



Surrey Local Firefighters' Pension Board 08 February 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 75, 76, and 77 (Annex 1, 2, and 3) have been published since the last Board meeting.

- Bulletin 75 advised readers that the Matthews GAD calculator and user guide were released on 31 October 2023 and the documents can be accessed via the member area of the [FPS regulations and guidance](#) website.
The first live version of the calculator can be used to assist contribution calculations relating to the second options exercise. However, the calculator will need to be updated each month to allow for the latest applicable interest rates. The SFRS Pension team have registered with GAD to ensure they can access the most recent interest files available through the GAD Egress portal.
- The bulletin alerted readers to the fact that there are specific provisions in the [Firefighters' Pension Schemes \(England\) \(Amendment\) Order 2023](#) which provide remedy for deceased individuals. However, there are certain scenarios that have been omitted from the regulations. An individual who was not identified under the first options exercise (so never given the opportunity to join the modified scheme) and has since died is unable to make an election under the second options exercise. The Home Office is currently considering this issue and will provide an update in due course. The SFRS Pension team have identified a couple of individuals who meet this criteria and await clarity from the Home Office as to how these cases will be dealt with.
- Bulletin 75 informed readers that the Home Office and GAD have confirmed that there are some key areas that they will require FRAs to report on in relation to the Matthews second options exercise.
The first area is in respect of overall project implementation. It has been agreed that FRAs will be asked by the LGA to provide statistics on a quarterly basis:
 1. Total number of cases
 2. Total number of cases which have been sent the initial expression of interest letter.
 3. Total number of individuals who have replied and expressed an interest.
 4. Total number of cases which cannot be run through version one or two of the calculator and will need to be sent to GAD.
 5. Total number of statements issued.

6. Total number of individuals who have elected to join (broken down between member categories)
7. Total number of cases passed to the administrator for implementation

The second area is in respect of positive elections only. The Home Office and GAD would like FRAs to collate and share the GAD calculator inputs and outputs for all individuals who elect to join the second options exercise. The SFRS Pension team are ensuring that robust record keeping is maintained to ensure the data is facilitate this requirement.

- Bulletin 75 informed readers that [member FAQs](#) have been published on the FPS member website, in relation to the Second Options exercise. These can also be accessed on the [SFRS Pension Information SharePoint site](#).
- The bulletin informed readers that [member guidance](#) documents are now accessible on the [FPS member](#) website in relation to contingent decision options under the Age discrimination remedy. Further information is also available on the [SFRS Pension Information SharePoint site](#).
- Bulletin 75 reminded readers that the next Firefighters Pension Scheme actuarial valuation date is 31 March 2024. The SFRS Pension team have received the initial communications from Hymans and will be liaising with the payroll team and XPS to ensure timely completion of the data returns.
- The bulletin informed readers that the [retirement FPS 2015 factsheet](#) has been updated to reflect the revised early retirement recently published by GAD. The early retirement page of the [FPS member website](#) has also been updated.
- The bulletin referred to recently published results of the 2023 Governance and Administration survey from the Pension Regulator (tPR). The survey was conducted online between January and March 2023 to track governance and administration practices among public service pension schemes.

The report is being considered by the Local Pension Board (LPB) effectiveness committee to make recommendations to the Scheme Advisory Board (SAB) on any actions needed. The TPR six key processes factsheet will be updated in due course to reflect the latest performance and give further guidance to FRAs.

- The bulletin confirmed that the Pension Dashboard Programme recently published its research into the public value of pensions dashboards. Highlights of the research included:
 - the number of individuals saving into a pension has increased from 22.1 million to 28 million
 - the greatest increase in saving for pensions is among individuals aged between 16 and 34 with incomes between £10,000 and £30,000 per annum
 - pensions not in payment for adults aged 16 and over has increased from 33.7 million to 44.7 million
 - 18 million individuals have defined contribution pensions, while 14.4 million have defined benefit pensions
 - 79 per cent of individuals with a pension are actively contributing to at least one pension.

- Bulletin 76 included confirmation by the Government that GAD has completed and published the results of the 2020 Valuation of Firefighters' Pension Scheme (England). [The actuarial report](#) shows that the employer contribution rate will rise 8.5% to 38.7% of pensionable pay from 1 April 2024 to 31 March 2027.
- The bulletin informed readers that supporting documents, in relation to the Matthews Second Options exercise, have been published on the [Special Members of the FPS 2006](#) section of the FPS regulations and guidance website. These will be used by the SFRS Pension team to provide eligible individuals with information on their options relating to the purchase of backdated membership of the modified section of the 2006 Fire Pension Scheme.
- Bulletin 76 reminded readers of the duty to record and assess all breaches of law. In connection with the Matthews exercise, there was a disclosure deadline of 31 December to contact members in scope for the exercise. The SFRS Pension Team have received seven returned letters from the last known address of some individuals. There is also some concern that the Pension Team have only received a response from about a third of individuals contacted. To comply with the disclosure obligations, the Pension Team have employed the services of 'ITM' to conduct a full mortality and tracing exercise to contact those members where no response has been received.
- Bulletin 76 informed readers that The Pensions Dashboard Programme (PDP) are currently consulting with the industry regarding the final staging guidance that will be published by the Money and Pensions Service (MaPS) in the Spring of 2024. The staging guidance will confirm the staging date and, for Public Service Pension Schemes, this is likely to be in the summer of 2025.
- The Bulletin also reminded readers that the PDP publish regular [FAQ newsletters](#) about Pensions Dashboards as well as a [blog](#) covering most recent queries.
- Bulletin 76 advised readers that The Pensions Administrations Standards Association (PASA) has published [Pensions Dashboards Connection Ready Guidance](#) and a '[Call to Action](#)'. The Connection Ready Guidance explains what being 'connection ready' means and what a typical scheme plan could look like. The Call to Action lists the top five actions that schemes need to take now to prepare for dashboards.

The Bulletin informed readers that The Pensions Ombudsman (TPO) has published its [annual report and accounts](#) for 2022/23. The report includes statistics on TPO's caseload and performance for the year.

A recent Court of Appeal ruling judged that TPO is not a competent court for enforcing a dispute about a monetary obligation under section 91(6) of the Pensions Act 1995. The scheme also needs an order from a County Court to enforce a decision.

The Department for Work and Pensions supports legislative changes to formally empower TPO to bring these disputes to an end without needing a County Court Order. In the meantime, TPO has been working with stakeholders across the sector to review the management of such disputes to minimise the additional time and cost that has been added to the process. It has also published a recovery in overpayment cases [factsheet](#) to provide guidance to help schemes manage these disputes.

- Bulletin 76 informed readers that the Pensions Regulator (TPR) has revised its cyber security guidance. For the first time, the guidance asks pension schemes to report any significant cyber-related incidents to TPR on a voluntary basis as soon as is reasonably practicable. This will help TPR build a better picture of the cyber risk facing the industry and its members.
- Bulletin 76 advised readers that the Government is currently legislating through the Finance Bill 2023/24 to fully abolish the lifetime allowance from 6 April 2024 and put in place new rules to determine the tax treatment of pension lump sums. The newsletter gives information to support pension schemes to understand the changes. It covers changes to certain lump sums; the impact on lifetime allowance protections; changes to reporting and disclosure; and transitional arrangements.

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Annexes

- Annex 1: FPS Bulletin 75
- Annex 2: FPS Bulletin 76
- Annex 3: FPS Bulletin 77