



**Hampshire
& Isle of Wight**
FIRE & RESCUE AUTHORITY

Choose an item.

Purpose: Noted

Date: **29 January 2024**

Title: **Pension communications**

Report of Pension Board Chairman

SUMMARY

1. Due to recent changes in legislation and court rulings government has provided remedy options for members and eligible members of the fire fighter pension board to consider and act upon. To ensure our staff and past members have a clear understanding of the processes and any timelines it is important we the pensions board regularly communicate with them. To assist with joint understanding and agreed messaging a communications strategy has been agreed and this report forms the agreed regular feedback as an agenda item.

RECOMMENDATION

2. That the ongoing communications plan and activities of engagement be noted by the HIWFRA Firefighters' Pension Board

BACKGROUND

3. Changes to pensions following McCloud / Sargeant age discrimination court case When the Government reformed public service pension schemes in 2014 and 2015, they introduced protections for older members. In December 2018, the Court of Appeal ruled that younger members of the Judges' and Firefighters' Pension schemes have been discriminated against because the protections do not apply to them.
4. The Government has confirmed that there will be changes to all main public sector schemes, including the Local Government Pension Scheme (LGPS) and the Fire Pension Schemes, to remove this age discrimination. This ruling is often called the 'McCloud judgment' after a

member of the Judges' Pension Scheme involved in the case. There are different approaches to the LGPS and the Fire Pension Schemes.

5. The Fire Pensions Board recognises the volume of activity. Some of the complexities are: For Fire Pensions, there are 3 final salary schemes, the 1992, the 2006 and the 2006 Modified schemes. Members had different amounts of protection applied to them based on age and this determined when they would move to the 2015 CARE scheme. The Public Service Pension Scheme and Judicial Offices Act 2022 closed the final salary schemes on 31 March 2022 and any remaining members were all moved to the only remaining scheme of the 2015 Scheme.
6. The McCloud remedy implementation period will commence on 1 October 2023 and will take up to 18 months to implement fully for all affected members. All members will be given a choice of whether to receive legacy scheme or reformed scheme benefits for the remedy period (1 April 2015 to 31 March 2022). This means for retired and deceased members they will need to make an Immediate Choice and their benefits may need to be amended. For active and deferred members, they will make their choice at their retirement.
7. To enable rollback to the legacy schemes, there will be employee pension contribution adjustments, including tax relief and interest to be applied; there will be recalculations of the 7 years of Annual Allowance calculations; there will be difference in pensionable pay for the different schemes; there are differences in ill health and death benefit entitlements, and all of this has to be communicated to the member.
8. In addition, there is the Matthews remedy which will apply to on-call firefighters only. The challenge with this remedy is that it will apply to members who may never have had a pension previously and may have left the service 20+ years ago. Depending on their service and their choices for Matthews remedy this could alter or bring them into scope for the McCloud remedy.

COLLABORATION

9. The communications plan and sharing of information has been a collaborative approach between, Finance, HCC pensions team, Media and Communication supported by the Pensions board.

IMPACT ASSESSMENTS

10. Impact assessments have been completed within the wider work being completed by finance and the pensions team.

BENEFITS

11. The expected benefits will support an improved awareness of current and retired employees to understand the options open to them. Understand the proposed timescales and increase the sign up and use of the Pensions Members Portal.

RISK ANALYSIS

12. Information and timescales indicated changing due to complexities of software and government schemes of remedy.
13. Mixed messaging from other sources operating under different risk strategies and against government guidance.
14. Yes, this is recorded on the risk register

EVALUATION

15. This will be completed when a review of increased sign up to the Pensions Membership Portal.
16. Engagement with current and ex members of HIWFRS, HFRS and IWFRS for the McCloud / Sargeant age discrimination court case and the Matthews parttime workers' case.

CONCLUSION

17. The Pensions Board wishes to insure its past and present membership are provided with timely information to support their decision making and to raise awareness to ex members of the services that are now intitled to a pension that had been excluded in the past.
18. Within HIWFRS we have excellent communication teams that can support are desire to inform individuals of the changes to the pension schemes and options open to them. By regularly reviewing the information shared with the Pensions Board and ensure this is communicated widely will support our membership in understanding options available to them and when.
19. The latest communications have been via, the portal, a dedicated pensions page has been added. The Pensions team have written to identified individuals explaining the options available to them. Regular routine notices

updates along with the drill night download designed for our on-call colleagues.

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