

Matthews

- Consultation outcome



Matthews 2(b)

Consultation on proposed amendments launched on 23 December 2024, setting out what elements were under consideration.

Consultation closed on 17 February 2025; response published on 4 December 2025.

Amendments to take effect from 1 April 2026

Aim of the amendments

Support implementation

- Extension of time limits to help FRAs who are overwhelmed with volume of cases.

Address policy inconsistencies

- Parity on conversion options for all cohorts of member.

Mitigate legal challenge

- Payment of missed pension/lump sum and associated survivor benefits.
- Extension to 'additional death grant' eligibility – Now to apply to those who **did not** join under M1.
- Alignment of scheme membership entitlement for individuals who opted out of standard service with those who never joined.

Confirmed amendments



Deceased individuals

- Missed Pension lump sum payments
- Missed survivor pension payments
- Additional death grant
- Extended death grant (misleading wording correction)



Conversion options

- Special Deferred members
- Special Pensioner members who are in receipt of a Member Initiated Early Retirement payment of pension



Lifting of restrictions on opt out cases



Timings

- Flexibility to new provisions beyond 31 March 2026
- 2023 options exercise extension

A word on deaths

1

Death grant for limited period

2

Death grant for extended limited period

+

Additional death grant

Death grant for limited period

Introduced under M1 - [Part 5, 1A](#)

Eligibility: Employed as a retained FF on or after 1 July 2000 and died before 6 April 2006 (whilst still employed)

Entitlement: 2.5 x pensionable pay in last year of service

Beneficiary: 1. Spouse/civil partner 2. Child*

- *if not married or in civil partnership.
- Has to meet child definition – See [Part 4, Paragraph 7](#)

Deadline: 31 March 2015

Death grant for extended limited period

Introduced under M2 - [Part 5, 1B](#)

Eligibility: Employed as a retained FF on or after 7 April 2000 and died before 6 April 2006 (whilst still employed)

Entitlement – In two parts

- 1. Basic death grant: $2.5 \times$ pensionable pay in last year of service, plus
 - 2. Additional death grant*: $0.1 \times$ pensionable pay in last year of service \times complete years of service during which the deceased was employed before 7 April 2000
- *Only payable to those who first took up employment as a retained FF before 7 April 2000.

No basic death grant is payable under this section if a death grant has been paid under rule 1A of this Part in relation to the deceased

Beneficiary: 1. Spouse/civil partner 2. Child*

- *if not married or in civil partnership.
- Has to meet child definition – See [Part 4, Paragraph 7](#)

Deadline: 31 March 2025

Additional death grant

Introduced under M2 - [Part 5, 1C](#)

Eligibility

1. First took up employment as a retained FF before 1 July 2000, and
2. Elected to join the scheme under M1, and
3. Died before 31 March 2025 **and** before making an election under M2

Entitlement: $0.1 \times \text{pensionable pay in last year of service} \times \text{complete years of service during which the deceased was employed before 1 July 2000}$

Beneficiary: 1. Spouse/civil partner 2. Child*

- *if not married or in civil partnership.
- Has to meet child definition – See [Part 4, Paragraph 7](#)

Deadline: 31 March 2025

New death provisions



Payment of 'missed' pension lump sum



Payment of survivor missed pension



Amendment to eligibility criteria for 'additional death grant' payment

Missed pension lump sum

Scope

1. [Eligible](#) for M1 and/or M2,
2. Died before purchasing their full entitlement under Matthews, **and**
3. Would have been entitled to receive their special pension payments or increased special pension payments prior to their death.

Entitlement

- Payment of 'lost' pension
- Gross pension entitlement, including interest and PI but less member contributions
- The figures to be based on post commutation amounts
- Date of payment and interest accrual shall be assumed as the date the member would have become entitled to receive their pension payments.
- No conversion for those who were Standard members of FPS 2006
- Benefits for Standard service will have already been crystallised

Beneficiaries

- Expected that any beneficiary will have to apply – not an automatic right.
- Applications to contain 'as much information as possible'
- Evidence of entitlement **must** be provided
- Further clarity needed on hierarchy of beneficiary – Consultation talks about the deceased survivor (expected spouse, civil partner and possibly children) and estate.

Survivors missed pension payment

Eligibility

- Applicable to survivors of individuals identified as eligible for a missed pension lump sum
- Clarity needed on scope of beneficiary, expected to be spouse/civil partner and eligible children
 - Expected that they would have to meet child definition – [Part 4, Paragraph 7](#)

Out of scope

- Need clarity from SI

Entitlement

- $0.1 \times$ the deceased member's pensionable pay for each full qualifying year of service that is used to calculate the missed pension lump sum (to include interest)

Extension to Additional Death Grant

Widen the eligibility criteria to include

- Eligible individuals who could have joined under M1, but either chose not to or were not given reasonable opportunity, and
- Died before making an election under M2

Entitlement

- $0.1 \times$ pensionable pay in last year of service \times complete years of service during which the deceased was employed (capped to 31 March 2015)

Beneficiary: 1. Spouse/civil partner 2. Child*

- *if not married or in civil partnership.
- Has to meet child definition – See [Part 4, Paragraph 7](#)

Extension of conversion

Widen the scope to include

- Special deferred members, and
- Special pensioners in receipt of a Member Initiated Early Retirement (MIER)

What will new provisions allow?

- They will provide equity across the cohorts
- Continuous elements of Standard service will be permitted to be converted
- It will apply to:
 - Individuals who are currently in receipt of a standard deferred pension, and
 - Individuals who have an entitlement to a standard deferred pension which has not yet come into payment.

‘Opted Out’ periods to be in scope

Current position

- Member treated as Special Deferred
- Service from date joined FPS 2006 to date of opt out remains Standard .
- Can purchase Special service from start date of unbroken retained employment up until the date they joined FPS 2006.

New position

- All service from start date of unbroken retained employment to 31/03/2015 can be purchased and treated as Special service, to include:
 - Conversion of Standard FPS 2006 to Special
 - Period of retained opted out service.

Deadlines

Overall extension

- Provisions under M2 to be extended by an additional 12 months
- Extension from date of SI
- New deadline expected to be 31 March 2027

Additional flexibility for new provisions

- Deadline to mirror overall extension – 31 March 2027
- Regulations to allow for cases which cannot be identified
 - Not clear on whether this will be indefinite

Identification of cases

Missed pension lump sums

- Were they eligible for M1/M2?
- Did they die before purchasing their 'full entitlement'?
- Would they have met the criteria for having their pension paid before their death?

Survivor missed pension payment

- Has a Missed pension lump sum been identified?
- Are there any beneficiaries (spouse, civil partner, or eligible children)?

Additional death grant extension

- Were they eligible for M1 but either chose not to or were not given reasonable opportunity?
- Did they die before making an election under M2?

Conversion cases

- To identify all cases which were treated as Special Deferred members
- Do they have any consecutive Standard service?

Optant outs

- To identify all cases which were treated as Special Deferred members
- Do they have a period of opted out service that relates to their unbroken retained role?

Any questions



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Thank you for listening!

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