



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

HIWFRA Firefighters Pension Board

Purpose: Noted

Date: **13 AUGUST 2024**

Title: **LEGISLATION AND LOCAL GOVERNMENT ASSOCIATION
(LGA) UPDATE REPORT**

Report of Chief Financial Officer

SUMMARY

1. This report, together with attachments, provides the framework for this agenda item.

FPS BULLETINS

2. The LGA issue a bulletin at the end of each month, they are emailed out to a variety of contacts but can also be accessed via the www.fpsregs.org website. The bulletins contain a lot of information, and the key items are highlighted in this report.
3. There have been four bulletins issued since the last Fire Pension Board reports were written. Bulletins 79 and 82 can be found in APPENDICES B – E.
4. For this version of the report a new approach has been taken. High level summaries of the updates for each broad area of work are included within the report, with more detail on each of the specific actions included as APPENDIX A.

McCLOUD PENSION REMEDY

5. As summarised in the appendix, the LGA bulletins contained a significant number of updates relating to the McCloud pension remedy. There continue to be business as usual updates on calculators, which are picked up by

Pension Services. The bulletins also cover a number of more substantive updates.

6. The LGA have produced template Remediable Service Statements for different cohorts of affected members. Pension Services are using these templates when preparing statements for members – further information about progress is covered in the status report on this agenda.
7. There are a number of updates about the treatment of tax on interest owed to retired members. The bulletins clarify further developments on this issue. Following further discussions, the scope of the issue has reduced. The issue with tax now only relates to members of the 1992 scheme who took a lump sum greater than the HMRC limit of 25%. There is currently a risk that these members would need to pay all of the tax on the new lump sum, not the tax on the additional lump sum. In other words, existing tax payments may not be able to be offset against the original payment. The LGA has recommended pausing all payments to potentially affected members. HIWFRS's position on this issue is picked up in the Status Report on this agenda.
8. The bulletins also cover reminders about the statutory deadlines for completing activities as part of the remedy. A summary of the statutory deadlines is as follows:
 - (a) 1 October 2023 – Roll back to legacy scheme
 - (b) 31 December 2023 – Warm up communications (Disclosure requirements)
 - (c) 31 August 2024 – Annual Benefit Statements (ABS)
 - (d) 6 October 2024 – Pension Saving Statements (PSS)
 - (e) 31 March 2025 – Remediable Service Statements (RSS)
9. The first two deadlines have been met. Should any subsequent deadlines be missed, these would be reported to the Pension Board and, depending on the scale of the breach, to the Pensions Regulator.

MATTHEWS PENSION REMEDY

10. Progress on the Matthews pension remedy continues to be slow nationally. A more detailed update on the HIWFRS position is provided in the pension board status report in this agenda.

11. The LGA bulletins covered several new versions of the calculator tool. A guide on how to use the tool in different scenarios remains outstanding.
12. The bulletins also covered some tax issues relating to the Matthews remedy. In summary, the current regulations means that backdated pension payments will all be taxed in the year that they are paid. This may change in the future. HIWFRS' position on this is covered in the Status Report on this agenda.

SCHEME ADVISORY BOARD

13. Regular updates on the work of the Scheme Advisory Board are provided in the bulletins. A particular highlight from these bulletins is the interventions the SAB made with HM Treasury and HMRC to address some of the issues relating to tax.

TRAINING OPPORTUNITIES

14. The following training opportunities have been highlighted:
 - (a) Wednesday 18 September 2024 (in person, London)
 - (b) Thursday 23 January 2025 10:00 – 14:00 (MS Teams) (Booked)
 - (c) Tuesday 25 March 2025 10:00 – 14:00 (MS Teams)
 - (d) Monday 16 June 2025 13:00 – 17:00 (MS Teams)
 - (e) Wednesday 17 September 2025 11:00 – 15:30 (in person, London)
 - (f) Thursday 22 January 2026 10:00 – 14:00 (MS Teams)

If board members are interested in taking up any of the training opportunities, please email bluelightpensions@local.gov.uk.

15. In addition, the annual FPS conference is taking place on 18 – 19 September. This is bookable via the LGA Events page.

PENSION DASHBOARDS

16. The most notable Pension Dashboards update is that the connection date for public service pension schemes has been confirmed as 31 October 2025. Pension Services are leading on this work.

PENSION OMBUDSMAN

17. Regular messages from the Pension Ombudsman are shared as part of the bulletins. There are no particular updates to draw out from these bulletins.

HMRC

18. Of note from the regular HMRC updates is the member tax calculator. HMRC introduced a member tax calculator for members to communicate their remedied tax position to HMRC. The HMRC calculator had various issues and has been temporarily removed. There are other options for members to communicate with HMRC. These will be signposted to members as information is shared.

RECOMMENDATION

19. That the content of the report be noted by the HIWFRA Firefighters' Pension Board

APPENDICES ATTACHED

20. APPENDIX A - Detailed Bulletin Review
21. APPENDIX B – [FPS Bulletin \(fpsregs.org\)](https://fpsregs.org) (April 2024)
22. APPENDIX C - [FPS Bulletin \(fpsregs.org\)](https://fpsregs.org) (May 2024)
23. APPENDIX D - [FPS Bulletin \(fpsregs.org\)](https://fpsregs.org) (June 2024)
24. APPENDIX E - [FPS Bulletin \(fpsregs.org\)](https://fpsregs.org) (July 2024)

Contact: Catherine Edgecombe, Chief Financial Officer, 0370 779 6214

APPENDIX A – Detailed bulletin review

Topic	Bulletin	Update	Action
McCloud	79	New version of GAD calculator issued and interest calculator	Complete – correct versions are being used
McCloud	79	Remediable Service Statements, contribution amendments factsheets, beneficiary Remediable Service Statements	Complete - Pension Services are aware of new resources available
McCloud	79	Data Sharing – reminder to share data promptly	In progress – data sharing is ongoing, no issues to report
McCloud	79	Pensions accounting data collection	Complete – deadline was met
Matthews	79	New version of GAD calculator issued	Complete – correct versions are being used
Matthews	79	Project implementation data request	Complete – for April 2024 return
SAB	79	SAB meeting update	No action
Pension Dashboards	79	Update on the progress, confirming connection deadline for public service pension schemes of 31/10/25.	Complete – Pension Services aware of the guidance
HMRC	79	Updated lifetime allowance guidance	Complete – Pension Services aware of the guidance
McCloud	80	Remediable Service Statements roll out – choices for FRAs	Complete – further update provided in the Pension Board status report

SAB	80	Letter from SAB Chair to HM Treasury on tax treatment of interest	No action
Training	80	Dates of pension board training sessions	Complete – covered in main report
McCloud	81	Compensation guidance	Not yet started – covered in main report
McCloud	81	Statutory deadlines	In progress – covered in main report
Matthews	81	Updated version of the calculator	Complete – correct versions are being used
Matthews	81	Tax treatment of Matthews cases	In progress – covered in main report
HMRC	81	HMRC member tax calculator	In progress – covered in main report
Training	81	Further dates for training sessions	Complete – covered in main report
McCloud	82	Changes to NS&I rate	Complete – Pension Services aware
McCloud	82	Further update on tax treatment of McCloud cases	In progress – covered in main report
McCloud	82	Further Remediable Service Statements published	Complete – Pension Services aware
Matthews	82	Update on LGA guidance	Complete – position covered in main report
Matthews	82	Project implementation data request	Complete – submitted July 2024

Training	82	Further dates for training sessions; Firefighters Pensions AGM	Complete – covered in main report
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