



Surrey Local Firefighters' Pension Board 13 January 2022

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 51 and 52 (Annex 2) have been published since the last Board meeting.

1.1 Bulletin 51 informed FRA's that they are encouraged to respond to the Home Office Consultation by 2 January 2022. This opportunity is for FRA's to express their views on the amendments to the pension scheme regulations to deliver the first set of changes to remove the transitional protections from the PFS 2015. SFRS submitted its response on 22 December 2021.

The consultation to address the second set of changes to remedy the discrimination identified in the McCloud / Sergeant case will take place in 2022.

1.2 In Bulletin 51, readers were provided with an update on the Immediate Detriment Framework whereby on 19 November 2021, the [FBU and LGA published a joint statement](#) which included updates on the [HMRC's policy note](#) and Finances (No. 2) Bill.

Sample letters have been updated in the FPS Regs members area which will assist FRA's to administer the framework. They have not been endorsed by FPS but have been shared as examples of good practice.

1.3 In Bulletin 51, readers were reminded that the Home office withdrew its informal and non-statutory guidance ahead of processing certain kinds of immediate detriment ahead of the legislation which will be implemented in October 2023.

The Home Office also gave the following update on funding:

"I also want to take this opportunity to provide some further clarity in relation to the funding position. As the Government does not advise that immediate detriment cases should be processed in advance of the legislation coming into force, we will not be in a position to provide any additional funding for those costs which are paid outside of the pension account. These costs include payments that are not considered to be legitimate expenditure under the pension scheme regulations and any associated administration costs including any charges from your pension administrator. These will need to be funded locally by your fire and rescue authority from local budgets.

In relation to immediate detriment costs paid from the pension account in the course of processing pipeline cases, FRAs will need to ensure that these payments comply with the financing regulations of the pension scheme. If they are considered to be legitimate expenditure then they will be considered for payment as part of the established processes for claiming the AME top up grant.”

Whilst the guidance has been withdrawn, SFRS will continue to do some exploratory work in this area such as preparing project timelines for tasks to complete, ensuring communications are drafted, and calculating top level costs involved in the project. SFRS will liaise with XPS to identify if any work can be carried out in the interim.

1.4 Bulletin 51 also informed readers that the FPS has collaborated with the Fire Communications Working Group to develop a suite of letters for FRA's to use ahead of the prospective remedy implementation on 1 April 2022. These letters will explain to protected members the effect of moving to the FPS 2015 scheme in April 2022 as well as updating those not affected by the changes. SFRS will liaise with XPS to confirm if they will be sending letters on our behalf.

1.5 Bulletin 51 also informed readers the guide to combine pension scheme service has been updated with new and amended definitions. These can be found on the FPS regulations website. The FPS has also updated their A to Z list of pension terms. This can be located on the members area of the FPS Regulations website and will be a useful tool for the SFRS pensions team.

1.6 Bulletin 51 highlighted HMT formally introduced Finance (No 2) Bill 2021/2022 to Parliament. There are several provisions which may change the administration of the Firefighters Pension Scheme:

Clause 9: Changes to annual allowance scheme pays deadlines

This clause changes deadlines associated with mandatory scheme pays. The period within which some members must give notice of their election will be extended. The deadline for administrators to provide information about annual allowance tax charges will also change.

Clause 11: Tax impacts resulting from the McCloud remedy

The clause provides HMT with the power to make regulations to address tax impacts that arise because of implementing the McCloud remedy. Provisions made under this section may be retrospective and may be different for different member types. The changes will have effect from 6 April 2022 or later.

1.7 Proposed amendments to the PSPJO Bill were also included in Bulletin 51. Readers were advised to follow the changes in the [marshalled list of amendments](#) and to follow [the progress of the PSPJO Bill](#) on the UK Parliament website.

1.8 The bulletin highlighted Unions have launched a judicial review against HMT around the McCloud/Sergeant remedy costs in the cost control mechanism. The FBU, GMB, and BMA feel the cost to resolve the discrimination should not be funded by scheme members.

1.9 The Pensions Ombudsman (TPO) is seeking FRA's views on how they think it is doing and where it can improve things. SFRS completed the Stakeholder Survey on 3 December 2021.

1.10 Bulletin 51 included an update on the HMRC newsletter 135 which contained important updates and guidance for schemes. The HMRC newsletter includes articles on:

- Relief at source
- Pension scheme migration
- Accessing your business tax account
- Annual allowance charge — members declaring their annual allowance charge on their Self-Assessment tax return
- Accounting for tax return

1.11 Bulletin 51 advised readers that new responses have been provided by the Government in relation to pension scams and pension transfers:

- Response to pension scams: [empowering trustees and protecting members consultation](#)
- [Occupational and Personal Pension Schemes \(Conditions for Transfers\) Regulations 2021 \[SI 2021/1237\]](#)
- [TPR Guidance on dealing with transfer requests](#), which includes a helpful flowchart setting out the transfer process.

The regulations took effect from 30 November 2021. The regulations give pension managers and administrators tools to act if they have suspicions about the circumstances that have led the member to request a transfer. The member will no longer be able to insist on a statutory transfer taking place in these circumstances which is something that XPS and SFRS are monitoring and will treat with caution if this is requested.

1.12 The bulletin included an update that the HMRC published a Pension Schemes manager newsletter which included information as to how to prepare to migrate pension schemes to the Manage Pension Scheme Service. SFRS pension team has recently registered with HMRC to use this service.

1.13 Additionally Bulletin 51 confirmed how the HMRC needs to receive scheme data for pensions savings statements, scheme reports, annual allowance and lifetime allowance. SFRS pension's team are aware of these processes and the deadline of 31 January 2022 for the information to be submitted by.

2.1 Whilst Bulletin 52 was a very brief bulletin, it confirmed the SAB, FRA remedy [self-assessment survey results](#) are now available. The SAB were quoted to confirm the survey provided them with 'insights into the current administration arrangements and the challenges being faced by FRAs, in the light of both business as usual and remedy based challenges'. The SAB secretariat will be sending a copy of our results along with the main results so we can benchmark where we are, which will be particularly insightful for the SFRS pensions team. The SAB have also noted the results have enabled them to make a number of recommendations in areas including future administration arrangements and for individual elements of remedy, namely data; contributions; processes; information, communications and coordination; knowledge, capability and capacity. The SAB also noted they aim to assist with the communications challenges and will be making available a series of generic scenarios and videos to assist FRA's.

2.2 Bulletin 52 also highlighted the SAB has written a [letter to the HM Treasury](#) on the withdrawal of the Immediate Detriment guidance, to request information on the risks and uncertainties which were raised in their assessment.

2.3 The Pensions Dashboard Programme has published its [December newsletter](#) providing links to reflections on programme activity in 2021, confirmation of three potential dashboard providers, and Pensions Administration Standards Association guidance on data matching.

2.4 Bulletin 52 also confirmed The Pensions Ombudsman (TPO) has published some useful resources on its website for service users including:

- [Unacceptable behaviour policy](#)
- [Accessibility policy](#)
- [Determination factsheet](#)

Bulletin Update contact: Sally Wilson and Carrie Pearce

Contact details: E: sally.wilson@surreycc.gov.uk

E: carrie.pearce@surreycc.gov.uk

Annexes

Annex 1: FPS Bulletin 51

Annex 2: FPS Bulletin 52