

AGENDA ITEM 7.1

FPS Bulletin Update

Pensions Management Team 19th October 2022

FPS Bulletin 59

FPS 2006 special members – Corrective action

Relates to members who have elected for special membership under the first options exercise and to repay their contributions by way of periodic contributions, however, leave part way through their contract and therefore have a number of instalments still outstanding.

The regulations support the fact that the member's decision to leave should not impact their ability to continue to pay for the cost of past service. If the member leaves, or opts out, they have the option to pay all remaining contributions within three months of the leaving date in order to count all of the service. Alternatively, the member can continue to pay periodical contributions as a deferred member.

The LGA expected the options above to have been offered to a member as a matter of course, however, understand that some FRAs have not offered their members these options.

In preparation for the second options exercise, the LGA recommend that corrective action should be taken to address this issue. FRAs should use the time between now and the 2023 options exercise to rectify any such issues where there are regulations in place to do so.

Complete – HR/Payroll have identified 2 affected members, letters have been sent offering them the opportunity to continue to buy back the full service

Service history data for transitional FPS 2015 members

As qualifying service in the FPS 2015 is added to qualifying service in the FPS 1992 or 2006 to determine whether a member with continuity of service qualifies for retirement benefits, any reduction in pensionable service due to an unpaid service break will affect that date by the relevant number of days. FRAs should continue to record and report any days lost to unpaid service to their pension scheme administrator.

For information – HR already have processes in place to notify XPS of days lost to unpaid service

Age discrimination remedy - Data sharing

As part of the data collection exercise for age discrimination remedy FRAs may identify a proportion of cases whereby information such as pensionable pay and contributions are required from another FRA. This is because the member has been subject to an inter-brigade transfer during the remedy period.

FRAs to share pensionable data for members who are subject to age discrimination remedy and have had an inter-brigade transfer during the remedy period with the current FRA's administrator on request.

For information

TPO McCloud factsheet published

On 20 July 2022, TPO published a factsheet on McCloud. The factsheet sets out TPO's views on what affected members and schemes can do now and TPO's present approach to dealing with McCloud complaints. TPO's current general starting position is that it would not investigate McCloud complaints. This is because it acknowledges that the Government is taking steps to address the discrimination with retrospective effect.

FRAs to review the information in the factsheet to ensure they do not fall short of TPO's expectations.

For information

FPS Bulletin 60

Age discrimination eligibility – Factsheet

To be eligible for remedy, a member must have 'remediable service'. The Public Service Pensions and Judicial Offices Act 2022 sets out four conditions which must all be met for service to be considered 'remediable'.

To help FRAs and administrators determine which individuals are in scope for remedy LGA have put together a guide to eligibility factsheet which sets out the conditions in more detail.

FRAs to review the eligibility factsheet and ensure that appropriate action is taken where necessary.

Action – XPS to review the scope of eligible members in line with factsheet and advise CFB of any differences

Abatement guidance updated

Informal abatement guidance was published in FPS Bulletin 57. Since publication, the LGA has been approached by several FRAs asking whether they would be able to share a draft policy. Cumbria FRS has given permission for their retirement, re-engagement and abatement policy to be shared with the sector as an example of best practice.

Complete – MR reviewed Cumbria's policy, no further changes needed to CFBs

FPS Bulletin 61

Immediate Detriment Framework guidance updated

LGA is continuing to explore with the Fire Brigades Union (FBU) and respective legal representatives what, if any, amendments could be agreed to the Immediate Detriment Framework to minimise risk to FRAs and scheme members.

The Immediate Detriment Framework guidance to FRAs available on the age discrimination page of the FPS Regulations and Guidance website has been updated. When the amendments to the Framework are agreed, the guidance will be updated to reflect those changes.

For information

Potential industrial action

The FBU is currently putting in place preparations for a ballot of their members for strike action. The LGA have set out the effect taking strike action will have on an individual's pension rights.

Complete – MR/ED reviewed and incorporated into Industrial Action FAQ document

Member communications following eligibility factsheet

The Fire Technical Working Group (FTWG) suggested at its meeting of 25 July 2022 that all individuals originally determined out of scope should be revisited as best practice. It was agreed that individuals who are now considered to be in scope, after reviewing the remedy eligibility factsheet, should be sent the follow up communication titled 'Originally out of scope - now in scope' and individuals who remain out of scope should be sent the follow up communication titled 'Originally out of scope - still out of scope'. The template letters are available on the prospective remedy page of the FPS Regulations and Guidance website

FRAs to send appropriate follow up communication to all individuals originally determined out of scope.

Action – HR to send out communications as necessary once XPS have undertaken review of those in scope

SAB levy 2022-23

The 2022-23 budget is to be submitted to the minister and the LGA expect that the collection process will start in November/ December 2022. A letter will be sent to Chief Fire Officers to request a purchase order number. Included in the final levy is the employers' voluntary subscription that

FRAs entered into a shared agreement in 2014 in order to fund support with FRAs understanding and management of the FPS.

Action – provide PO once letter received

TPR scheme return

The Pensions Regulator (TPR) is sending out scheme return notices to managers of public service pension schemes in October. Before submitting the scheme return, TPR is urging scheme managers to double check that their details in Exchange are correct. Completing the scheme return is a legal requirement and if scheme managers fail to complete and submit it by the deadline, they could be fined

Action – XPS to complete on our behalf, HR will confirm once submitted

Email 28/09/2022

Matthews – second data collection exercise

We completed a short survey about individuals who are in scope for the second options exercise in Matthews which the Home Office was useful in gaining a better understanding of those affected by both Sargeant and Matthews, and to GAD in their work on costing assumptions.

It has now become apparent that further data is required, which will help GAD estimate the possible impact on scheme liabilities; project scheme cashflows in future years; and develop a calculator for FRAs and administrators to use to process cases during the second options exercise. Additionally, it will help the Home Office in their work to introduce the Matthews remedy including its public sector equality duty, as well as helping us in our work to support the implementation of the second options exercise.

Based on our more detailed responses to the prior data exercise, GAD has selected CFB to be asked to provide further data. They have provided a data collection template and guidance notes.

Action – HR and Payroll to complete the data collection and submit by 25 November 2022

Email 05/10/2022

AFPS CETV Miscalculation Issue

At the Fire Technical Working Group (FTWG) meeting of 7 March 2022 an item on Armed Forces Pension Scheme (AFPS) transfer miscalculation was discussed.

According to the AFPS, CFB has 1 member who have been affected and action to rectify the financial position is required.

Complete – CFB has 1 affected member – HR has made contact with MOD to arrange payment of monies, awaiting receipt of funds