



## FPS Bulletin 56 – April 2022

Welcome to issue 56 of the Firefighters' Pensions Schemes bulletin.

If you are looking for information on a certain topic, issue and content indexes are held on the [main bulletin page](#) of the website and are updated following each new issue.

If you have any comments on this bulletin, suggested items for future issues, or a job you would like to advertise, please email [bluelightpensions@local.gov.uk](mailto:bluelightpensions@local.gov.uk).

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## Calendar of events

Please see below a calendar of upcoming events relevant to the Firefighters' Pension Schemes. Only those events which are hyperlinked are currently available to book. If you have any events you would like to be included in a future bulletin, please email [bluelightpensions@local.gov.uk](mailto:bluelightpensions@local.gov.uk).

Table 1: Calendar of events

| Event  | Date                   |
|--|------------------------|
| <a href="#">FPS coffee morning</a>                 | 3, 17, and 31 May 2022 |
| North-East regional group                          | 18 May 2022            |
| <a href="#">CIPFA Pension Board training event</a> | 18 May 2022            |
| South-West & Wales regional group                  | 19 May 2022            |
| Fire Communications Working Group                  | 13 June 2022           |
| SAB  | 23 June 2022           |
| Midlands regional group                            | 27 June 2022           |
| FPS Technical Group                                | 18 July 2022           |

| Event                   | Date                   |
|-------------------------|------------------------|
| SAB                     | 8 September 2022       |
| FPS AGM (Save the date) | 25 and 26 October 2022 |
| SAB                     | 8 December 2022        |

## Actions arising

Readers are asked to note the following actions arising from the bulletin:

[Matthews – Second options exercise](#): FRAs to complete data request questionnaire by 30 June 2022.

[Payroll workshop](#): FRAs to register their interest by 13 May 2022.

[FRA Pension Contacts](#): FRAs to provide LGA with information on who should receive generic pension information by 31 May 2022.

## FPS

### Matthews – Second options exercise

In [FPS Bulletin 55 – March 2022](#) readers were informed on the progress of the second options exercise for retained firefighters.

An action arising was for FRAs to identify any retained firefighters who have transferred from retained to wholetime employment and maybe subject to aggregation. Since publication, we have met with colleagues from the Home Office and Government Actuary’s Department (GAD), and it has become apparent through our discussions that additional data is required.

On 14 April 2022, an email was sent to lead FRA contacts asking for them to complete a short questionnaire which sets out what data is required and the purpose of the data.

As we are now asking for additional data, we feel that it is appropriate to extend the deadline from 31 May 2022 by an additional month to **30 June 2022**. We appreciate that this is a significant ask and understand that FRAs may be focused on other areas, such as age discrimination remedy, however, we would not request this information if it was not vitally important.

**ACTION: FRAs to complete data request questionnaire by 30 June 2022.**

### **Payroll workshop**

We were pleased to hear that, as we have now passed 1 April 2022, some FRAs have now shifted their attention to the data collection work needed for retrospective remedy. While this position is correct for many, we are aware that some FRAs haven't started this work yet. We have received feedback that this is primarily down to lack of confidence in the subject area.

Readers should be aware that there is a suite of tools available at their disposal to help with the data collection work. As well as providing a [remedy data collection guidance document](#), you also have access to a [blank remedy data collection template](#) and [remedy data collection template note for completion](#). These documents are freely accessible on the [FPS Regs and Guidance Website](#) and are stored under the [Implementation section of the Age discrimination remedy page](#).

While we appreciate that there is a relative amount of guidance out there, we are conscious that some people feel more comfortable discussing things as a group, rather than tackling them alone. We are therefore proposing to host a workshop which will be aimed at individuals within FRAs who have some form of responsibility over the data collection extract. We are labelling this as a payroll workshop; however, it will be your opportunity to raise any questions you may have in relation to the data extraction.

If this is something that you feel you and your FRA would benefit from, then please email [bluelightpensions@local.gov.uk](mailto:bluelightpensions@local.gov.uk) confirming the name of your FRA and who should be included on the invite.

In addition to the above, we are seeking volunteers from FRAs to give the group some feedback on their initial experiences with the data collection work. If this is something you would feel comfortable doing, then again please drop an email to [bluelightpensions@local.gov.uk](mailto:bluelightpensions@local.gov.uk). Any help and support from the sector is much appreciated.

Although we don't have a fixed date yet, we would ideally like to do this before the end of May. Please can we therefore request that all expressions of interest are submitted by Friday 13 May.

**ACTION: FRAs to register interest in workshop event by 13 May 2022.**

### **FRA pension contacts**

Following feedback we have received from colleagues, we understand that not all of our messages are shared as intended within an organisation. We would therefore like to know who at your FRA needs to be sent information on generic pension related matters.

As a minimum we would like to include the Scheme Manager and at least one person who has day to day responsibility for pensions.

Please can you therefore provide the name and email address for your FRA's Scheme Manager and confirm names and email addresses for anyone else who needs to be included in our communications. We are happy to send communications to generic pension inboxes if this is your preferred method of communication.

Please send this information no later than **31 May 2022** by email to [bluelightpensions@local.gov.uk](mailto:bluelightpensions@local.gov.uk).

**ACTION: FRAs to provide LGA with information on who should receive generic pension information by 31 May 2022.**

## Technical query log

The current [log of queries and responses](#) is available on the FPS Regulations and Guidance website. The queries have been anonymised and divided into topics. The log is updated monthly in line with the bulletin release dates.

No new queries have been added this month.

## FPS England SAB updates

### Member benefit illustrations

Friday 1 April 2022 saw the first major milestone in age discrimination remedy (McCloud/ Sargeant or the 2015 Remedy) for the Firefighters' Pension Schemes, with the two final salary schemes being closed to future pension build-up and all members building up benefits in the reformed CARE scheme from that point.

To coincide with this and to provide members with a better understanding of the implications of remedy on their benefits, the Firefighters' Pensions (England) Scheme Advisory Board (SAB) worked with Barnett Waddingham to produce a [suite of illustrative member scenarios](#).

The illustrations are based on different scheme memberships, scenarios and salary profiles, with benefits shown at a range of key retirement milestones.

The member benefit illustrations follow the ["Your questions answered" fact checker](#) produced in February 2022 which aims to answer some recurring questions that members have about the 2015 Remedy.

### SAB respond to Home Office consultation response on prospective remedy

On 20 April 2022, the SAB submitted a letter to the Home Office acknowledging the consultation response on regulation amendments to deliver prospective remedy for the FPS.

The SAB noted the response and welcomed the opportunity to engage further with the Home Office on issues falling outside the scope of the consultation, such as the ill-health process and early retirement factors for the FPS 2006. A full summary of

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the Board's discussion will be available in the meeting minutes of 24 March 2022, when published.

The SAB registered concern about the significant workload that implementation of Sargeant and Matthews within the required timescales will place on the Fire sector. The SAB felt that some smaller FRAs may be disproportionately impacted due to limited resource. The SAB also expressed concern about the likely requirement to comply with pensions dashboard regulations within a similar timeframe.

## **Other News and Updates**

### **Appointment to the Bluelight Team**

Following a successful recruitment campaign, we are delighted to announce that Elena Johnson has been appointed to the Bluelight Team in the role of Firefighters' Pensions Adviser (Governance) and will join the LGA on 16 May 2022.

Elena has 22 years' public service pension experience, in the LGPS and Firefighters' Pension Schemes. Elena commenced Local Government employment in January 2000 at Leicestershire County Council and currently works as a Pensions Team Manager there.

Elena's role will involve providing high-quality support to the Scheme Advisory Board (SAB) and FRA Local Pension Boards. Additionally, she will assist with priority developments in scheme governance.

### **Vacancy at Mid and West Wales Fire and Rescue Service**

Please find below details of a current vacancy for Pensions Officer which is open to existing Mid and West Wales FRS employees and external applicants. The closing date for receipt of application forms is 16:30 on 9 May 2022.

The full details of the role and application form can be found on the [Current Vacancies](#) page of the Mid and West Wales FRS website.

## **TPO – Early resolution factsheet updated**

On 30 March 2022, The Pensions Ombudsman (TPO) published an updated version of its [factsheet on the Early Resolution Service](#).

The factsheet provides guidance to members on the Early Resolution Service. This includes explaining what it is, how it operates and what options parties to a complaint have.

## **TPO News – March 2022**

On 31 March 2022, [the Pensions Ombudsman \(TPO\) published its March news](#). The news includes articles on:

- webinars taking place in May and June
- the recently updated factsheet on the Early Resolution Service
- new legal determinations

## **Combatting pension scams**

Too few pension scheme trustees are protecting savers by reporting suspected scams, says The Pensions Regulator (TPR).

In November 2020, TPR launched its [Pledge to Combat Pension Scams](#), which encourages schemes to do more to protect savers from scammers, including reporting suspected scams to the authorities – Action Fraud or by calling 101 in Scotland.

So far, over 400 schemes have pledged or self-certified they meet the campaign’s saver-protecting principles covering an estimated 16 million pension pots.

But TPR says more must be done on reporting and every administrator, trustee and provider should take responsibility for protecting savers and join the Pledge.

Nicola Parish, TPR’s Executive Director of Frontline Regulation said: “Scammers screw up lives and industry must stand up and do all it can to protect savers from these life-shattering crimes by joining our pledge campaign and reporting any suspected scams.

“New regulations have already introduced new duties on due diligence and warning members where a transfer shows features of a scam, so there’s no excuse for failing to report suspicions to the authorities”

TPR recently hosted a webinar giving:

- details of the evolving pension scams landscape
- information to support new duties to look for red and amber flags
- details about the pledge to combat pension scams
- updates from the Pension Scams Industry Group.

TPR has published [a recording of the pension scams webinar](#) on their website.

### **Annual allowance changes**

The Government has changed the annual allowance rules. This has been done by section 9 of the [Finance Act 2022](#) and the [Registered Pension Schemes \(Miscellaneous Amendments\) Regulations 2022](#).

The changes apply in certain situations where annual allowance calculations for previous years are retrospectively amended.

The following is the LGA’s interpretation of the changes, which we emailed to lead FRA contacts on 5 April 2022. We thank our colleagues on the LGPS team for sharing this information with us.

#### **Step 1: An employer becomes aware that information previously given was insufficient**

The new regulations require employers to provide further information to administrators. This will apply where an employer becomes aware that information they provided previously, for a Pension Input Period (PIP) falling within the ‘relevant time’, was insufficient to enable the authority to correctly calculate the annual allowance.

The 'relevant time' begins with the start of the tax year six years before the 'current tax year' and ends with the end of the 'current tax year'. The 'current tax year' means the tax year in which the employer became so aware. So, if this happens in tax year 2022/23, the following PIPs will fall within the relevant time:

- 6 April 2022 to 5 April 2023
- 6 April 2021 to 5 April 2022
- 6 April 2020 to 5 April 2021
- 6 April 2019 to 5 April 2020
- 6 April 2018 to 5 April 2019
- 6 April 2017 to 5 April 2018
- 6 April 2016 to 5 April 2017

The employer must provide the further information within three months of becoming aware the information was insufficient or, if later, on or before 6 July following the end of the relevant PIP. The further information must enable the administrators to correctly recalculate the annual allowance.

**Note:** Employers must continue to provide administrators with any other changes that arise either outside of the relevant time or that do not affect the calculation of the annual allowance.

### **Step 2: The administrator must recalculate the annual allowance for the relevant PIP**

If the administrator receives the further information from the employer for a PIP falling within the 'relevant time', it must recalculate the annual allowance. The 'relevant time' for this begins with the start of the tax year six years before the 'current tax year' and ends with the end of the 'current tax year'. The 'current tax year' for this purpose means the tax year in which the authority received the further information.

Administrators must also recalculate annual allowance amounts where there has been a change to the scheme rules. This will apply if the change results in a change to an annual allowance calculation for a PIP falling within the 'relevant time'. The 'relevant time' begins with the start of the tax year six years before the 'current tax year' and ends with the end of the 'current tax year'. The 'current tax year' for this purpose means the tax year in which the rule change is made.

After recalculating the annual allowance, if the member:

- exceeds the annual allowance for the relevant tax year - the administrator must send a pension savings statement to the member. It must send this within three months of receiving the further information/the rule change being made or, if later, by the 6 October following the end of the relevant tax year. They must also send an event report telling HMRC within three months of the date they sent the statement to the member, or if later, by 31 January following the tax year to which the report relates. It is not relevant whether the administrator had previously sent a pension saving statement for this period.
- does not exceed the annual allowance for the relevant tax year and the administrator has previously sent a pension savings statement for that period, it must send an updated statement. It must send this within three months of receiving the further information/the rule change being made, or, if later, by the 6 October following the end of the relevant tax year.

### **Deadline to make or amend mandatory scheme pay elections extended**

Members must give mandatory scheme pays elections by no later than 31 July in the year following that in which the 'relevant tax year' ends. 'Relevant tax year' means the tax year the member exceeded the annual allowance.

However, for members who received a pension savings statement as a result of a recalculation under step 2, this deadline will likely have expired. For these cases, section 9 of the Finance Act 2022 extends the deadline if:

- the administrator gave the statement within the 'relevant time', and
- as a result of that statement, the member qualifies to elect for mandatory scheme pays.

'Relevant time' means a time falling:

- on or after 2 May in the year following the end of the relevant tax year, and
- before the end of the six-year period beginning with the end of the relevant tax year.

Where this applies, the member must instead give their election for mandatory scheme pays before:

- the end of the three-month period beginning with the day on which the administering authority gave the pension savings statement, or if earlier
- the end of the six-year period beginning with the end of the relevant tax year.

Though the 31 July deadline is extended in these cases, members remain unable to give a mandatory scheme pays election once they are entitled to payment of all their benefits under the scheme or, if earlier, once they have reached age 75.

The mandatory scheme pays deadline is not extended for members who previously qualified to elect for mandatory scheme pays in respect of the relevant tax year but chose not to. If the member did elect for mandatory scheme pays, the member will need to amend their initial election based on the recalculated amounts.

The new regulations have also changed the time limit for amending mandatory scheme pays elections. The time limit is set out in Regulation 4 of the Registered Pension Schemes (Notice of Joint Liability for the Annual Allowance Charge) Regulations 2011. Before, members had until the 31 July following the end of the four-year period beginning with the last day of the relevant tax year to amend an

election. With effect from 6 April 2022, this has been extended by two years. So, if a member exceeded the annual allowance in tax year 2019/20, the new deadline for giving the amended notice is 31 July 2026. The deadline was previously 31 July 2024.

### **Deadline for administrators to pay annual allowance charge to HMRC extended**

Administrators must report and pay annual allowance charges to HMRC using Accounting for Tax (AFT) returns. Administrators must use the return for October to December in the year following that in which the tax year ends. Though, it can choose to use a return for an earlier period.

However, where the member makes a mandatory scheme pays election by the extended deadline, the deadline will likely have expired.

For these cases, section 9 of the Finance Act 2022 extends the deadline. Where members elect for mandatory scheme pays after 30 September in the year following that in which the relevant tax year ends, the administrator must report and pay the tax using the AFT return for the three-month period following the three-month period in which it receives the mandatory scheme pays election. Though it can choose to use the return for the period in which it received the election.

### **PASA publishes fraud guidance on pre-employment vetting**

On 19 April 2022, the Pensions Administration Standards Association (PASA) published [fraud guidance on vetting new employees](#).

PASA has been made aware of cases of fraud undertaken or assisted by pension administration employees. In some cases, individuals deliberately gained employment with the intention of committing fraud. The guidance aims to counter this risk.

## **PDP progress update report published**

On 27 April 2022, the Pensions Dashboards Programme (PDP) published a video introducing the [April 2022 progress update report](#). The video outlines the programme activity over the past six months. This is the fifth progress update report and provides a summary of what PDP has achieved since October 2021.

## **HMRC**

### **Managing pension schemes service newsletter – April 2022**

On 11 April 2022, HMRC published [Managing pension schemes service newsletter – April 2022](#).

The newsletter sets out that a new feature has been added to the Managing pension schemes service. The new feature allows administrators to migrate their schemes from the Pension schemes online service. The newsletter gives information on how to do this as well as links to guidance.

The newsletter also includes information on:

- recreating existing relationships on the Managing pension schemes service
- adding new scheme administrators
- authorising new practitioners
- submitting Accounting for Tax (AFT) returns, pension scheme returns, and event reports on the Pension schemes online service
- making payments for charges using the pension scheme tax reference number
- updating information
- future features that are expected shortly, such as bulk AFT reporting and updated financial information.

## **[Guaranteed Minimum Pension \(GMP\) equalisation newsletter – April 2022](#)**

On 6 April 2022, HMRC published [Guaranteed Minimum Pension \(GMP\) equalisation newsletter – April 2022](#).

This newsletter supplements previous guidance in Guaranteed Minimum Pension (GMP) equalisation newsletters [February 2020](#) and [July 2020](#) relating to benefit adjustments that registered pension schemes may have to make to remove inequalities arising from GMPs.

## **Events**

### **FPS coffee mornings**

Our MS Teams coffee mornings are continuing every second Tuesday. The informal sessions lasting up to an hour allow practitioners to catch up with colleagues and hear a brief update on FPS issues from the LGA Bluelight team.

The next session is due to take place on 3 May 2022.

We are pleased to include the presentations from recent sessions below:

[5 April 2022 – Public Service Pensions and Judicial Offices Act](#)

[19 April 2022 – Remedy project management update](#)

If you do not already receive the meeting invitations and would like to join us, please email [bluelightpensions@local.gov.uk](mailto:bluelightpensions@local.gov.uk). Please note that attendance at the coffee mornings is generally restricted to FPS practitioners and managers.

### **FPS AGM – London – 25 and 26 October 2022 (save the date(s))**

Our popular Fire Pensions Annual Conference is back for 2022! The two-day programme allows delegates to network with fellow colleagues and hear the latest news on the Firefighters' Pension Scheme (FPS) from the scheme's key stakeholders.

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You will hear important updates, including:

- Chair of the Scheme Advisory Board
- The Home Office
- The Pensions Regulator
- Legal Updates

As well as providing the opportunity to network with other FPS stakeholders, there will be interactive and thought-provoking workshops to take part in during the day. The topics of such are yet to be determined, however, we will be seeking views from the sector as to what topics they would like to be covered.

Day 1 – Tuesday 25 October 2022 16:30 – 18:30 Primarily for Scheme Managers and Local Pension Board chairs, day 1 of the conference will provide practical guidance on the role of the scheme manager and will offer the opportunity to network with counterparts in other FRAs. Following this session there will be a drinks reception on the terrace from 18:45.

Day 2 – Wednesday 26 October 2022 09:30 – 15:30 Day 2 of the conference provides delegates with an annual update on the Firefighters' Pension Scheme from key stakeholders.

The full programme and booking link will be available shortly.

### **[CIPFA annual conference for Pension Board members](#)**

Please see below details of a training event for board members which is being run by CIPFA. As the training is primarily aimed at LGPS local pension boards, but there is some cross-over with the uniformed public service schemes, CIPFA has offered a reduced rate for those involved in the governance of Fire pensions.

Event details: 09:30 - 16:00 Wednesday 18 May 2022

The Presentation Suite KPMG, 15 Canada Square, London E14 5GL

#### Key speakers:

The event will be chaired by Mark Wynn from Cheshire Pension Fund. You will hear from key speakers such as Roger Phillips and Bob Holloway from the LGPS SAB, as well as Nick Gannon from TPR.

#### Themes:

The event will cover a number of key topics impacting Pension Boards. Of particular interest to Fire Board members include: TPR's New Single Code of Practice, Cyber Security and Good Governance. The event will also feature breakout sessions, where you will be able to discuss and share your views and experiences with other Board Members on the current issues impacting your role. The full agenda will be released before the conference.

#### Cost:

Discounted rate of £125 + VAT per delegate for Fire Pension Board Members. To take advantage of this special rate, please email CIPFA's Customer Service team via the link below.

#### Other info:

This event may have a Hybrid attendance option, for delegates who do not wish to attend in person. This will be confirmed later.

You can book onto the event at [customerservices@cipfa.org.uk](mailto:customerservices@cipfa.org.uk).

## Useful links

- [The Firefighters' Pensions \(England\) Scheme Advisory Board](#)
- [FPS Regulations and Guidance](#)
- [FPS Member](#)
- [Khub Firefighters Pensions Discussion Forum](#)
- [FPS1992 guidance and commentary](#)
- [The Pensions Regulator Public Service Schemes](#)
- [The Pensions Ombudsman](#)
- [HMRC Pensions Tax Manual](#)
- [LGA pensions website](#)
- [LGPS Regulations and Guidance](#)
- [LGPC Bulletins](#)
- [LGPS member site](#)
- [Scottish Public Pensions Agency - Firefighters](#)
- [Welsh Government Fire circulars](#)

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| Fire Communications Working Group  | 13 June 2022     |
| <a href="#">FPS coffee morning</a> | 14 and 28 June   |
| SAB                                | 23 June 2022     |
| Midlands regional group            | 27 June 2022     |
| FPS Technical Group                | 18 July 2022     |
| North-East regional group          | 17 August 2022   |
| SAB                                | 8 September 2022 |

| Event                   | Date                   |
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| FPS Technical Group     | 25 October 2022        |
| FPS AGM (Save the date) | 25 and 26 October 2022 |
| SAB                     | 8 December 2022        |

## Actions arising

Readers are asked to note the following actions arising from the bulletin:

[Matthews – Second options exercise](#): FRAs to complete data request questionnaire by 30 June 2022.

[FRA Pension Contacts](#): FRAs to provide LGA with information on who should receive generic pension information ASAP.

## FPS

### Matthews – Second options exercise

As mentioned in [FPS bulletin 56 – April 2022](#), the Home Office and GAD have asked for additional data on individuals who will be in scope for the second options exercise. On 14 April 2022, we sent an email to lead FRA contacts asking them to complete a short questionnaire which sets out what data is required and the purpose of the data.

This is just a gentle reminder that this request is still outstanding for some FRAs and the deadline for completion is 30 June 2022. If any FRA has identified an issue with this deadline, we ask that they bring it to our attention at the earliest opportunity.

**ACTION: FRAs to complete Matthews data request questionnaire by 30 June 2022.**

### **Ill health “underpin”**

At a recent coffee morning an FRA raised a question as to how the ill health underpin should be applied to a case. The policy intent is to ensure that a protected member who applies for IHR before 31 March 2022, where the application is determined in their favour after that date, is treated no less favourably than if the application had been determined on that date.

To avoid any such members being placed in a worse position, changes have been made to the reformed scheme rules. [Regulations 65\(2A\) and \(2B\)](#) have been inserted into the FPS 2015 regulations with effect from 1 April 2022. This means that for members where the ill-health assessment process began on or before 31 March 2022, the member is assessed for ill-health retirement against an NPA of 55. This will mean that there should be no cases where an affected member would have qualified for ill-health retirement under the legacy 1992 scheme but does not qualify under the reformed scheme.

The members benefit entitlement should be calculated in the same manner as set out in the FPS 2015 regulations.

Further information on this provision can be found in the Home Office’s [consultation response on prospective remedy](#) and their [frequently asked questions document](#). We will look to provide a consolidated version of Regulation 65 in a future bulletin.

### **Abatement guidance**

HM Treasury (HMT) policy requires public sector pensions to be abated in certain circumstances when a public sector employee is re-employed following retirement. The general principle behind abatement is to protect the public purse from paying a pension and a salary to the same individual i.e. the income from the public purse should not be increased by the addition of a pension.

FRAs must consider the application of abatement when it occurs in accordance with the regulations of the Firefighters’ Pension Schemes.

Readers may be aware that there is currently no prescribed guidance on how abatement should be applied or calculated, as previous guidance issued by the relevant Secretary of State at the time is now out of date. The Home Office is also unable to provide formal direction on the application of abatement, as it is the legal responsibility of each FRA to interpret and apply the rules of the scheme.

In order to support a consistent national approach, we are pleased to let you know that we have now published [informal abatement guidance for FRAs](#) in the “Guides and sample documents” section of [www.fpsregs.org](http://www.fpsregs.org).

The guidance has been collated following the [2019 AGM abatement workshop](#) and using examples of accepted good practice at FRAs. We have consulted with FRA FPS practitioners and administration colleagues as well as the Scheme Advisory Board and Home Office ahead of publication.

The guidance will be kept under review and updated in line with any scheme changes. We also hope to add an example abatement policy in due course. We recommend that FRAs take the guidance into account when considering future cases.

### **Software workshop**

Attendees at the coffee morning held on 17 May will be aware that concerns were raised about the readiness of pension administration software in anticipation of retrospective remedy.

As highlighted in the meeting, the legislation needed to facilitate retrospective remedy will not come into force until 1 October 2023, at which point this will signify the start of the implementation phase. FRAs and administrators will have a period of up to 18 months to provide members with options on their scheme benefits. This means that anyone who has retired and has an entitlement to the remedy should be contacted and presented with their options.

Our software providers, Heywood and Civica, are currently working on updating their administration systems to ensure that they are fully functioning to provide the calculations needed for the retrospective legislation. Unfortunately, some modifications cannot be made without clear direction on certain policy decisions. This may mean that elements of the payroll software cannot be updated until the regulations have been made available.

Although for administrators, who have a direct relationship and are in regular contact with their software supplier, this may not come as a surprise, we suspect that it could arouse concern for an FRA. With this in mind, we have contacted the software suppliers and asked whether they would be prepared to present their implementation timeline to FRAs, which should enable FRAs to become more familiar with the overall time frame and highlight any problem areas.

We will contact FRAs once a date has been agreed with your relevant software supplier.

### **[Annual Benefit Statements 2022](#)**

At the [Fire Technical Working Group \(FTWG\) meeting on 7 March 2022](#) we discussed annual benefit statement production (ABS) for 2022. As ABS's in 2022 will be based on current scheme regulations up to 31 March 2022, it was proposed that the same process as last year is followed, and the statements caveated in a similar way. [FPS Bulletin 44 – April 2021](#) provides more information.

However, while the recommendation last year was to suppress projections for fully protected members which would have incorrectly forecast final salary benefits beyond 31 March 2022, administrators were asked to consider that projections for former protected members could be included this year on a fully CARE basis.

The group failed to reach a consensus on this matter, it was therefore agreed that administrators will make the final call on whether to include projections or not. It is the expectation that administrators will notify the FRAs they administer on their decision.

The standard ABS template and notes have been updated with the new scheme year and the revised caveat and [published on the FPS Regulations and Guidance website](#). Examples in the annexes have been brought up to date.

We will continue to review requirements for ABS over the coming years in line with HM Treasury (HMT) policy decisions on remedy.

### **FRA pension contacts**

As mentioned in [FPS bulletin 56 – April 2022](#), we would like to know who at your FRA needs to be sent information on generic pension related matters. We originally asked for this information to be provided by 31 May 2022, however, we have only received a fraction of replies. Please can you give this matter your urgent attention and provide us with the name and email address for your FRA's Scheme Manager. In addition please also confirm names and email addresses for anyone else who needs to be included in our communications.

Please send this information ASAP by email to [bluelightpensions@local.gov.uk](mailto:bluelightpensions@local.gov.uk).

**ACTION: FRAs to provide LGA with information on who should receive generic pension information ASAP.**

### **Technical query log**

The current [log of queries and responses](#) is available on the FPS Regulations and Guidance website. The queries have been anonymised and divided into topics. The log is updated monthly in line with the bulletin release dates.

No new queries have been added this month.

## **FPS England SAB updates**

### **TPR factsheet**

We advised readers in [FPS Bulletin 47 – July 2021](#) that the results of the [2020-21 Governance and Administration survey](#) had been published by the Pensions Regulator (TPR).

As part of the annual survey, TPR measures six processes as key indicators of public service pension scheme performance.

The six processes are:

1. Documented policy to manage board members conflicts of interest
2. Access to knowledge, understanding and skills needed to properly run the scheme
3. Documented procedures for assessing and managing risks
4. Process to monitor records for accuracy / completeness
5. Process for resolving contribution payment issues
6. Procedures to identify, assess and report breaches of the law

In 2020-21, 74 per cent of Firefighters' schemes across the UK reported having all six processes in place. This had increased from 55 per cent in 2019.

We have refreshed [six key processes factsheet](#) to reflect the most recent results and give guidance to FRAs and their Local Pension Boards (LPBs) to improve understanding and compliance in the next survey.

### **SAB remedy engagement sessions**

The Scheme Advisory Board (SAB) has been invited by the Home Office to take part in a series of joint engagement sessions with the Police SAB to consider scheme-specific versions of the Provision Definition Documents (PDDs) which define the provisions of the [Public Service Pensions and Judicial Offices Act \(PSPJOA\) 2022](#) for each area of the 2015 Remedy.

The first meeting is due to take place on 24 June 2022 where the SAB will be discussing the interest and eligibility PDDs.

## Other News and Updates

### Vacancy at West Yorkshire Fire and Rescue Service

Please find below details of a current vacancy for Pensions Officer which is open to existing West Yorkshire FRS employees and external applicants. The closing date for receipt of application forms is 5 June 2022.

The full details of the role and application form can be found on the [Current Vacancies](#) page of the West Yorkshire FRS website.

### Vacancy at London Fire Brigade

An opportunity is coming up shortly to join the LFB as a Pension Analyst. The role is to ensure they fulfil all statutory requirements and deal effectively with pension related issues as they impact on the London Fire Commissioner.

The job will be advertised in the next few weeks on the [LFB Website](#). A [job description has been provided for information](#), if anyone is interested in this upcoming role and would like an informal chat please feel free to contact [rory.murphy@london-fire.gov.uk](mailto:rory.murphy@london-fire.gov.uk).

### TPO – New online application launched

TPO has recently launched an enhanced [online application form](#). The more user-friendly form is also smarter, with customers only required to answer relevant questions.

### TPO webinars

Booking is now open for the following webinars:

[Volunteering at TPO](#) – Tuesday 7 June, 1pm

[How to avoid the Ombudsman](#) – Tuesday 19 July, 10am

[How to avoid the Ombudsman](#) – Tuesday 19 July, 2pm

## **[TPR – Enforcement and prosecution policies consultation](#)**

On 4 May 2022, TPR launched a consultation on its new consolidated and simpler draft enforcement policy and an updated prosecution policy. The [Enforcement and prosecution policies consultation](#) will close on 24 June 2022.

The [Draft scheme management enforcement policy](#) will replace existing policies for defined benefit, defined contribution and public service pension schemes. The Draft prosecution policy explains how TPR will approach the prosecution of workplace pension criminal offences or are otherwise related to TPR functions.

## **[PASA releases cybercrime protection checklist](#)**

The PASA Cybercrime and Fraud Working Group has published a [Cybercrime protection checklist](#) for pension administrators. The checklist builds on cybercrime guidance published by the group in November 2020. It provides examples of steps administrators can take to assess their defences against cybercrime.

## **[DLUHC publishes statutory guidance on special severance payments](#)**

On 12 May 2022, the Department for Levelling Up Housing and Communities (DLUHC) published [statutory guidance on special severance payments](#). Best Value authorities in England must have regard to the guidance in circumstances in which it may be appropriate to make Special Severance Payments. The guidance also covers approval, disclosure and reporting requirements. The guidance does not apply to authorities in Wales. You can find a list of the bodies the guidance applies to at the end of the guidance.

The guidance confirms that:

- strain cost related to the early payment of LGPS benefits under regulation 30(6) or (7) (flexible retirement, redundancy, or efficiency retirement over age 55) does not constitute a special severance payment
- strain cost of awarding additional pension under regulation 31 of the LGPS Regulations 2013 may constitute a Special Severance Payment, depending on the terms of the individual's contract

- strain cost related to waiving an actuarial reduction when a member retires under regulation 30(5) may constitute a Special Severance Payment, depending on the terms of the individual's contract.

DLUHC consulted on a draft version of this guidance in 2021.

Considering the above, we contacted the Home Office to establish whether any consideration needs to be taken of the strain costs for releasing benefits early under Authority/Employer initiated early retirement or waiving restricted commutation under the FPS. The Home Office confirmed that, although this policy sits outside of its pensions remit, it has contacted the policy lead at DLUHC, who has confirmed that both instances (i.e. fitness assurances and commutation uplift) would not fall within the scope of special severance payments.

## HMRC

### HMRC publishes Pension Schemes Newsletter 139

On 31 May 2022, HMRC published [Pension schemes newsletter 139](#), which contains articles on:

- relief at source — annual return of information for 2021 to 2022
- digitisation of relief at source
- managing Pension schemes service
- Accounting for Tax (AFT) returns

### HMRC publishes Pension Schemes Newsletter 138

On 29 April 2022, HMRC published [Pension schemes newsletter 138](#), which contains articles on:

- HMRC has updated its annual allowance calculator to include the 2022 to 2023 tax year

- changes to Scheme Pays reporting deadlines in some cases following the introduction of the Registered Pension Schemes (Miscellaneous Amendments) Regulations 2022 (see [FPS Bulletin 56 – April 2022](#) for more information)
- a reminder to take action now to [migrate your pension scheme to the Managing Pension Schemes service](#)
- accounting for tax returns for the quarter ending 31 March 2022 must be submitted through the Managing Pension Schemes service.

## Events

### FPS coffee mornings

Our MS Teams coffee mornings are continuing every second Tuesday. The informal sessions lasting up to an hour allow practitioners to catch up with colleagues and hear a brief update on FPS issues from the LGA Bluelight team.

The next session is due to take place on 14 June 2022.

We are pleased to include the presentations from recent sessions below:

[3 May 2022 – Contingent decisions](#)

[17 May 2022 – Transitional benefits post 1 April 2022](#)

[31 May 2022 – ABS and RSS](#)

If you do not already receive the meeting invitations and would like to join us, please email [bluelightpensions@local.gov.uk](mailto:bluelightpensions@local.gov.uk). Please note that attendance at the coffee mornings is generally restricted to FPS practitioners and managers.

### Payroll workshop

On 24 May 2022 we hosted a payroll workshop. The workshop was intended to bring the industry together and give colleagues an opportunity to share feedback and best practices on the data collection exercise needed for age discrimination remedy.

[Click here to return to Contents](#)

We are pleased to note that the session was well attended with over 50 delegates dialling in and participating in the discussion.

Slides covering the event have been made available and can be found on the [age discrimination implementation page of the FPS Regs and Guidance Website](#). The slides were updated to reflect the comments and suggestions made in the meeting. We will also be updating the [remedy data collection guidance](#) in the coming weeks.

## Legislation

| SI       | Reference title   |
|----------|---|
| 2022/509 | <a href="#">The Financial Guidance and Claims Act 2018 (Commencement No 9) Regulations 2022</a> |

## Useful links

- [The Firefighters' Pensions \(England\) Scheme Advisory Board](#)
- [FPS Regulations and Guidance](#)
- [FPS Member](#)
- [Khub Firefighters Pensions Discussion Forum](#)
- [FPS1992 guidance and commentary](#)
- [The Pensions Regulator Public Service Schemes](#)
- [The Pensions Ombudsman](#)
- [HMRC Pensions Tax Manual](#)
- [LGA pensions website](#)
- [LGPS Regulations and Guidance](#)
- [LGPC Bulletins](#)
- [LGPS member site](#)
- [Scottish Public Pensions Agency - Firefighters](#)
- [Welsh Government Fire circulars](#)

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