how the results relate to Fire, as well as covering the importance of the Public Sector Pensions toolkit and any current developments e.g. the General Code.

**The Pensions Dashboard Programme (PDP)/ The Pensions Regulator (TPR)** – to provide an update on the programme and requirements on scheme managers/to provide detail of the tools that scheme managers can use to help them prepare for dashboards e.g. checklists. The pension team have alerted members of the board to the training sessions. All members are encouraged to book onto a session.

- Bulletin 78 informed readers that [The Firefighters' Pension Scheme \(England\) \(Amendment\) Regulations 2024](#) were laid before parliament and came into force on 27 March 2024.

The regulations allow for provision of unpaid carer's leave to be included in calculating pensionable service and to remedy an error in the Public Service Pensions Revaluation Orders for 2021 and 2022. The SFRS pension team will ensure that the appropriate systems are in place to facilitate the changes.

- The bulletin advised readers that the Home Office has published a [guidance note](#) relating to record keeping and payments made under the Age Discrimination remedy. The SFRS pension team will continue to work closely with payroll to ensure this is implemented.
- Bulletin 78 confirmed that the FPS website now includes an [ill-health re-assessment page](#) and factsheet to support communications relating to ill-health re-assessment under the Age Discrimination Remedy. This is a useful aid to explain the process to members needing a re-assessment.
- Bulletin 78 informed readers that the FPS website now includes a [member video](#) to help explain the Remediable Service Statement (RSS) to members. The SFRS pension team have signposted this on the internal SharePoint site and SFRS newsletter.

- The bulletin advised that the Matthews Individual Statement of Details documents have been updated following feedback from FRAS. The new versions have been published on the FPS website and the SFRS Pension team will ensure that the updated versions are used when communicating with members.
- Bulletin 78 referred to the Scheme Management and Administration (SMA) Committee Survey. The SMA committee is seeking an update of progress from administrators regarding the implementation of the Age Discrimination Remedy. The SFRS Pension team will liaise with XPS to ensure the survey is completed by the deadline of 15 March 2024.
- The bulletin alerted readers to recently published [HMRC guidance](#) for pension scheme administrators on the changes to 2024 to 2025 pension scheme returns.

The guidance covers:

- What's changing about pension scheme returns from the 2024 to 2025 tax year
  - When to complete the pension scheme return
  - Who needs to complete a 2024 to 2025 pension scheme return
  - What pension scheme administrators registered on the service should do now to prepared.
- Bulletin 79 confirmed that on 4 March 2024, the Government Actuary's Department (GAD) published version 1.8 of the tax and contributions calculator and updated guidance. The calculator has additional outputs which have been added to the end of the outputs tab, to avoid changing the format of the existing results. The changes are as follows:

Calculator

- Date of calculation added to output to file and simplified output sheets.
- Gross Added Pension refund added to output to file and simplified output sheets.
- Added Pension tax adjustment added to simplified output sheet.
- Renamed the Added Pension column names on the simplified output sheet to clarify what they show (numbers remain unchanged)

Guidance

- Instructions on how to run Added Pension only calculations amended.
- Taper date description changed.
- Output specifications updated to reflect new columns FRAs are encouraged not to make local copies of the calculator, but to refer to the section of the FPS.

- Bulletin 79 advised FRAs are encouraged not to make local copies of the calculator, but to refer to the [Age Discrimination remedy – GAD tax and contribution calculator](#) section of the FPS regulations and guidance website. The SFRS Pension Team will make sure they are using the most up to date version of the calculator.
- Bulletin 79 advised that GAD have published a standalone interest calculator for administrators to use when calculating the arrears of pension and lump sum payments following a member's choice under remedy.

As the issues relating to tax on interest of pension and lump sum arrears remain unresolved, GAD have been unable to incorporate this into the current version of the calculator but will provide this functionality in due course. The SFRS Pension Team will liaise with XPS to advise they use GADs version of the interest calculator to ensure consistency across the sector.

- Bulletin 79 advised that Following feedback from the sector, the indicative timetable for supplying IC-RSSs to priority cohorts i.e. ill health pensioners and beneficiaries, has been amended. For these groups only, the timetable has been extended to 30 June 2024. The SFRS Pension Team will communicate with these members appropriately and will use the template letter provided, for ill health pensioners and beneficiaries.
- Bulletin 79 advised a [contribution adjustment member factsheet](#) has recently been published and can be found on the [FPS member website](#).

The factsheet explains when a contribution adjustment will occur and how it will be actioned. It also sets out points to consider with regards to the timing of when an adjustment will take place. Members will be signposted to the factsheet in their Annual Benefit Statement Remediable Service Statement (ABS-RSS).

- Bulletin 79 confirmed that resources have been published for administrators to assist in the process of providing a Remediable Service Statement (RSS) for beneficiaries of an eligible Sargeant member who has died before making their choice.
- The following resources have been published on the [Age Discrimination Remedy – Remediable Service Statement](#) section of restricted area of the [FPS regulations and guidance website](#).

- Administrator guidance document
- Letter statement.

A [beneficiary's factsheet](#) has also been published, which can be found on the [FPS member website](#).

- Bulletin 79 advises that further to FPS Bulletin 77 – January 2024, where readers were made aware of the data sharing agreement and guidance document for the age discrimination remedy exercise. Several queries relating to FRAs not responding to

these requests within a timely manner have since been received. Bulletin 79 advises this was discussed at the Firefighters' Technical Working Group (FTWG), where it was agreed that the guidance would be updated to reflect reasonable timescales. Additionally, it was agreed that clarity would be provided on what data should be shared FRA to FRA and administrator to administrator. The guidance has been updated as follows:

- Confirmation that FRAs should share the GAD calculator output between FRAs under a data sharing agreement.
- Confirmation that administrators should share the financial data provided through the data collection template, where it is deemed that a data sharing agreement is not required.
- Where possible, FRAs should provide a response to a data request within 10 working days.
- It is recommended that the [firefighters' pension contacts](#) should ensure that they have an out of office on or that their inbox is monitored during a period of leave, to ensure that requests are directed to someone in their absence, not missed or unduly delayed.
- FRAs and administrators should have a mutually agreed date as to when the information is then shared once received.

The SFRS Pension team understands the importance of providing data in a timely manner, as this can result in a delay in payment of their retirement benefits, a member complaint and/or a breach in law. The SFRS Pension team will familiarise themselves with the revisions made to the document and liaise with XPS to do the same.

- Bulletin 79 confirmed that on 12 March 2024, GAD published a revised calculator and updated their guidance.

The calculator fixes some issues that had been identified within the calculator. A summary of the fixes can be found on the [Special members of FPS 2006 – GAD calculator](#) section of the FPS regulations and guidance website.

Calculations that have been run through the previous version of the calculator, will not need to be rerun, this is unless they are affected by fixes referenced above.

The SFRS Pension team will not make local copies of the calculator, but will refer to the [Special members of FPS 2006 – GAD calculator](#) section of the FPS regulations and guidance website. The SFRS Pension team will also ensure that they are using the most up to date version of the calculator.

- Bulletin 79 confirmed that further to the request in [FPS Bulletin 77 – January 2024](#) there is now a request to collect data for the period 1 January 2024 to 31 March 2024.

It has been advised that further to [FPS Bulletin 75 – November 2023](#) where a second area of data was covered in respect of positive elections that would be collected. It was suggested in [FPS Bulletin 77 – January 2024](#) that the data would be collected from March 2024, however, it has now been decided this will be delayed this until June 2024.

The SFRS Pension team will need to complete the Project implementation data request and return to [bluelightpensions@local.gov.uk](mailto:bluelightpensions@local.gov.uk) by 21 April 2024.

- Bulletin 79 confirmed that FPS contribution rates and bandings remain unchanged for 2024-25.

All relevant thresholds and rate changes for 2024 are available in the [FPS annual update 2024](#).

The SFRS Pension team will liaise with XPS to ensure that they are using the current revaluation rates.

- Bulletin 79 advises that the Bluelight team have requested that all queries are sent to the generic Bluelight inbox ([bluelightpensions@local.gov.uk](mailto:bluelightpensions@local.gov.uk)). This will enable the most appropriate team member to respond as well as ensuring that queries can be dealt with when someone is on leave.

In addition, there is a reminder to readers of the process to follow when submitting a technical query. [FPS Bulletin 9](#) confirmed that a query form had been developed which asks for information in the following areas:

- Details of your query
- Area of uncertainty / challenge
- Proposed solution
- Research undertaken: Relevant legislation, HMRC guidance, relevant websites, historical background (circulars or technical meeting minutes), legal advice [Include links]
- Indication of amounts (£) involved
- Timescales involved
- Other supporting evidence.

The SFRS Pension team will use the Bluelight inbox for email correspondence with the Bluelight team and complete a query form when submitting a technical query.



- Bulletin 79 Advises that on the 28 February 2024, [The Carer's Leave Regulations 2024](#) were laid before parliament, and will come into force from 6 April 2024.

As covered in [FPS Bulletin 78 – February 2024](#) FRAs should ensure that they are deducting pension contributions from 6 April 2024 from carer's leave, and should include this in pensionable pay.

The SFRS Pension Team will ensure that from 6 April 2024 they will deduct pension contributions from carer's leave and will include this in pensionable pay.

- Bulletin 79 confirms that on 25 March 2025 DWP issued a [written ministerial statement](#) on pension dashboards connection guidance.

The statement provides an update on the [publication of connection guidance](#) which includes the new staging timeline for connecting to pension dashboards.

As a reminder, the [Pensions Dashboards Regulations 2022](#) as amended by [the Pensions Dashboards \(Amendment\) Regulations 2023](#) introduced a single "connection deadline" of 31 October 2026 for relevant occupational pension schemes to connect to the pensions dashboards ecosystem.

The 2022 Regulations specify that trustees or managers must have regard to guidance on connection issued from time to time by the Secretary of State, the Money and Pensions Service and The Pensions Regulator, either separately or by at least two of them jointly. Similarly, the FCA's corresponding Handbook Rules require firms to have regard to the guidance with due skill, care, and diligence.

It is a legal requirement for trustees or managers and pension scheme providers to have regard to this guidance as part of meeting their obligations and not doing so would be a breach of this requirement. As such, trustees or managers and pension scheme providers must consider it when making decisions or taking actions in relation to preparing to connect to dashboards.

The connection guidance confirms that the public service pension schemes connection date is 31 October 2025.

Whilst the connect to the pension dashboard is likely to be via the pension administration system, it is the scheme managers responsibility to ensure that their data is ready to connect to the dashboards by 31 October 2025.

TPR have provided an update with regards to what they expect and what readers can expect from them:

### **What TPR expects**

Scheme managers must have regard to this guidance – reading it and taking it into account when making decisions around connection. TPR expect scheme managers to

be able to demonstrate how they have had regard and may consider enforcement action where necessary.

- TPR urge industry to work with their providers to deliver the staged connection timeline as set out in the guidance.

- TPR expect trustees and scheme managers to be preparing for dashboards, in particular by engaging with the parties who will support them with their dashboard duties to:

- o Assess the potential impact of these changes on their schemes and to agree a practical delivery plan.

- o Continue activity on getting to grips with members' data, and

- o Avoid competing demands on capacity and other resources.

### **What to expect from TPR**

- TPR have updated their guidance to reflect and signpost to the connection guidance.

- TPR will be contacting public service pension (PSP) schemes directly, confirming their connection date in autumn 2024.

- Nudge communications to PSP schemes will commence from July 2024.

- TPR will run a campaign in early summer 2024, supported with an industry webinar, to encourage schemes to prepare their data ahead of their connection dates in guidance.

- TPR are currently finalising their compliance & enforcement policy and intend to publish this in the summer.

The SFRS Pension team will ensure that they familiarise themselves with the connection guidance and are ready to connect by the deadline of 31 October 2025.

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### **Annexes**

Annex 1: FPS Bulletin 77

Annex 2: FPS Bulletin 78



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