

**STAY
ALERT!**

**CONTROL
THE VIRUS**



**SAVE
LIVES**



FPS Bulletin 36 – August 2020

Welcome to issue 36 of the Firefighters' Pensions Schemes bulletin.

We hope that readers remain safe and well.

Although restrictions on travel and social distancing are gradually easing, face-to-face meetings and training remain suspended for the time being. However, the Bluelight team are available at home by mobile, email or video (MS Teams, Skype, or Zoom).

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 or suggested items for future issues, please email claire.hey@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 claire.hey@local.gov.uk

Table 1: Calendar of events

Event	Date
FPS coffee and catch up	Every second Tuesday from 1 September 2020
Virtual Fire Communications Working Group	7 September 2020
Virtual special SAB	3 September 2020
North East regional FPOG – TBC	16 September 2020
Virtual SAB	17 September 2020
Virtual Firefighter Pensions Technical Community	22 September 2020
Virtual FPS AGM FPS AGM - Day 1 - Tues 22 Sept 2020 FPS AGM - Day 2 - Weds 23 Sept 2020	22-23 September 2020
Fire Finance Network conference	7-8 October 2020
SAB	10 December 2020

Actions arising

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

[Home Office collection of FPS forecasts](#): FRAs in England to submit details of their pension income/expenditure forecasts for the period 2019-20 to 2025-26, by 9 September 2020.

[FPS England - 2020 valuation](#): Administrators to check that information from GAD concerning the data collection spreadsheet has been received.

[PSPS survey – GAD factors](#): Users of GAD factors and guidance notes to complete survey to inform new website design.

[FPS AGM 2020](#): Book your place now!

FPS

Home Office collection of FPS forecasts for 2019-20 to 2025-26

On 3 August 2020 the Home Office emailed all FRAs in England to request submission of their pension income/expenditure forecasts for the period 2019-20 to 2025-26.

The formal commissioning letter at [Appendix 1](#) sets out the centrally prescribed assumptions that must be applied when calculating pension income and expenditure forecasts. The forms can be accessed on DELTA. The deadline for submissions is Wednesday 9 September 2020.

FRAs are also required to complete the Excel table at [Appendix 2](#) in order to declare the local assumptions that they have applied to calculate their pension estimates. The prescribed assumptions that FRAs should use for CPI percentage increases, pay increases and employer contribution rates for the forecasting period have already been pre-populated on the table. Please note that payment of the 2021 Top Up grant will be conditional on its completion and incomplete tables will be returned to FRAs.

For the avoidance of any confusion, there are **two returns required by 9 September 2020:**

1. The online DELTA returns setting out the 6-year forecast of pension income and expenditure.
2. Assumptions returns (email direct to anthony.mooney@homeoffice.gov.uk attaching the completed table above).

FRAs are reminded that forecast pension accounting data is being subjected to an ever-increasing scrutiny and, as such, they should ensure that processes are in place to ensure that they have a robust methodology to calculate these. [Best practice forecasting guidance](#) was published by the Pension Forecasting Working Group in July 2019.

Home Office immediate detriment note published

Readers may be aware that the Home Office issued a note direct to finance directors at FRAs on 21 August 2020 regarding the treatment of immediate detriment cases in the age discrimination proceedings.

While we welcome progress towards arriving at a position for employers to fulfil the terms of the employment tribunal's interim remedy order, unfortunately, the prior commitment to share this note with the LGA before issuing to FRAs was not met by the Home Office so we are now in the position of retrospectively reviewing the note and its implications.

We have received a number of queries from FRAs and stakeholders on the effect of the guidance and have raised a number of points with the Home Office both of a technical nature and confirmation that due consideration has been given to other implications.

At present, given the note is labelled as informal guidance we believe this means that FRAs would still need to make their own interpretations and possibly take legal advice, and therefore does not constitute the detailed guidance that administrators and FRAs would need in order to ensure consistency.

The Home Office have confirmed that they are discussing our questions with colleagues in HM Treasury in order to provide a reply as soon as possible; we have asked them to separately urgently confirm via written reply what they consider the legal status of this document to be and their expectations of FRAs to comply

While we await a response from the Home Office you will need to consider, no doubt along with your legal advisers, whether you feel you have sufficient information and clarity to be able to act upon the guidance at this time.

We will provide a further update, once we have heard further from the Home Office and HMT.

Medical Appeal Boards - service update

You may have been aware that Duradiamond, the current contracted provider of medical appeals, temporarily suspended appeal hearings for three months from the end of March.

We have recently been notified of an email sent from Duradiamond on **7 July 2020** to confirm the following:

"We are pleased to advise that Duradiamond Healthcare is recommencing the organisation and holding of Police and Fire Medical Appeal Board Hearings from this week onwards.

The service will be running in a slightly amended format to begin with to reduce infection risk to board members and the participating parties. Therefore, initial hearings will be held in London in a COVID-19 safe manner. However, we will be in touch with all Authorities who have cases lodged with us to discuss arrangements and attendance in further detail.

In the meantime, please do send any pending cases in to Duradiamond Healthcare and we will acknowledge and process accordingly."

FPS England – 2020 valuation data collection

On 21 August 2020 the Government Actuary's Department (GAD) emailed FPS administrators to confirm the process for accessing the data collection spreadsheet for the 2020 valuation. Due to its size it cannot be delivered by email and instead will be accessible using GAD's secure transfer system.

A further email should now have been sent from workspace@egresscloud.com (or similar address, please check your spam filters as GAD find some firewalls can catch the email). Following the link in this email will take you to the secure data area where you will find a copy of the spreadsheet and a user guide. The spreadsheet is to be used conjunction with the data specification supplied in June. Note the deadline for the return of the completed spreadsheet is 31 December 2020. If you have any issues with the secure transfer area please send an email to Fire.2020Valuation@gad.gov.uk.

Contact details for each administrator were provided to GAD by the LGA, so if you are not aware that either email has been received or you want to check who they were sent to, please email bluelight.pensions@local.gov.uk.

Consultation on FPS Wales

On 10 July 2020, the Welsh Government published a [consultation on various amendments to the various firefighter pension schemes](#) and the 2007 Compensation Scheme in Wales.

The proposed amendments address the Supreme Court rulings of:

- [Walker v Innospec](#), which has resulted in necessary changes to survivor benefits for civil partners and same sex spouses
- [McLaughlin](#), which has affected the pension entitlements of children of unmarried parents

The consultation also covers proposed unrelated amendments to the 1992 Scheme, the New Firefighters' Pension Scheme (Wales) (the 2007 Scheme), and the Firefighters' Pension Scheme Wales) 2015 (the 2015 Scheme) in respect of the calculation of split pensions, pension sharing on divorce, special member commutation factors, and club transfer value payments.

Website and resources update

News archive pages for 2018 and 2019 have been created on the FPS Regulations and Guidance and Scheme Advisory Board (SAB) websites to hold stories from the homepages relating to earlier calendar years.

- [News archive 2018 – Regulations and Guidance](#)
- [News archive 2019 – Regulations and Guidance](#)
- [News archive 2018 – SAB](#)
- [News archive 2019 – SAB](#)

August 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 will be updated on a monthly basis in line with the bulletin release dates.

Queries from earlier months have been grey shaded to differentiate from new items added in August. New queries have been added under the following categories: FPS 2006 special members, ill-health retirement, salary sacrifice, and survivor's pension.

FPS England SAB updates

New Chair of the FPS (England) Scheme Advisory Board

We are delighted to confirm that the [new Chair of the Firefighters' Pension Scheme Advisory Board \(SAB\) of England has been appointed.](#)



Joanne Livingstone begins her four-year appointment as Chair on 17 August 2020.

Joanne has extensive experience relating to pensions across the public and private sectors. She is an Adviser to the Judicial Pensions Committee; she also serves as the Chair of Trustees for the Liberty Europe Pension Scheme and is a Practitioner member of the Actuarial Council among other roles.

Please visit the [SAB Board membership webpage](#) for more information.

SAB informal response to initial HMT remedy thinking

The [HMT consultation on age discrimination](#) references at paragraph 1.21 the informal technical discussions held with scheme administrators and employer and member representatives earlier this year. The Firefighters' Pensions (England) Scheme Advisory Board has now published its [informal response](#) dated 2 April 2020 to those technical discussions.

Within the response the Board highlighted the following points:

- The lack of information available to them in order to fully assess the impact of the proposals, including at that time no mention of post remedy plans
- The considerable challenge administrating the remedy would present to locally administered unfunded schemes
- Concern that a default to the final salary scheme, may not be appropriate for some members in the FPS 2006
- An immediate need for guidance on processing immediate cases.

The Board will submit a full response to the formal consultation by the deadline of 11 October 2020.

COVID-19 FPS governance survey update

To measure the impact of the coronavirus pandemic on FPS governance, the Bluelight team surveyed FRAs during June and July. During that time responses were received from 26 of the 48 Fire and Rescue Authorities (FRAs) in England and Wales, equating to an overall response rate of approximately 54%.

Almost all respondents confirmed that they have held or are planning to hold virtual Local Pension Board (LPB) meetings, with MS Teams being the preferred method. We were pleased to note that two-thirds said they had not experienced any issues with meeting online, although a quarter cited technical difficulties.

In all cases, communication with scheme managers, administrators, and scheme members had not been affected, with just one reported instance of the current situation impacting on communication with the LPB.

Eight in ten respondents did not expect costs in relation to pensions to increase due to COVID-19, and two authorities noted that costs had decreased due to savings on travel expenses for LPB members.

There did not appear to be a high level of concern about any of the following due to changes in working practices: third-party providers e.g. administration, systems, consultants, advisers; potential increase of breaches of law; increased risk of cyber security issues or scams.

Almost 90% of FRAs responding confirmed that their pensions risk register had been amended or there were plans to do so. New risks identified related to business continuity arrangements for administration, potential difficulty in recruitment, and lack of occupational health provision including the suspension of medical appeal boards.

Based on the responses that were received, it is clear that FRAs have taken steps to mitigate any challenges arising from the current situation and are embracing online technology to fulfil their governance responsibilities.

The full report will be issued to the SAB to note at their meeting on 17 September.

Other News and Updates

The Pensions Regulator (TPR) scheme return 2019-20

The statutory TPR scheme return is scheduled to be released in Autumn in line with their usual timescales. A warm-up email will be issued to scheme manager contacts in the coming weeks.

[Information about completing and submitting a public service scheme return](#) can be found on the TPR website. Schemes are advised to make sure that their contact details are up to date on the Exchange system.

For the first time in 2018, TPR asked schemes to measure the data they hold about their members and report this on the annual scheme return. In 2019 the LGA Bluelight team issued updated [guidance on data scoring](#) and a [data score weighting template](#) to allow schemes to assess the likely accuracy of their data and adjust the score accordingly.

PSPS survey – modernisation of GAD's actuarial factors

GAD is in the process of creating a website that will hold actuarial factors and guidance notes for the FPS and is aiming for this to be accessible next year. The website will bring many benefits including having access to all the latest guidance notes and factors in one location. GAD envisages that moving the process of regular factor updates online will allow the process to be more consistent and streamlined, enabling them to provide you with a more efficient service in the future.

GAD need your help

They are in the initial design stages of the website and want to get a better understanding from schemes about how they use GAD's factors and guidance notes so that this feedback can be incorporated into the design of the website. To do this they have created a survey to be completed by administrators and other users of the factor tables and notes.

The [GAD factors guidance feedback survey](#) is to be completed by 20 September 2020.

If you have any technical difficulties in accessing the surveys, please contact GAD immediately on enquiries@gad.gov.uk.

Your views are very important to GAD, and they thank you in advance for your participation in the survey.

The Pensions Ombudsman (TPO) stakeholder newsletter

TPO have published the latest issue of their stakeholder newsletter: [Issue 9 – August 2020](#). The newsletter includes details of TPO's new Chief Operating Officer, a new structure for casework, and an update on the website project.

Earlier communications from TPO and a full history of determinations in relation to the FPS are held on our [TPO webpage](#).

Events

Virtual FPS AGM 22 and 23 September 2020

We are delighted to offer our fire pensions annual conference – this year in a virtual format.

The event will be held across two days, with a governance focus on day 1 followed by virtual networking, and the full technical/ administration AGM on day 2. The theme for this year's sessions is [remedy](#).

[Details of our previous annual conferences can be found here.](#)

Delegates on both days will have the opportunity to meet the [new chair of the England Scheme Advisory Board](#), Joanne Livingstone.

We are pleased to welcome Nick Gannon from TPR on day 1, and a number of guest speakers for the sessions on day 2. Please see the [draft agenda](#) for more details.

The event will be held on Zoom across 22 and 23 September 2020.

If you would like to participate on either or both dates, please click the relevant link/s below:

[FPS AGM - Day 1 - Tues 22 Sept 2020](#)

[FPS AGM - Day 2 - Weds 23 Sept 2020](#)

FPS coffee mornings

We are continuing to run our MS Teams coffee mornings every second Tuesday while social distancing measures remain in place. These 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.

We have taken a break over August due to the traditional holiday period and the next event is scheduled to take place on 1 September 2020.

If you would like to join us, please email bluelight.pensions@local.gov.uk and we will add you to the invite list for the sessions.

HMRC

HMRC newsletters/bulletins

HMRC have published the following newsletters containing important updates and guidance on pension schemes:

[Pension schemes newsletter 122 – 31 July 2020](#)

- Relief at source - Call for evidence: Pensions Tax Relief Administration
- Relief at source - Reporting excess relief
- Relief at source - Annual return of information for the tax year 2019 to 2020
- Collective money purchase benefits (CMPS)
- Managing Pension Schemes service – accounting for tax return

- Guaranteed Minimum Pension (GMP) Equalisation Newsletter – July 2020
- Pension flexibility statistics
- Annual allowance - Pension savings statements for tax year 2019 to 2020
- Annual allowance - Declaring the annual allowance charge on the Self-Assessment tax return
- Qualifying Recognised Overseas Pension Schemes (QROPS) transfer statistics

Pension schemes newsletter 123 – 28 August 2020

- Relief at source – annual returns of information for 2019 to 2020
- Annual return of information:
 - interim repayments
 - residency status reports
- Migration of pension schemes to the Managing pension schemes service
- Managing pension schemes service:
 - multiple scheme administrator IDs
 - multiple scheme practitioner IDs
 - pension scheme accounting
- Annual allowance – pensions savings statements for 2019 to 2020

A reminder to scheme administrators that you must issue annual allowance pension savings statements for tax year 2019 to 2020 to your scheme members who made pension savings of more than the annual allowance to your pension scheme, by 6 October 2020.

You can find more information about this requirement in the Pensions Tax Manual at [PTM167100](#).

Legislation

SI	Reference title
2020/893	The Local Government Pension Scheme (Amendment) (No. 2) Regulations 2020

Useful links

- [The Firefighters' Pensions \(England\) Scheme Advisory Board](#)
- [FPS Regulations and Guidance](#)
- [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](#)
- [LGPS member site](#)

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While every attempt is made to ensure the accuracy of the bulletin, it would be helpful if readers could bring any perceived errors or omissions to the attention of the Bluelight team by emailing bluelight.pensions@local.gov.uk.