

# FPS Induction Training

**The Bluelight Team**

8 May 2025

[www.local.gov.uk](http://www.local.gov.uk)

# Agenda

Welcome and Introductions

Introduction to the Firefighters' Pension Scheme(s) (FPS)

Sargeant and Matthews

Contingent Decisions

Retirement Process

- Ill Health and injury retirement
- Re-engagement and abatement
- Protected Pension Age
- Authority Initiated Retirement

What else?

- BAU
  - Local Pension Boards
  - Case Law
  - Pensions Litigations – past and present
  - Pensions Dashboards
  - Discretions
  - Reference materials
-



# Introductions

## Bluelight team

**Tara Atkins**

Senior Firefighters' Pension Adviser

**Jill Swift (commences 9 June 2025)**

Firefighters' Pensions Adviser

**Vivian Jones**

Programme Support Officer

**Claire Johnson (on maternity leave)**

Senior Firefighters' Pension Adviser

**[Bluelightpensions@local.gov.uk](mailto:Bluelightpensions@local.gov.uk)**

# Why are we here?



# Role and responsibilities

To support scheme managers with their responsibilities for the administration and management of the FPS.

- Provide central guidance and support on national issues.
- Provide regular training and access to [forums and groups](#), and [events and conferences](#).
- Provide technical support on matters relating to the FPS.

To provide effective and professional support for the governance arrangements of the Firefighters (England) Scheme Advisory Board and its members.

- Support the facilitation of meetings of the Board and its sub committees.
- Ensure that the Board has relevant advisors at its disposal.
- Support the Board with their duties in relation to LPBs

# The Bluelight Team

## DO:

Advise

Guide

Help

Steer

## DO NOT:

Police

Inspect

Regulate

Report

Whistle blow

Do it for you

# Time to hear from you....



Name



Where do you work



What's your role



How long have you been in this post?



What are the challenges you are facing



What do you want to achieve from today's training?

## Who else is involved?

- Scheme Advisory Board (SAB)
- Home Office (HO)/MHCLG
- Government Actuary's Department (GAD)
- Treasury (HMT)
- Unions





# Scheme manager

- Defined in law as the Fire & Rescue Authority [[Rule 4](#)]
- Responsible for managing and administering the FPS 2015 and any connected scheme (i.e. FPS 1992, FPS 2006 and Special FPS 2006)
- Provision to delegate under the regulations [[Rule 5](#)]
- Delegated scheme manager should sit within the senior management team
- [Scheme manager factsheet](#)



# Administration and management

- There are 44 Fire & Rescue Authorities in England
- Responsible for the management and administration of the scheme and are defined in law as the [scheme manager](#)
- This responsibility is managed differently within each FRA depending on their governance arrangements
- Each FRA is required to administer the scheme



# Administrator

- Appointed to run day to day scheme administration
- All legal responsibilities remain with the scheme manager
  - They do not make Scheme manager decisions
- Typical duties include paying pensions, issuing Annual Benefit Statements, Remediable Service Statements and Pension Saving Statements
- Currently 11 different pension administrators across the 44 FRAs, a list of Authorities and their administrators can be found [here](#).

# Introduction to the Firefighter Pension Scheme(s)

# Fire Service Employees

## Grey Book – Fire Pension Scheme (FPS)

## Green Book – Local Government Pension Scheme (LGPS)

[Local Government Pension Scheme \(LGPS\) - GOV.UK \(www.gov.uk\)](http://www.gov.uk)



# Who do you think is eligible



# Eligibility

## Regular firefighter

*A person who is employed -*

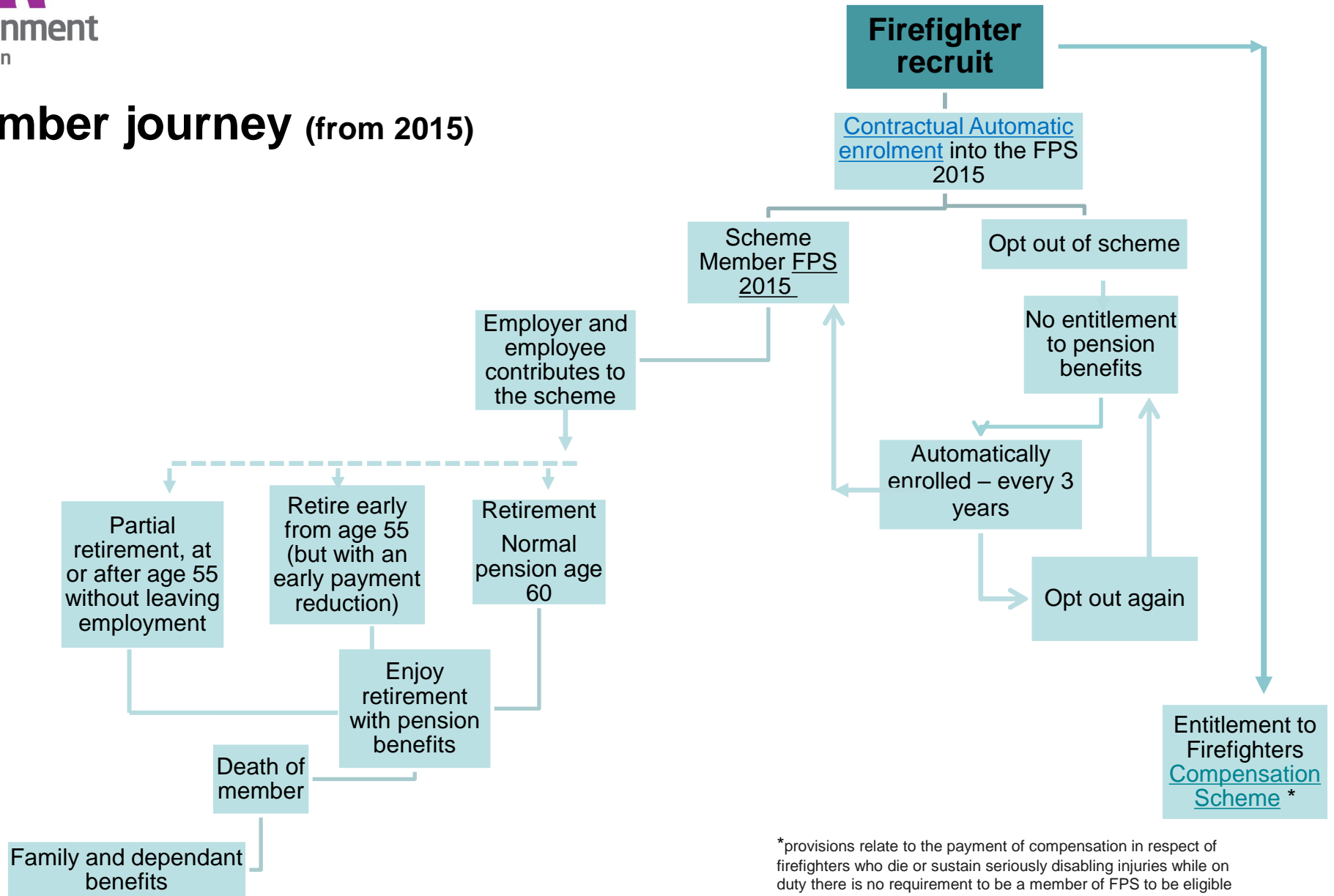
- *by a fire and rescue authority as a firefighter (whether whole-time or part-time), other than as a retained or volunteer firefighter; and*
- *on terms under which he is, or may be, required to engage in fire-fighting or, without a break in continuity of such employment, may be required to perform other duties appropriate to his role as a firefighter (whether instead of, or in addition to, engaging in fire-fighting) and **whose employment is not temporary**;*

## Retained firefighter

*A person who is employed by an authority -*

- *as a retained firefighter, but not as a regular firefighter or a volunteer firefighter,*
- *on terms under which he is, or may be, required to engage in fire-fighting or, without a break in continuity of such employment, may be required to perform other duties appropriate to his role as a firefighter (whether instead of, or in addition to, engaging in fire-fighting),*
- ***otherwise than in a temporary capacity,***  
*and*
- *who is obliged to attend at such time as the officer in charge considers necessary, and in accordance with the orders that he receives;*

## Member journey (from 2015)



\*provisions relate to the payment of compensation in respect of firefighters who die or sustain seriously disabling injuries while on duty there is no requirement to be a member of FPS to be eligible



# Pension Scheme Enrolment.

## Contractual Enrolment

FPS regulations require for an employee who is eligible to be enrolled into the FPS, by virtue of their contract of employment.

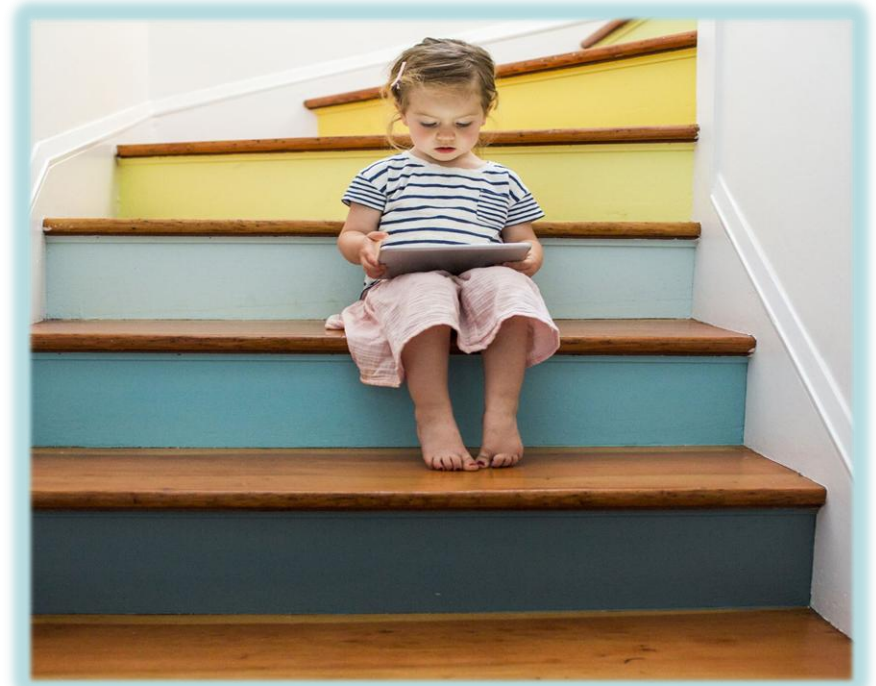
The FPS is a 'qualifying' workplace pension for purposes of auto enrolment. If a member opts out of the FPS following contractual enrolment FRAs are required to reenrol them on their relevant automatic reenrolment date.

[Opting in, joining and contractual enrolment - automatic enrolment detailed guidance for employers | The Pensions Regulator](#)

## Automatic Enrolment

Under the Pensions Act 2008, [regulations](#) were introduced that require employers in the UK to enrol their employees into a workplace pension scheme and contribute towards it.

# Maternity / Adoption / Parental / Carers Leave



# Contributions during child-related leave

- During child-related leave the member pays contributions on whatever rate of pensionable pay received (including statutory pay).
- If the member is not entitled to receive any pensionable/statutory pay during a period of **ordinary** maternity, paternity or ordinary adoption leave, they would be treated as if they had paid contributions.
- If the member is not entitled to receive any pensionable/statutory pay during a period of **additional** maternity or adoption leave, parental leave or shared parental leave, there is the option to pay contributions on "assumed pensionable pay", i.e. the pensionable pay that would have received but for the leave.
- Payment can be made, within certain time limits, by lump sum or in instalments from your salary, as agreed with your employer. The FRA would pay employer contributions on the assumed pensionable pay.

# Background to the Firefighters' Pension Schemes

Up to 20 years ago...  
there was one scheme



# 1992 Firefighter Pension Scheme

- Open to regular firefighters
- Final Salary scheme
- 1/60<sup>th</sup> accrual rate
- Double accrual after 20 years
- Maximum service is 30 years
- Earliest retirement age 50 (with at least 25 years' service). Restriction on lump sum
- Normal retirement age 55 (irrespective of service)
- Can commute up to 25% of pension (but may be subject to unauthorised payment charges)
- Actuarial commutation factors
- Injury benefits
- Built in ill-health benefits/life cover
- Pension for Widow's/Children
- Deferred pension age 60
- Closed to new entrants from 06/04/2006

# Then in 2006...





# 2006 Firefighter Pension Scheme

- Open to regular and retained firefighters from 6<sup>th</sup> April 2006
- 1/60<sup>th</sup> accrual rate
- Maximum service 40 years
- Retirement age 60
- Earliest retirement age 55 (subject to reductions)
- Final Salary Scheme
- Commutation based on 1 : 12 ratio
- Can commute up to the lesser of 25% of pension or amount before unauthorised payment charge is applicable
- Built in ill health benefits/life cover
- Pension benefits for Partners/Children
- Deferred pension age 65

# Entitlement to 'two pensions' (final salary schemes only)

"Two pension" option if a firefighter has a reduction in pensionable pay when taking up a different role or becomes entitled to a lower rate of pay in an existing role.

Pension rights before the reduction in pay are "preserved" as a deferred pension and new pension rights start to accrue in respect of the period of service after the reduction.

The first pension would be based on the pay pre-reduction, the second pension would be based on the pay post-reduction.

Both pensions would become payable when the member is eligible to receive the second pension.

If, at retirement the member would have been better off by not splitting their pension rights, they can ask the authority to cancel the split award and base their pension on their total pensionable service and final average pensionable pay.



# Additional Pension Benefits (APBs)

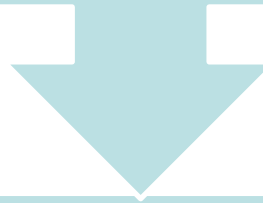
- Form of contributions-based pension paid in addition to the main final salary
- Normally paid to cater for other elements of pay which may not be permanent and does not form part of the final salary calculation e.g. Continual Professional Development (CPD) payments.
- Only applicable under 1992 FPS and 2006 FPS
- Member pays basic pension contributions on the relevant element of pay, and the authority pays contributions at the employer's contribution rate.
- contributions which have been paid by the member and the authority over the previous 12 months are totalled on every 1 July.
- sum is then used to “buy” an amount of APB for that year by reference to factors provided by the Scheme Actuary.
- APB at the end of each year are index-linked
- They are totalled and paid to the member as an additional pension when they become eligible to receive their main pension

# Pay definition – Final Salary

- Average pensionable pay over last 365 days, from last day of service. e.g. if last day of service was 30.11.2024, pay would be the average over the period 01.12.2023 to 30.11.2024.
- If either of the two preceding periods of 365 days would produce a greater amount, the final pensionable pay from one of those earlier periods could be substituted for the final year's pay. The pay would be the greater of the following periods (assume last day is 30.11.2024):
  - Final year – 01.12.2023 – 30.11.2024
  - Year 2 – 01.12.2022 – 30.11.2023
  - Year 3 – 01.12.2021 – 30.11.2022
- Pensionable pay only includes permanent pay elements only. Temporary promotion or acting up not included in pay
- For retained members their pensionable service will be pro-rated to reflect the hours, the final pensionable pay used in the pension calculation will be the final pensionable pay they could have counted if they had been a wholetime firefighter.

# Compensation scheme

## Firefighters' Compensation Scheme –



The provision for the payment of pensions, allowances and gratuities to and in respect of persons who die or are permanently disabled as the result of an injury sustained or disease contracted while employed by a fire and rescue authority

# Compensation scheme

- Scheme applies to 'regular' and 'retained' firefighters, and their spouses or civil partners and dependents
- Qualifying injury (Injury includes disease)
  - received by a person, without his own default, in the exercise of his duties as a regular or retained firefighter
- Qualifying injury in the 'exercise of his duties as a regular or retained firefighter'
- Degrees of disablement
  - Extent the qualifying injury has caused or contributed to the permanent disablement
  - Determined by the degree to which their earnings capacity has been affected as a result of a qualifying injury
- Not eligible if employment is temporary
- Requirement of the FRA to carry out reviews of injury pension awards
- Qualifying member needs to make a claim for certain DWP benefits e.g. Industrial Injuries Disablement Benefits, Employment & Support Allowance

# What happened next



In 2010 the coalition government commissioned Lord Hutton to review public sector pensions. In his [final report](#) in 2011 Lord Hutton recommended that the existing final salary pension schemes should be closed and a new pension scheme made available for public sector workers.

# From 2015...



# Special Members of the 2006 Firefighter Pension Scheme

- Ability for retained/on-call employees excluded from a scheme from 2000-06 to join a scheme similar to the FPS 1992.
- Benefits reflect 1992 scheme (in part)
- Incorporated into 2006 scheme
- Accrual rate 1/45th
- Normal pension age 55
- Deferred pension age 60
- Can commute up to the lesser of 25% of pension or amount before unauthorised payment charge is applicable
- Commutation based on 1:12 ratio
- Built in ill health benefits/life cover
- Pension benefits for Partners/Children
- The options exercise ended September 2015



# 2015 Firefighter Pension Scheme

- All members transferred in April 2015
- Transitional protections apply for existing members of 1992/2006 scheme
- Accrual rate 1/59.7ths
- Retirement Age 60
- Earliest retirement age 55 (subject to reductions)
- Career Average scheme
- Can commute up to the lesser of 25% of pension or amount before unauthorised payment charge is applicable
- Actuarial commutation factors
- Scheme year runs from 1 April to 31 March
- In-service revaluation applied each year
- Age addition increases applicable
- Individual Pension accounts
- Deferred pension age equal to State Pension Age (min 65)



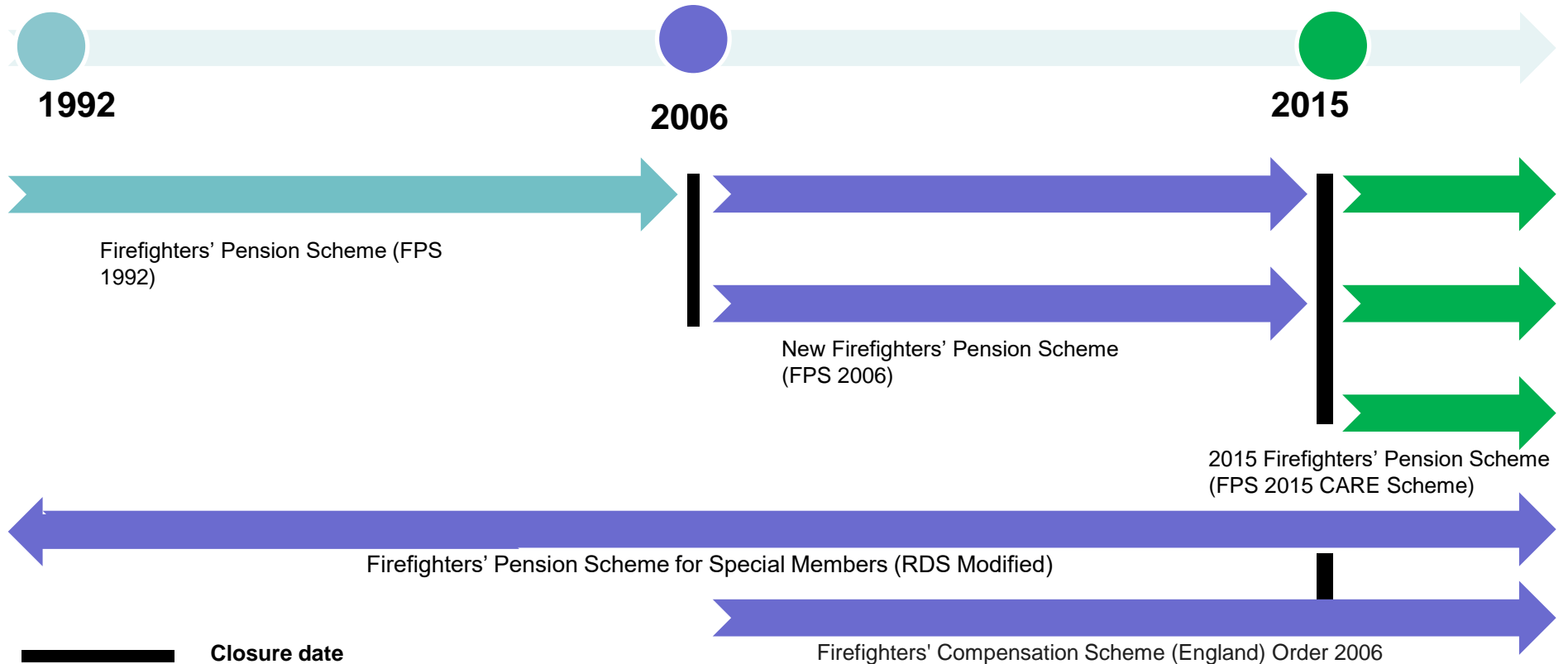
# Pay definition – CARE benefits

- Calculated each scheme year (1 April to 31 March)
- pay received for the performance of the duties of the role, except for any allowances or emoluments paid on a temporary basis;
- permanent emoluments (including, in the case of a retained firefighter, any retaining allowance)
- the amount foregone if the member agreed to surrender the right to receive part of their pensionable pay in exchange for the employer providing a non-cash benefit (this is sometimes referred to as "salary sacrifice");
- the amount paid for continued professional development if the authority has determined that this should be pensionable.

# Now from 2022....



# Firefighter Pension Scheme – Timeline



# Scheme comparison

Feature	1992 Scheme	2006 Standard Scheme	2006 Scheme Special Members	2015 Scheme
Basis of pension	Final Salary	Final Salary	Final Salary	(CARE)
Accrual rate	40/60ths 1/60 <sup>th</sup> (2/60 <sup>th</sup> after 20 years)	1/60 <sup>th</sup>	1/45 <sup>th</sup>	1/59.7 <sup>th</sup>
Benefit / Membership Cap	30 years	45 years	30 years	None
Normal pension age	55	60	55	60
Deferred pension age	60	65	60	State Pension Age
Revaluation rate	n/a	n/a	n/a	Average Weekly Earnings

# Sargeant and Matthews

# Two major projects



**Sargeant**

**Matthews**

## Central support

	Sargeant	Matthews
<b>FPS Websites</b>	<p><a href="#">FPS Regulations and guidance website</a></p> <ul style="list-style-type: none"> <li>Specific section on the <a href="#">age discrimination remedy</a> <ul style="list-style-type: none"> <li>Sargeant <a href="#">website index</a></li> </ul> </li> </ul> <p><a href="#">FPS Member website</a></p> <ul style="list-style-type: none"> <li>Specific section on the <a href="#">age discrimination remedy</a></li> <li>Member <a href="#">FAQs</a></li> <li>Member factsheets</li> </ul>	<p><a href="#">FPS Regulations and guidance website</a></p> <ul style="list-style-type: none"> <li>Specific section on the <a href="#">Matthews exercise</a>. <ul style="list-style-type: none"> <li>Matthews <a href="#">website index</a></li> </ul> </li> </ul> <p><a href="#">FPS Member website</a></p> <ul style="list-style-type: none"> <li>Specific section on the <a href="#">Matthews exercise</a>.</li> <li>Member <a href="#">FAQs</a></li> <li>Member <a href="#">guides</a></li> </ul>
<b>LGA Communications</b>	<p>Monthly <a href="#">bulletins</a> Regular '<a href="#">coffee mornings</a>' Bank of supporting documentation aimed at scheme managers and administrators</p>	

# Examples of resource pages

## Retrospective remedy

For the remedy period (i.e. the period of discrimination 1 April 2015 to 31 March 2022), eligible members will be able to choose to receive legacy pension scheme benefits or benefits equivalent to those available under the reformed pension scheme. This choice will be offered at retirement on what is known as Deferred Choice Underpin (DCU) [Checked out](#)

The DCU approach means the member does not need to make a choice until they reach retirement age.

Benefits accrued under the reformed scheme for all eligible members will be converted to legacy scheme benefits (their former final salary scheme) for the whole of their service in the remedy period. The benefits accrued in the reformed scheme will be kept and treated as an underpinned record.

At retirement, they will then be offered a choice of the legacy benefits or the reformed benefits for the remedied period.

The provision definition documents (PDDs) that define the provisions of the [Public Service Pensions and Judicial Offices Act 2022](#) (PSPJOA 2022) for each area of the retrospective remedy have been finalised and the Home Office is working with stakeholders to develop scheme specific policy. These discussions will help to inform the drafting of secondary legislation, ahead of formal consultation early in 2023.

The regulations came into force on 1 October 2023.

The following documents have been split into categories that relate to the retrospective remedy:

Compensation	✓
Contingent Decisions	✓
Contribution adjustments	✓
Data Sharing	✓
Factsheets, Tools and Notes	✓
Ill Health factsheet and supporting documents	✓
Remediable powers to reduce or waive liabilities	✓
Tax regulations and HMT Directions	✓
Warm up communications and follow up letters	✓

## Second Options Exercise

Following the first options exercise carried out between 2014 and 2015, the timetable below sets out the events that have happened to legislate for the second options exercise. [Of 14/11](#)

14 March 2022

More recently, work has again had to take place on the pensions aspect of this case, following the European Court of Justice's decision in [O'Brien v Ministry of Justice](#) concerning fee paid judges in the Judicial Pension Scheme. The judgment held that remedy could extend back before the Part-time Workers Directive was required to be implemented on 7 April 2000. As a binding judgment, that finding applies across all such claims and therefore the UK Government recognised the right applies to retained firefighters' claims or potential claims.

After an extended period of negotiations on the scope and mechanics of the settlement, a [Memorandum of Understanding \(MoU\) was agreed by all parties on 9 March 2022](#). Remedy for retained firefighters affected by the O'Brien judgment will be provided by way of a second options exercise allowing in scope individuals the opportunity to purchase pension entitlement as a special member of the FPS 2006.

31 March 2023

On 31 March 2023, the Home Office launched their formal consultation on [Retained Firefighters' Pensions: Proposed Changes to the Firefighters' Pension Scheme \(England\) 2006](#)

This consultation focuses on the government's commitment to provide further remedy to those individuals who were employed as retained firefighters between 7 April 2000 and 5 April 2006 inclusive by providing access to the modified section of Firefighters' Pension Scheme 2006 (referred to as 'the modified scheme'). It contains the proposed amendments to the Firefighters' Pension Scheme (England) Order 2006 and the Firemen's Pension Scheme Order 1992 to achieve this outcome. This consultation document seeks views on proposals for achieving this outcome, and whether the proposed amendments achieve this policy intention for all eligible individuals.

The consultation will close on 9 June 2023.

8 September 2023

On 8 September 2023, the Home Office published their [consultation response to the Retained Firefighters' Pensions: Proposed Changes to the Firefighters' Pension Scheme \(England\) 2006](#).

The [Firefighters' Pension Schemes \(England\) \(Amendment\) Order 2023](#) were laid in Parliament.

The regulations came into Force on 1 October 2023.

9 July 2024

Following the regulations coming into force on 1 October 2023, there has been/is significant interest from those individuals who are in scope for this second options exercise, with some FRAs having received/are receiving large volumes of Expressions of Interest forms. To support the sector in progressing the Matthews implementation, the SAB have agreed that it would be sensible to have a suggestive priority order for the processing of Matthews cases.

The priority has been agreed as follows:

- **Priority 1 – Immediate entitlement i.e. Special Pensioners or potential to be a Special Pensioner**
  - Individuals who currently have no benefits in payment but would be immediately entitled to a backdated award should they elect for Matthews.
  - Individuals who currently have a pension in payment and would be due a top-up if they elected for Matthews
  - Deferred Benefits (DB) into payment i.e. an individual who is over age 60 and has a DB entitlement under Matthews
  - Potential ill health cases
    - These could either be active Firefighters who are known to be suffering from ill health or individuals who have left the FRs and are either currently a deferred member or are entitled to be a deferred member under Matthews.
  - Deceased cases
- **Priority 2 – Imminent entitlement**
  - Special Firefighters or Special Deferred but entitled to become a Special Pensioner before **31 March 2025**
- **Priority 3 – Not immediate/imminent**
  - Special Firefighters or Special Deferred but **not** entitled to become a Special Pensioner before **31 March 2025**

A template [Matthews - Priority order letter](#) is available for FRA's to use to explain the reason for the delay in providing calculations.

Not dealing with the Matthews exercise in the legislative timeframe will result in a breach which, if deemed material, will require reporting to The Pension Regulator (TPR).

Guides and other communications related to the second options exercise are listed in the table below split between member and employer.

Stakeholder request for cases	✓
Employer guidance and information	✓
Data sharing	✓
Member communications	✓



# Website indexes

You are here: [Home](#) / [Age discrimination remedy](#) / Website index



## Website index

In the legal case known as Sargeant, the Court of Appeal found that the transitional protections in the Firefighters' Pension Scheme unlawfully discriminated against certain members of the scheme. This case made its way through the legal proceedings and in December 2019 the employment tribunal made an interim order that treated claimants as having satisfied the age criteria regardless of their actual age, thereby providing protection to those members to be treated as members of FPS 1992. [Edit](#)

There are dedicated pages within the website that cover Remedy. This page includes a document which sets out what information is available on each of those pages.

Document	Published
<a href="#">Website index</a>	PDF, 82 pages, 1,852kb) 27 January 2025

You are here: [Home](#) / [Special members of FPS 2006](#) / Website index



## Matthews website Index

Stakeholders will be aware of the category of members of the Firefighters' Pension Scheme 2006 (FPS 2006) known as "special members" who were introduced in 2014, following [Matthews v Kent and Medway Towns Fire Authority & others](#), which allowed retained firefighters employed between 1 July 2000 and 5 April 2006 to join the FPS 2006 with retrospective effect to 1 July 2000. [Edit](#)

Following the introduction of the Part-Time Workers (Prevention of Less Favourable Treatment) Regulations 2000, a claim was made by a number of retained firefighters that they should receive equal treatment with full-time regular firefighters and thereby be able to access pension benefits under the Firefighters' Pension Scheme 1992 (FPS 1992). The claim proceeded through the Employment Tribunal and Court of Appeal before judgment was given in the House of Lords in favour of the retained firefighters.

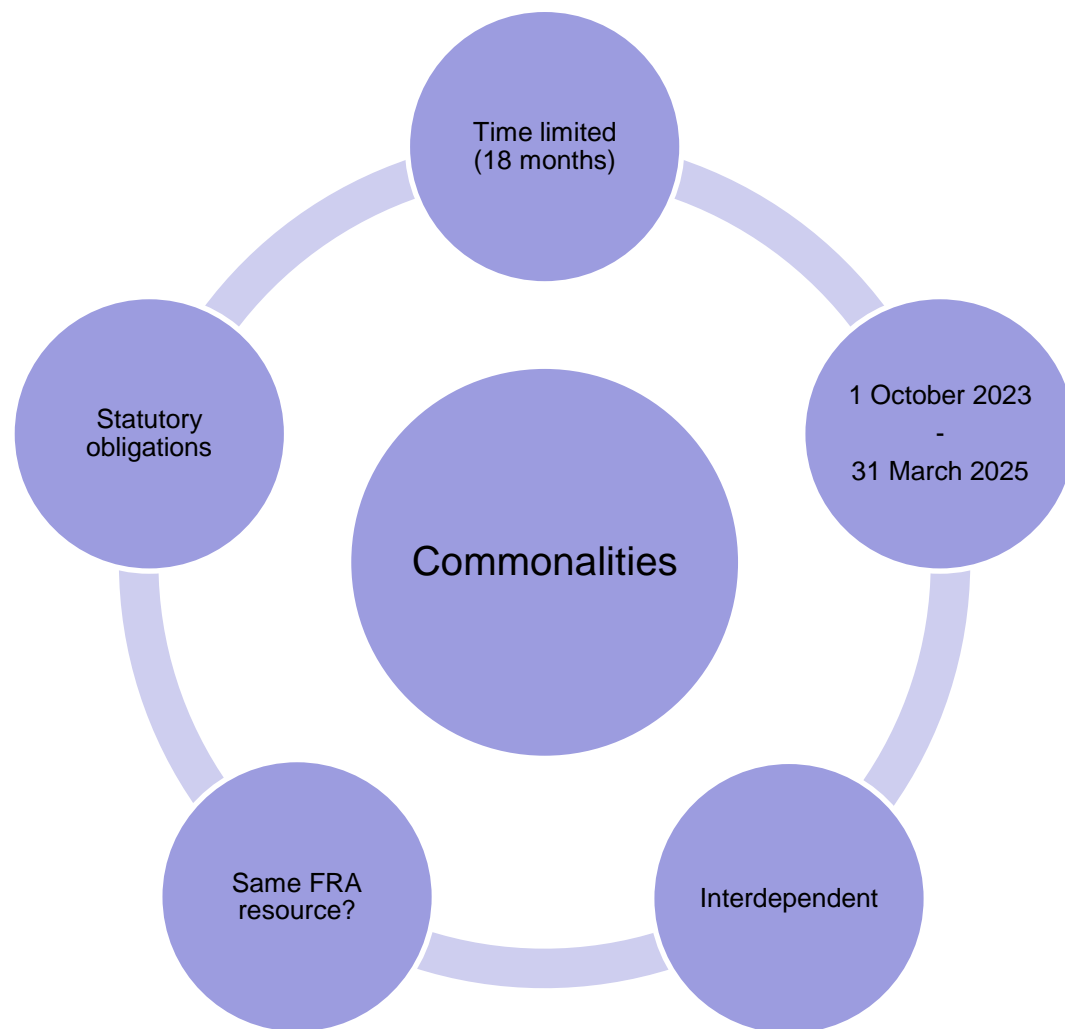
Although, since 6 April 2006, retained firefighters have been eligible to join the FPS 2006, the House of Lords judgment allowed those who were serving during the period 1 July 2000 to the date on which they elected to join the FPS 2006, to have special provisions which generally reflect the rules of the FPS 1992. They could not be given backdated membership of FPS 1992 because that scheme is now closed. Consequently FPS 2006 was amended to introduce pension benefits for these "special" retained firefighters.

The relevant information relating to the two options exercise in 2014 and 2023 are shown on the relevant pages relating to each exercise. This page includes a document which sets out what information is available on each of those pages.

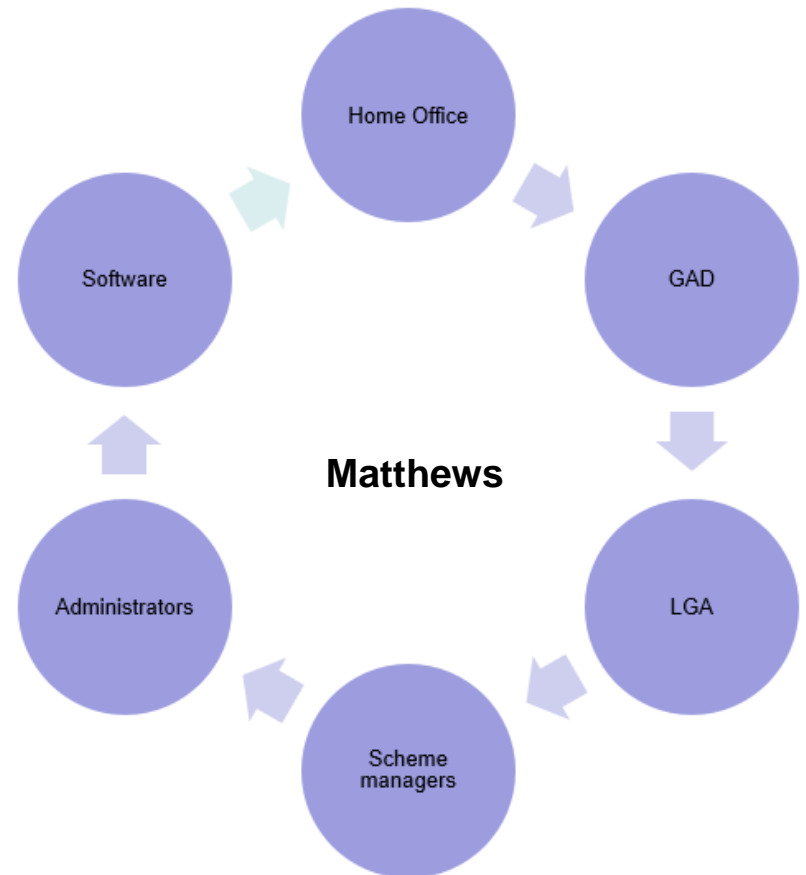
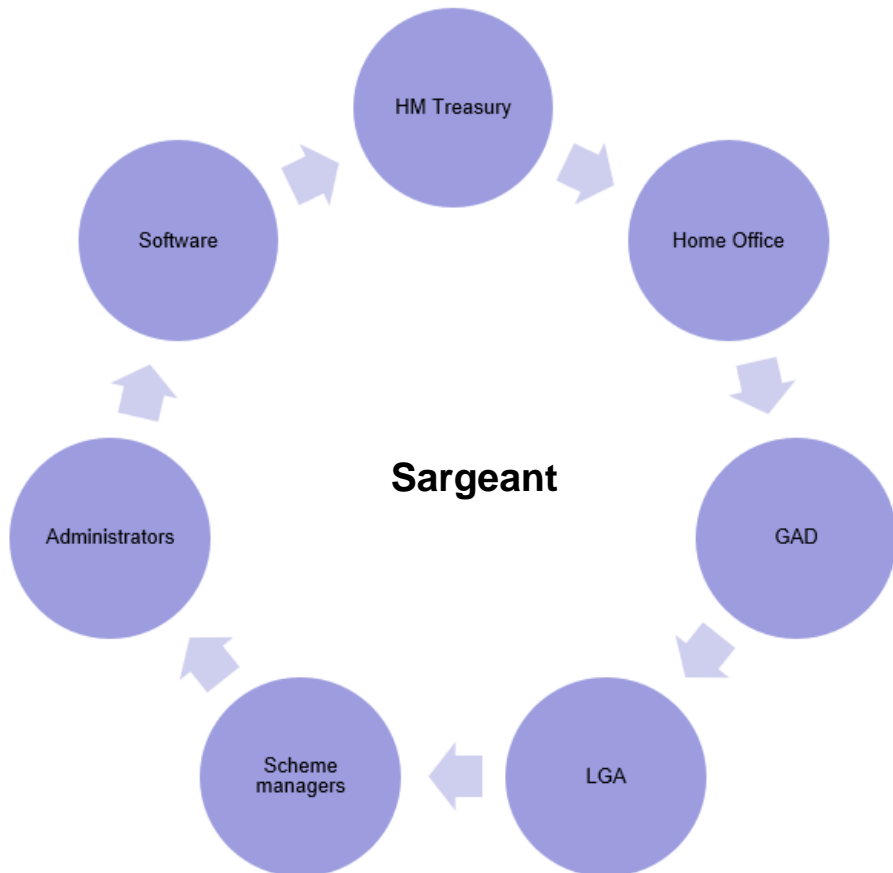
Document	Published
<a href="#">Website index</a>	PDF, 31 pages, 868kb) 27 January 2025

# What do you know?





## Stakeholders



# Sargeant

## Age discrimination remedy

- McCloud
- 2015 remedy

## Public sector pension reform

- 2011 – [Lord Hutton report](#)
  - Removal of final salary scheme
  - No protection required for existing members
- 2014 - Firefighters' Pension Scheme regulations 2014
  - Introduction of Career Average Scheme from 1 April 2015
  - Full protection for members over age 55 on 31 March 2012
  - Taper protection based on age until 31 March 2022
  - No protection for members aged 45 and under

# Legal challenge by FBU

## Two aims

- Did government have a legitimate aim in providing protection and tapered protection?, and
- Was the aim achieved proportionately?

## Series of Employment Tribunals

- [January 2017](#) – Judge found in favour of the Government
  - But what about the Judiciary Pension Scheme?
- [December 2017](#) - Judiciary and fire heard together by Employment Appeal Tribunal
  - Judges = found in their favour
  - Fire = found in favour of the government on the legitimate aim but questioned the law used on proportionately (used EU instead of UK)
- [November 2018](#) – Court of Appeal (CoA)
  - Panel of 3 judges
  - Findings were that the government should have justified the discriminatory impact but that it had failed to do so, and therefore justification on the grounds of legitimate aims must **fail**.
  - Further deliberation over the question on proportionality of means were dismissed.
  - Dismissed automatic right to submit an appeal to Supreme Court

# Government accept the judgement

15 July 2019

- Government made [written statement HCWS1725](#) accepting the Court's decision and confirming their intention to engage with the ET to agree remedy.
- The written statement confirmed that remedy would apply across all public sector schemes.
- Confirmation that it would apply to both claimants and non-claimants equally.

## Discrimination to be removed in two parts

- Prospectively
  - 2022
    - [Public Service Pensions and Judicial Offices Act \(PSPJOA\) 2022](#)
    - [The Police and Firefighters' Pension Schemes \(Amendment\) Regulations 2022](#)
- Retrospectively
  - 2023
    - [The Firefighters' Pensions \(Remediable Service\) Regulations 2023](#)

# Key provisions

From 1 April 2022, all members build up service in FPS 2015, removing future discrimination.



All affected members “roll back” to final salary scheme with effect from 1 April 2015 to rectify past discrimination.



As members may have been better off under reform, they will be offered a choice to receive CARE benefits for the remedy period 1 April 2015 to 31 March 2022 – deferred choice underpin (DCU).



Choice will be made “immediately” (retired/ deceased members) or at retirement (active/ deferred members)



# Age Discrimination Remedy - GAD Tax and Contribution Calculator

The Governments Actuary's (GAD) calculator calculates the contribution adjustments, tax relief on contribution adjustments and interest on those adjustments as required by the Age Discrimination remedy

## McCloud tax and contributions calculator

Interest calculations are based on NS&I rates (Director Saver) – the NS&I rates have changed often the current rate from 3.30% from 5 March 2025. [Historical rates](#)

# Compensation

Section 23 [Public Service Pensions and Judicial Offices Act 2022](#) provides a permissive power for scheme managers to pay compensation in respect of compensatable losses incurred by members because of the discrimination, or because of putting members in the same pension position they would have been in but for the discrimination.

# Compensation – rules



The loss is attributable to the breach of the non-discrimination rule that arose from the application of an exception to Section 18(1) of the Public Service Pensions Act 2014 (i.e. the transitional protections which were found to be unlawfully discriminatory through the Sargeant judgment) [(23(4))]



The loss is attributable to the application of any provision of, or made under, Chapter 1 of the PSPJOA 2022 (i.e. the application of the remedy as required by the Act) or Scheme Regulations which implement the remedy set out by the act. [(23(5))]



A Part 4 tax loss (a specific tax loss where HMRC's statutory time limits do not allow for correction of the amount of tax paid). [(23(6))]



Compensation should **not** be paid where a member has already received compensation for the loss in question (e.g. pursuant to a court order), or a member has owed an amount to the scheme that has been reduced by an amount in respect of the compensatable loss.

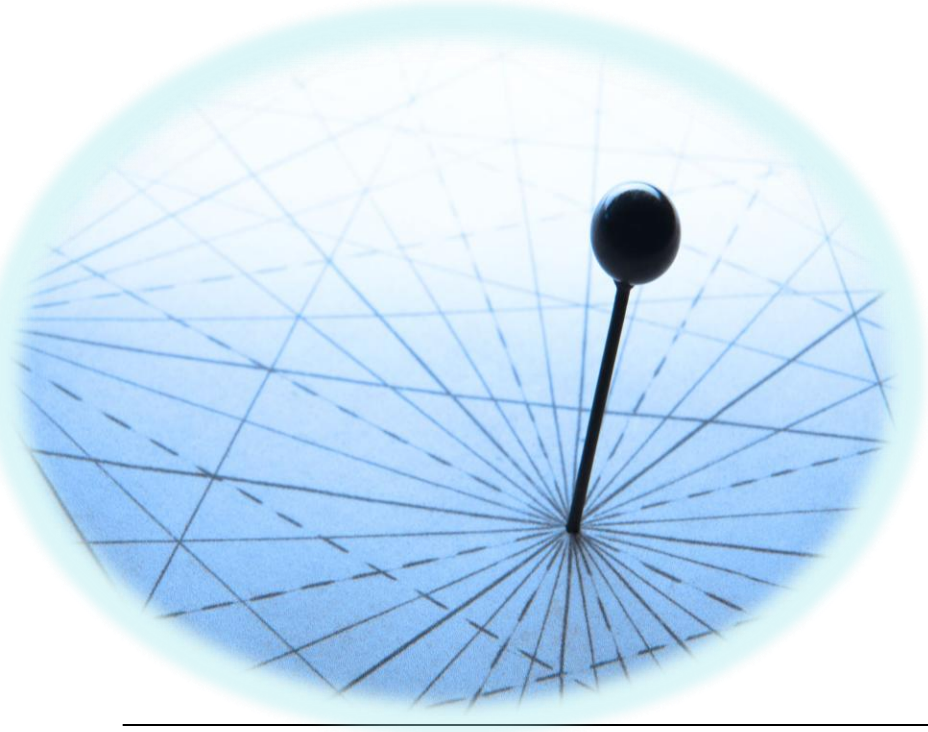


[The Public Service Pensions Exercise of Powers Compensation and Information Directions 2022.pdf](#)

# HMT Directions

There are **five** relevant [Directions](#) for compensation, which are:

1. **Direction 8** - Sets out the power to pay compensation and sets out ten principles.
2. **Direction 9** - Describes a compensatable loss as being either a direct financial loss or a specified part 4 tax loss. The Directions refer to specific tax loss scenarios, but no specific scenarios of compensatable direct financial losses are provided.
3. **Direction 10** - Indirect compensation.
4. **Direction 11** – Indirect compensatable losses.
5. **Direction 18** – Sets out the process to apply for a compensation claim



# Compensation guidance

## Retrospective remedy - Compensation and Funding guidance



### Compensation

#### Document

#### **Compensation and Funding**

[Compensation guidance for scheme managers](#)

[Compensation guidance for members](#)

[Compensation member claim form](#)

[Home Office Compensation Scheme Funding guidance](#)

#### **Added Pensions Compensation**

[Added Pension Compensation Scheme Manager and administrator guidance](#)

[Added Pension Compensation Template letter to member](#)

[Added Pension Compensation Bank form template to member](#)



# “Matthews” and the 2023 options exercise



# Who is Matthews?

## Matthews & others v Kent & Medway Towns Fire Authority & others

- Application of the Part-time Workers (Prevention of Less Favourable Treatment) Regulations 2000 to retained duty system (RDS) employees
- PTWR in force from 1 July 2000 to implement EU PT workers directive
- Directive implementation deadline **7 April 2000**
- settlement for RDS ET claims not reached until 2014
- [SI 2014/445](#) implemented regulations with effect from 1 April 2014 to introduce 'special members' into the regulations of the FPS 2006

# 2014 options exercise

Took place between 2014 and 2015 to allow eligible individuals to join the FPS

- Employed between 1 July 2000 – 5 April 2006

FRAs had to identify these individuals and use reasonable endeavours to contact them

Eligible firefighters had to apply for a statement of service

Statement provided service and payment options available

Eligible firefighters had to make a positive election in order to join the scheme by 30 September 2015



# What about O'Brien?

[O'Brien v Ministry of Justice](#) concerns fee paid judges in the JPS

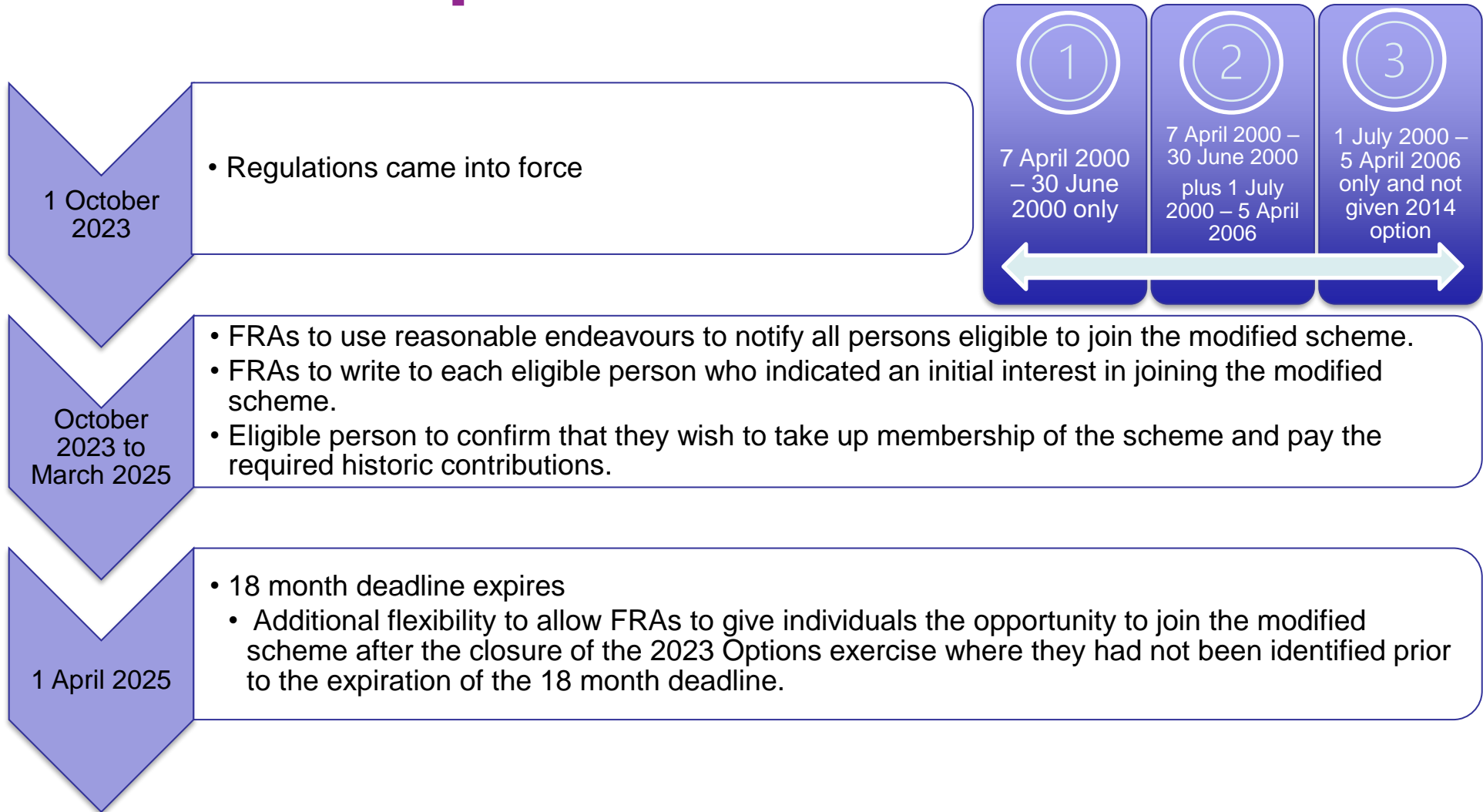
Held that remedy could extend back before the PT Workers Directive was required to be implemented (7 April 2000)

As a binding judgment, UK Government recognised the right applies to RDS claims

[MoU](#) was agreed by all parties on 9 March 2022.

Remedy will be provided by a second options exercise allowing in-scope individuals to purchase pension entitlement as a special member of the FPS 2006

# Second options exercise - timeline



# GAD calculations

The Government Actuary's Department (GAD) **settlement calculator** and **user guide**, for the second options exercise.



[Special members of FPS 2006 - GAD Calculator](#)



Manual cases to be referred to GAD  
([Manual cases update](#))

# The Consultation



## 23 December 2024

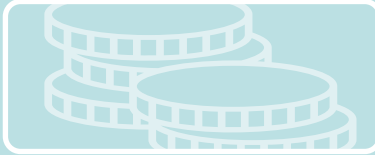
- Home Office published their [consultation](#) on the amendments to the Firefighters' Pension Scheme: retained firefighters on 23 December 2024

## 17 February 2025

- The consultation closed – LGA provided a [consultation response](#)

Coffee Morning 14 January 2025

# Areas under consultation



## Deceased individuals

- Missed Pension lump sum payments
- Missed survivor pension payments
- Additional death grant
- Extended death grant



## Conversion options

- Special deferred members
- Special pensioner members who are in receipt of a member initiated early payment of pension



## Restrictions on opt out cases



## Flexibility to new provisions beyond 31 March 2026



## Deadline extension

- Confirmed by Home Office 2 April 2025 in an email to the Sector.

# Compensation

## What's to come in 2025 ...

- Working group
- Policy / framework development
- Process roll out



# Claims

- We have asked all FRAs to be alert to the receipt of Employment Tribunal claims brought on behalf of retained firefighters and inform the LGA immediately on such receipt.

# Lessons Learnt

## Readiness

- How did we prepare ourselves?
- Did we have a project plan?
- What resource did we have, and did we successfully recruit more if needed?
- What were the key risks
  - Did we review the risks regularly

## Data

- Did we have all the data we needed?
- If there were gaps, what did we do about them?
- Do we know who is in scope?
- Can we trace them all?
- Did we understand the expectations on sharing data with third parties and the time limits involved.

## Communications

- Did you understand your statutory responsibility
- Did you breach any of the disclosure deadlines?
- What communications did you send to affected members?
- Did you use the central templates?
- Have you received feedback on communications from members?

## Progress

- Have you completed both exercises?
- What challenges have you faced?
- Have your risks changed?
- Did you meet all deadlines?
- Have you reported any breaches?
- What feedback have you received?
- IDRP



# Contingent decisions

# What is a contingent decision?

- A contingent decision is a decision taken by a member, relating to their membership of the firefighters' pension scheme, that would have been different had it not been for the discrimination identified by the courts

## Categories identified

Opt-out

Additional  
Service

# Opt-out

## Which scheme?

- Section 5 of PSPJOA allows for remedy period service to be reinstated but does not provide the power to reinstate any service pre/post remedy period.
- Scheme managers to use ‘existing powers’, if available, to allow for reinstatement for pre/post remedy period.

## Existing powers

- FPS 1992: Once a member opts out, they cannot opt back in. If they want to re-join then they re-join FPS 2006.
- FPS 2015: [Scheme manager discretion](#).

# Distinctions in membership

Based on Home Office's update of 23 January 2025

The closing date for all of the legacy police and fire pension schemes is 31st March 2015 (see section 18(4)(b) of the Public Service Pensions Act 2013). This is also the closing date for the purposes of the PSPJOA – see section 1(8)(a).

Opted out on or before 31 March 2015 and did not rejoin during the remedy period

currently cannot return to the older 1992 legacy schemes and their relevant legacy scheme is 2006 scheme

Opted out after the closing date (31 March 2015) but rejoined before the remedy period's end (31 March 2022)

currently cannot return to the older 1992 legacy schemes and their relevant legacy scheme is 2006 scheme.

Opted out after the closing date (31 March 2015) and did not rejoin during the remedy period

currently their relevant legacy scheme is the older 1992 legacy schemes.

**Home Office are still in ongoing discussions to establish the final position, which will be agreed with the Fire Minister**

# Opt-out continued

## Accepting the request

- Scheme managers must accept a request to opt in where the opt out occurred less than 6 months before 31 March 2015
- 'Evidence' is required for cases where the opt out occurred after 12 March 2012 but before 1 October 2014
- Opt-outs prior to 12 March 2012 are not covered by the PSPJOA

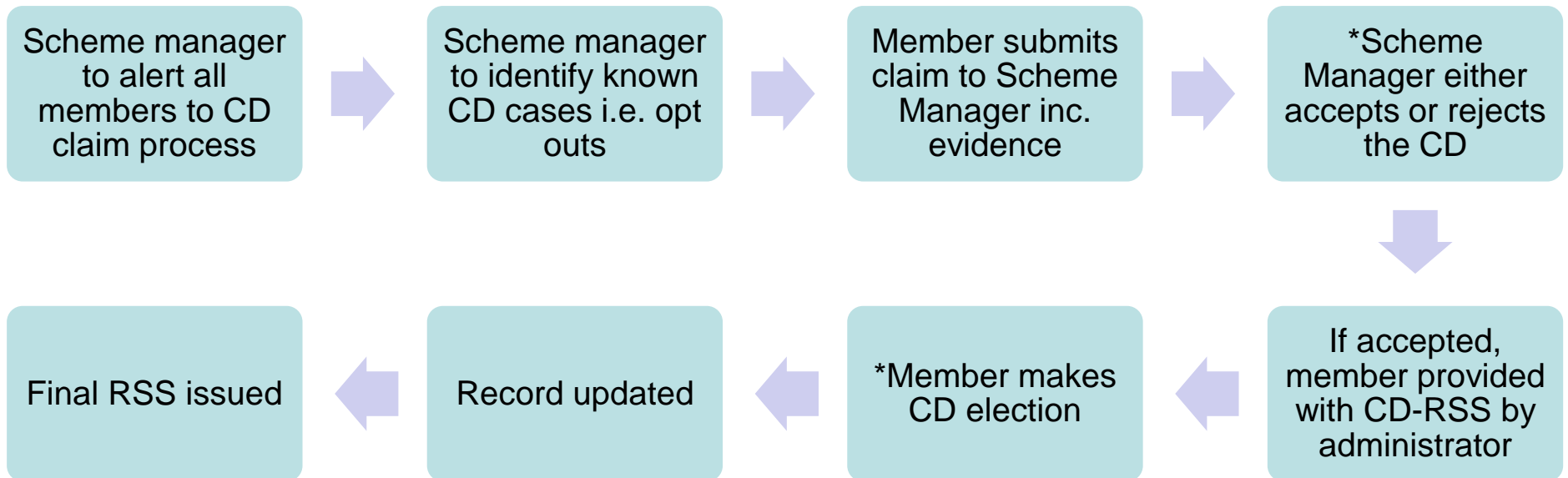
## Contributions

- Member contributions: Full or periodic over 14 years
- Employer contributions: Valuation

# Added Pension

- Legacy schemes allow for members to purchase added service
- Member may argue that they would have done this if they had remained in their legacy scheme – Evidence required
- If a claim is accepted ordinary rules apply i.e. FPS 1992 members can only purchase additional service if they do not attain 30 years by NPA (age 55)

# Contingent decision process



\*It is recommended that these outcomes are reported to the LPB



# Decision making process

- [SAB's open letter to HMT in May 2021](#)  
highlighted difficulty in consistent decision making:
  - 44 individual scheme managers
    - Interpretation and application
    - Funding position
    - Internal controls/ governance
    - IDRP > TPO

# Decision making

Consistency is paramount

Decisions should be auditable and transparent

Call for evidence should be reasonable

A statement from a member stating that they would have taken different action if not for the reform is acceptable

# Types of evidence

Opted out within 6 months

Opt out form states reason for decision is due to the pension reforms

Investigated or requested added years or transfer in while in remedy period

Took out added pension contract under FPS 2015 in remedy period

# Retirement Process

# When can I retire?



# Retirement process – what to consider

## Retirement from FPS 2015

- Retirement Age 60
- Earliest retirement age 55 (subject to reductions)
- Career Average scheme
- Deferred pension age equal to State Pension Age (min 65)

# Transitional members



**Eligibility to retire comes from the rules of the final salary scheme they were in before they joined the 2015 scheme.**



For example,



FPS 1992 the pension built up in that scheme can be taken at age 50 + 25yrs service or age 55.



FPS 2006 the pension built up in that scheme can be taken at age 60 (NRA)

# Retirement process FPS 2015

Some things to consider – Who, what and how

## Who

- Member
- Payroll
- Administrator

## What

- Timescales
- Manage expectations

## How

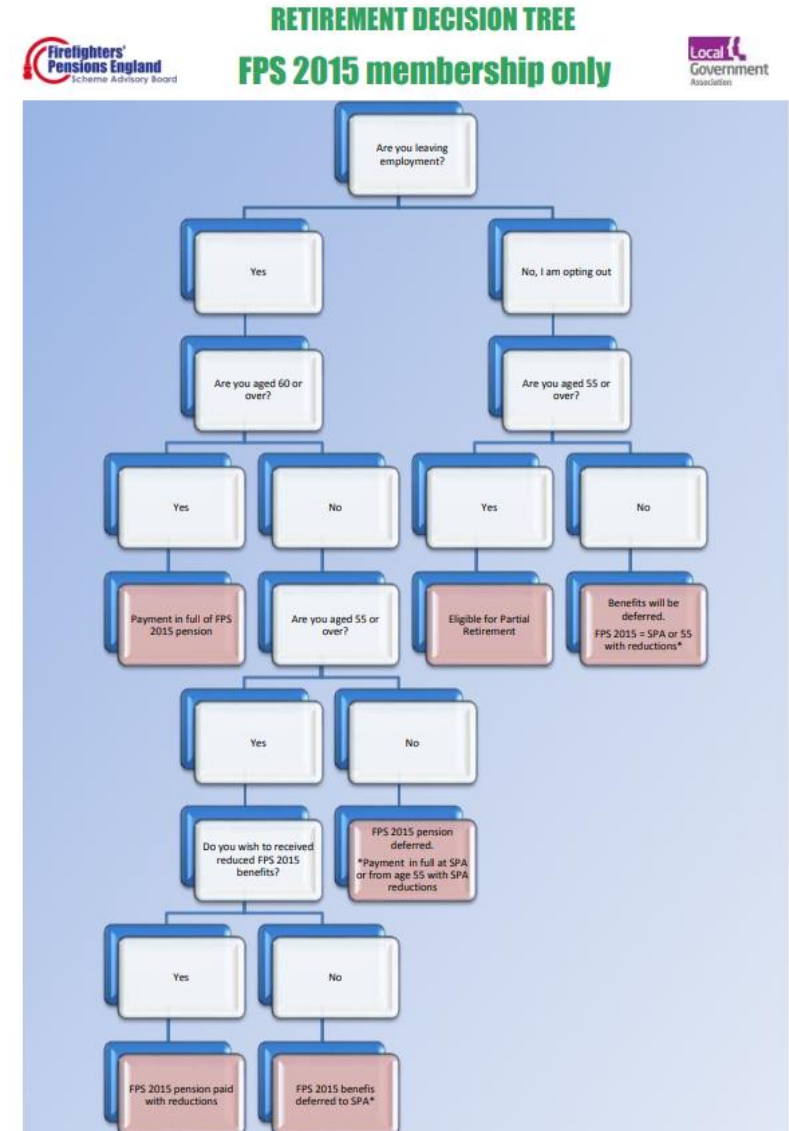
- Process in place
- Working in collaboration





# Retirement process

- Retirement from FPS 2015
- Guides and sample Documents



# Retirement – what else?

**Ill health retirement**

**Re-engagement and Abatement**

**Pension protection age**

**Authority Initiated Early Retirement**

# Ill-health Retirement Process

## III health step by step

- Resources
- Qualifying criteria and entitlement
- The FRA and their role – Pre IQMP
- The IQMP and their role
- The FRA and their role – Post IQMP
- Appeals
- Reviews
- Consequences of review
- Injury on Duty (IOD)

# Resources



## What we have

[Ill Health process guidance](#)

[IQMP guidance on early payment of deferred pensions](#)

[IQMP guidance \(4th Edition\)](#)

[Template Certificates](#)

[IQMP Contacts](#)



## What we are working on

Ill Health member guidance

Injury member guidance

Updating IQMP guidance

# Ill-health and injury section

You are here: [Home](#) / [Member Area](#) / Ill-health and injury



## Ill-health and injury

The following page contains information and resources to assist practitioners in administering ill health and injury benefits to members.

[Edit](#)

We have produced a [website index - ill health and injury](#) document to assist practitioners in where things are on this page.

The resources section contains guidance and training materials.

The subsequent sections are divided by scheme and contain certificates that were prepared in 2015 and circulated as drafts for authorities to use if they wished. Note, however, that these forms have not been endorsed by the LGA or the Home Office. Authorities should satisfy themselves that the certificates meet all of their requirements and do not leave the opinion open to challenge

Latest news	▼
IQMP/IQMP provider contact information	▼
Resources	▼
Medical appeals	▼
FPS 1992	▼
FPS 2006	▼
FPS 2015	▼
FCS	▼
Severe ill health	▼

## Qualifying criteria – Active members

- [Part 5, chapter 4, regulations 65 to 69](#) of the FPS 2015 provide a provision for members to retire early on the grounds of ill health
- For active members, a basic structure of a two-tier ill-health retirement system applies. These tiers are formally referred to as lower and higher
- All active members moved into FPS 2015 on 1 April 2022
- All active ill health retirements are therefore assessed and paid from FPS 2015

# Qualifying criteria

Lower	Higher
<ul style="list-style-type: none"><li>• the <u>member</u> deemed incapable of performing any of the duties of the <u>role</u> in which the <u>member</u> was last employed because of incapacity of mind or body and this incapacity will continue until <u>normal pension age</u> (60);</li><li>• the <u>member</u> has three months of <u>qualifying service</u>;</li></ul>	<ul style="list-style-type: none"><li>• the <u>member</u> is deemed incapable of undertaking <u>regular employment</u>* because of incapacity of mind or body and this incapacity will continue until <u>normal pension age</u> (60);</li><li>• the <u>member</u> has at least five years of <u>qualifying service</u></li></ul>

\*Regular employment is defined as:

*“employment for at least 30 hours a week on average over a period of not less than 12 consecutive months*

*beginning with the date on which the issue of the person's capacity for employment arises”*



# Entitlement

Lower	Higher
Immediate payment of accrued pension up to date of leaving	Immediate payment of accrued pension up to date of leaving + Enhancement to NPA

**Actuarial reductions do not apply**

## What about deferred members?

- There is no tiered system for deferred members
- Qualifying criteria is as follows:

FPS 1992	FPS 2006	FPS 2015
<ul style="list-style-type: none"> <li>• the <u>member</u> is deemed incapable of firefighting because of infirmity of mind or body and this incapacity will continue until <u>deferred pension age</u></li> <li>• the <u>member</u> is deemed incapable of undertaking <u>regular employment</u> because of infirmity of mind or body and this incapacity will continue until <u>deferred pension age</u> (60)</li> </ul>	<ul style="list-style-type: none"> <li>• the <u>member</u> is deemed incapable of undertaking <u>regular employment</u> because of infirmity of mind or body and this incapacity will continue until <u>deferred pension age</u> (65)</li> </ul>	<ul style="list-style-type: none"> <li>• the <u>member</u> is deemed incapable of undertaking <u>regular employment</u> because of infirmity of mind or body and this incapacity will continue until <u>deferred pension age</u> (state pension age, with a minimum of 65)</li> </ul>

# Entitlement

**Deferred**

Immediate payment of deferred benefits

**Actuarial reductions do not apply**

# The FRA and their role – Pre IQMP



Sickness Absence  
policy



Reasonable  
adjustments FRAs  
have a duty under  
Section 20 of the  
[Equality Act 2010](#) to  
consider whether  
reasonable  
adjustments to the  
member's current  
role are appropriate



Re-deployment



Preparation of  
medical information



Selection of IQMP



Referral to IQMP

## Best practices

Involve the member in the referral process

Ensure any formal discussions are documented

Allow them to submit their own evidence

Allow them to see the bundle before it goes to the IQMP

Ask for informed consent of release of IQMP report

[III Health Process guidance](#)

# IQMP Bundle

- Detailed covering letter
- Appropriate [certificate](#)
- Job description
- Occupation health notes
- Capability assessment
- GP notes
- Consultant notes, x rays, scans etc.
- Accident reports (in the case of IOD)
- Any other information relevant to the case

# The IQMP and their role

The [scheme manager](#) must request an [IQMP](#) to provide an opinion on the following issues for the purpose of determining any question arising under [this scheme](#)—

- a) whether a person is incapable of performing any duties of the [role](#) in which that person was last employed because of incapacity of mind or body;
- b) whether the incapacity in sub-paragraph (a) above is likely to continue until [normal pension age](#) or [deferred pension age](#), as the case may be;
- c) whether a person has become capable of performing any duties of the [role](#) from which that person retired on grounds of ill-health;
- d) whether a person is or has become capable of undertaking [regular employment](#); or
- e) any other issue wholly or partly of a medical nature.

# What is an IQMP?

The regulations define an IQMP to be:

*“A medical practitioner holding a diploma in occupational medicine, or an equivalent or higher qualification issued by a competent authority in an EEA State, or being an Associate, a Member or a Fellow of the Faculty of Occupational Medicine or an equivalent institution of an EEA State; and for the purposes of this definition “a competent authority” has the meaning given by section 55(1) of the Medical Act 1983;”*

# Where can I find one?

## [IQMP contacts](#)

- These IQMP's are not endorsed by LGA or Home Office.
- It is up to each FRA to carry out their own due diligence.
- Some OH providers will have their own IQMP.
- You may want to consider this as part of any tender process.
- You do not need to inform the LGA of which IQMP you use, but they must hold the appropriate qualifications defined by the regulations which they will declare when they complete the relevant ill health certificate.



# Good to know

The IQMP does not act as an occupational health advisor to the FRA.

The IQMP must certify that they haven't had any prior involvement in the case.

If there is any doubt about any procedural issue the IQMP should contact the FRA before proceeding further.

The IQMP is under an obligation to ensure that they are competent in performing the IQMP role and have the necessary knowledge and skills to perform this role.

The IQMP is required to have an awareness of relevant case law.

The IQMP should have regard to Pension Ombudsman guidance.

The IQMP should ensure that they clearly understand the job that the member performs or, in the case of a review, last performed in the Fire and Rescue Service.

The IQMP is under no obligation to examine the member.

# The FRA and their role – Post IQMP

‘The IQMPs decision is binding, but do not accept blindly’

# IQMP report and certificate

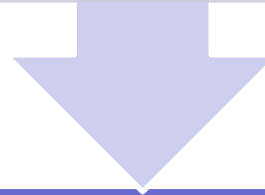
A member is required to provide consent to release IQMP report. This could be:

**In full**

**In part**

(may not want all medical  
evidence being shared)

**Not at all**



If member does not provide consent, then there may be no option other than to go with the certificate, or without medical evidence, as per Part 12, Chapter 1, regulation 152 (7) which could mean that eligibility has not been met.

# Case law

Mrs G – (CAS-29778-J8R1)

**Ill Health retirement**

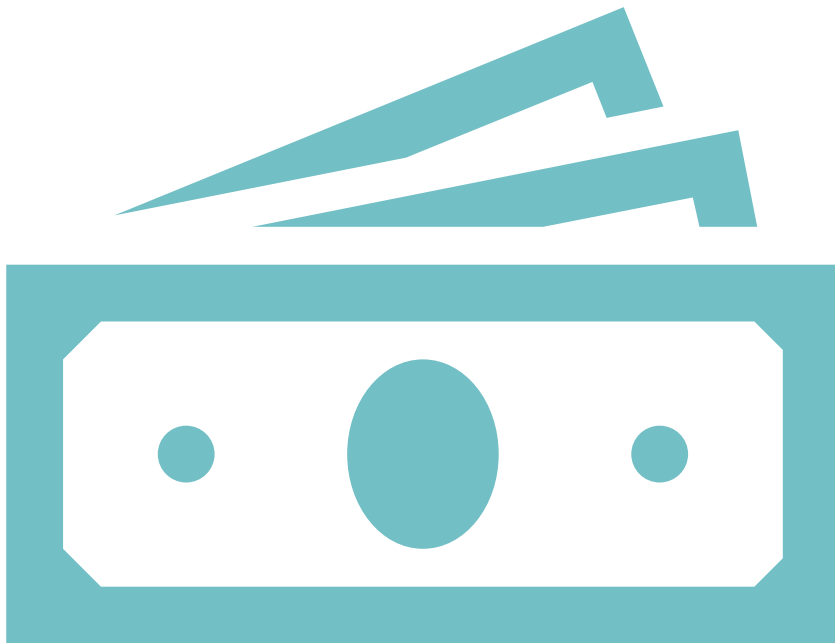
“If the College had read the medical report carefully it would have noticed the first IRMP had provided his opinion based on the wrong date”

“On receipt of the second IRMP opinion the College needed to understand the IRMP’s reasoning and not adopt the IRMP’s conclusion without question. In particular; - Where there is insufficient information or uncertainty, clarification must be sought from the IRMP”

“Where there is conflicting medical evidence the College must be clear that both have been considered and why one has been given more weight than the other”

“The question of untried treatments must be addressed properly. The IRMP must give their opinion of the likely effects of untried treatment and the prognosis”

# Funding



In accordance with [part 8, chapter 3, regulation 118](#) if an ill health pension is awarded, an FRA must pay additional contributions into the notional pension fund account. The amounts are:

**Lower tier** – amount equal to 2 x pensionable pay

**Higher tier** – amount equal to 4 x pensionable pay

# Routes of appeal



Review of medical opinion

28 days  
New evidence  
Submit to same IQMP



Board of medical referees'  
referral

28 days  
Disagrees with Scheme Manager  
determination



IDRP

Non-medical issues i.e.  
administration

# Reviews



Regulatory requirement



IQMP to give steer on suggested date, however, Scheme Manager has ultimate discretion



Different IQMP



Consent and evidence gathering required

# Timescale of reviews

FPS 1992	FPS 2006/Special FPS 2006	FPS 2015
<ul style="list-style-type: none"> <li>• Individual has been in receipt of an ill health pension for less than 10 years, and</li> <li>• is under the age of 60</li> </ul>	<ul style="list-style-type: none"> <li>• Individual has been in receipt of an ill health pension for less than 10 years, and</li> <li>• is under state pension age</li> </ul>	<ul style="list-style-type: none"> <li>• Individual has been in receipt of an ill health pension for less than 10 years, and</li> <li>• is under deferred pension age</li> </ul>
At intervals as the scheme manager considers appropriate.		
<p>An IQMP should consider whether the member has become capable:</p> <ul style="list-style-type: none"> <li>(i) of performing any duty appropriate to the role from which they retired on grounds of ill-health, and</li> <li>(ii) of undertaking regular employment.</li> </ul>		



# Consequences of review

Lower	Higher	Deferred
Entitlement removed	Entitlement reduced to lower tier  Or  Entitlement removed	Entitlement removed

**III health pensions cannot be uprated**

# Reassessments due to remedy

## Sargeant

- [Coffee 'morning' presentation on 8 November](#)
- [Factsheet](#) and [Letter templates](#)

## Matthews

- Regulations updated to allow for retrospective ill health retirements.

# Injury on Duty

# Compensation Scheme

Makes provision for the payment of –

- pensions, allowances and gratuities
- to and in respect of persons who die or are permanently disabled as the result of an injury sustained or disease contracted while employed by an FRA.

# Eligibility

Scheme applies to  
'regular' and 'retained'  
firefighters, and their  
spouses or civil partners  
and dependents



# Exclusions from eligibility

- **Temporary contracts?**

A person who has ceased as a regular firefighter and entered temporary employment is covered by the scheme in very limited circumstances set out in the regulations, e.g. in connection with various training roles

- **What about secondary contracts?**

Should a member have multiple employments, it is the employment in which they suffered the injury in which should be assessed for compensation purposes.

# Injury Pensions- Regulations

## Compensation Scheme [Part 2]

Injury awards **Payment of pension and gratuity** [Para 1] A firefighter who has retired and is permanently disabled if the infirmity was occasioned by a qualifying injury. [Part 2, Para 1 (1)]

Compensation for permanent incapacity while on duty **Payment of five times annual pensionable pay** [Para 3]

A firefighter who has retired and is permanently disabled if the infirmity was occasioned by a qualifying injury. [Part 2, Para 1 (1)]

Permanently incapacitated for carrying on any occupation solely by reason of qualifying injury [Part 2, Para 3 (1b)]

# Permanently disabled

Disablement **must** continue to the person's normal pension age (age 60 for the 2015 Scheme)

If as a result of a 'qualifying injury' a person is receiving inpatient treatment at a hospital he shall be treated as being totally disabled

Where a person has retired before becoming disabled and the date of disablement cannot be ascertained, it shall be the date when the claim that he is disabled is first made known to the FRS

No payment of an injury pension can be made for a period before a firefighter became permanently disabled



# Qualifying Injury


An injury received by a person, without his own default, in the **exercise of his duties** as a regular or retained firefighter

Injury includes disease

An injury is treated as having been received by a person without his default unless the injury is wholly or mainly due to his own serious and culpable negligence or misconduct



# Exercise of duties – what does this mean?



Does the injury have to be sustained whilst on operational duty?

What about an injury sustained whilst journeying to and from reporting for duty?

What about an injury sustained whilst at the fire station during rest periods?

What about an injury sustained whilst being on call away from the fire station, whilst waiting for a call out?

# Causation



- The infirmity must be occasioned by a qualifying injury
- Where a firefighter has become permanently disabled, any infirmity of mind or body shall be taken to have been occasioned by an injury if the injury caused or substantially contributed to the infirmity
- It is not necessary to establish that the work circumstances are the only cause of the injury
- What matters is that work circumstances have a causative role

# Causation



- Physical injuries tend to be more easily attributable to work duties
- Psychiatric injuries tend to be much more difficult to attribute to work duties
- There must be a substantial causal connection between the permanent incapacity and the qualifying injury
- It is accepted, particularly with psychiatric illness, that it can arise out of a combination of work and external circumstances

## Question time

- Can you think of some examples of where it would be more difficult to establish whether the permanent incapacity was caused by a qualifying injury



# Determinations under the regulations

- Whether a person is entitled to any and if so what award under the regulations is determined in the first instance by the FRA
- Before making a determination, the authority is required to obtain a written opinion of an IQMP as to –

Whether any disablement has been occasioned by a qualifying injury

The degree to which a person is disabled

Any other issue wholly or partly of a medical nature

## Determinations under the regulations



If a person is dissatisfied with a medical opinion he may appeal to a Board of Medical Referees



A person can ask for a reconsideration by the FRA if the FRA does not admit the claim at all or does not admit the claim for injury benefits to the full extent



If dissatisfied on a reconsideration an appeal may be made to the Crown Court

# Degree of disablement



## The IQMP guidance provides that:

- Consideration is given to the type of work an individual might undertake, both in terms of functional capability and skills/experience
  - FRA should provide details of a firefighter's skills, educational qualifications and an indication of the types of alternative employment they think appropriate
  - Any secondary employment or previous employments will be relevant
  - The medical opinion should consider whether the member could carry out these alternative employments and, if not, what would be within member's capability from a medical viewpoint
  - The IQMP may need to confirm with the FRA that the individual has the necessary skills/competence for the employments the IQMP considers is within the individual's medical capabilities
-



# Degree of disablement

Normally an average of earnings from three employments would be used to calculate the degree of disablement

To try and ensure consistency national rates of pay from the ASHE tables (Annual Survey of Hours and published by the Official of National Statistics should be used when calculating degree of disablement

Apportionment should be used to avoid liability for non-occupational factors

# Degree of disablement

Before  
apportionment  
can arise each  
factor must have  
separately caused  
some degree of  
loss of earnings  
capacity on its  
own

It is for the IQMP to  
consider  
apportionment on  
the basis of the  
evidence and  
applying his/her  
medical judgement

# Compensation and DWP benefits

Under regulation 3, Part 1 of schedule 1 any benefits that a member receives from the Department for Work and Pensions (DWP) must be deducted from the Injury Pension. It is mandatory for the member to make a claim for the following benefits for each accident/condition they have been awarded an Injury Pension under the Compensation scheme:

- Industrial Injury Disablement Benefits
- Reduced Earnings Allowance
- Employment & Support Allowance

The member will also be required to advise whether they received:

- Severe Disablement Allowance
- Disablement Gratuity

# Injury on Duty – Useful to know



Determined at the outset of discussions with member.



Considered at the same time as ill health referral.

## Best practice



Request capability assessment from OH



Ask member to provide details on training, qualifications, experience etc.

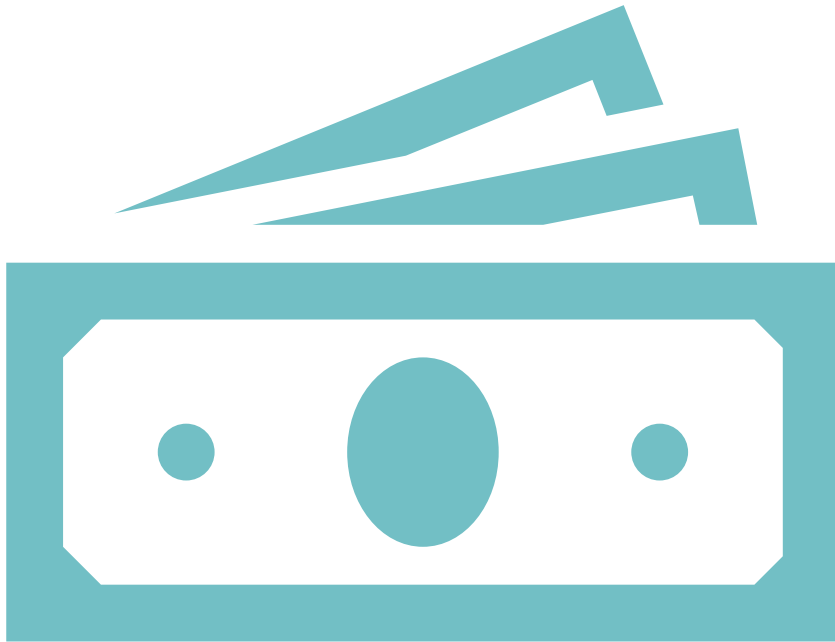


Involve the member when selecting suitable jobs



Provide the IQMP with information on why you think these jobs are suitable

# Funding



Injury awards are **solely** funded by the FRAs operating budget and **not** the pensions account.

# Question time

- Is your FRA carrying out reviews of injury pensions?
- How often do you carry out these reviews?
- How many reviews need to be undertaken?



# Review of injury pensions



- The regulations require the FRA to consider whether the degree of disablement has substantially altered at such intervals as they think fit
- If the degree of disablement has substantially altered, the injury pension shall be reassessed accordingly
- Where, on review, the disability has ceased, the injury pension shall cease with immediate effect



# Resources

- Firefighters' Compensation Scheme  
<http://www.fpsregs.org/index.php/regulations/firefighters-compensation-scheme>

# Transitional protections

Ill-health pension paid from Compensation Scheme to Retained Firefighters employed before 6 April 2006

# Retained Firefighter

## Compensation Scheme [Part 8]

- |  |   |
|--|---|
| <ul style="list-style-type: none"><li>• Entitlement to ill-health pension for retained firefighter [Part 8, rule 2, (4)]</li><li>• Protected right to [Part 8, rule 2 (4)]</li><li>• [SI 2014/447Rule 3 (2)]</li></ul> | <ul style="list-style-type: none"><li>• A retained firefighter who was employed prior to 6 April 2006 and awarded an injury pension before 1st April 2014 shall be treated as having been a regular firefighter and awarded an ill-health pension</li><li>• A retained firefighter employed prior to 6 April 2006, who didn't subsequently become a 'special member' under the terms of the modified arrangements and after 1 April 2014 has been retrospectively awarded an injury pension.</li><li>• Where it has been determined that the injury is a qualifying injury and was sustained before the 1st April 2014.</li></ul> |
|--|---|

# Medical Appeals

## Compensation Scheme Part 6, Para 2 & Schedule 5

- Appeal by member: Within 28 days of decision (some discretion)
- Costs may be recovered if the opinion is that the appeal was “frivolous, vexatious or manifestly ill founded, or that the appeal is withdrawn less than 21 days of hearing date

- Schedule 5
- Schedule 5 (9)

# Re-engagement and abatement

# Abatement

- Abatement is the ability of the Authority to reduce the Member's pension if the Member is receiving a salary from a Fire Authority (or from local government) after retiring
- Fire and Rescue Authorities (FRAs) are statutorily obliged to consider the application of abatement when it occurs in accordance with the regulations of the Firefighters' Pension Schemes.



# What is abatement?

Applies in FS schemes when member retires and remains employed or is re-employed

New salary + pension cannot exceed old salary

Abatement does not apply in FPS 2015

Each FRA to have policy on abatement

No prescribed guidance on application and calculation of abatement

# What is abatement and what does this mean?

- Caps the total payment received from the Authority (i.e. pension + new salary) to maximum level of pay received in role as at date of retirement
- Abatement provisions contained in relevant Scheme's rules – 1992 and 2006 Scheme Regulations (not contained in 2015 Scheme)
- Authority has the discretion to reduce all or part of a pension where a Member is re-employed “in whatever capacity” by an Authority (including local government)

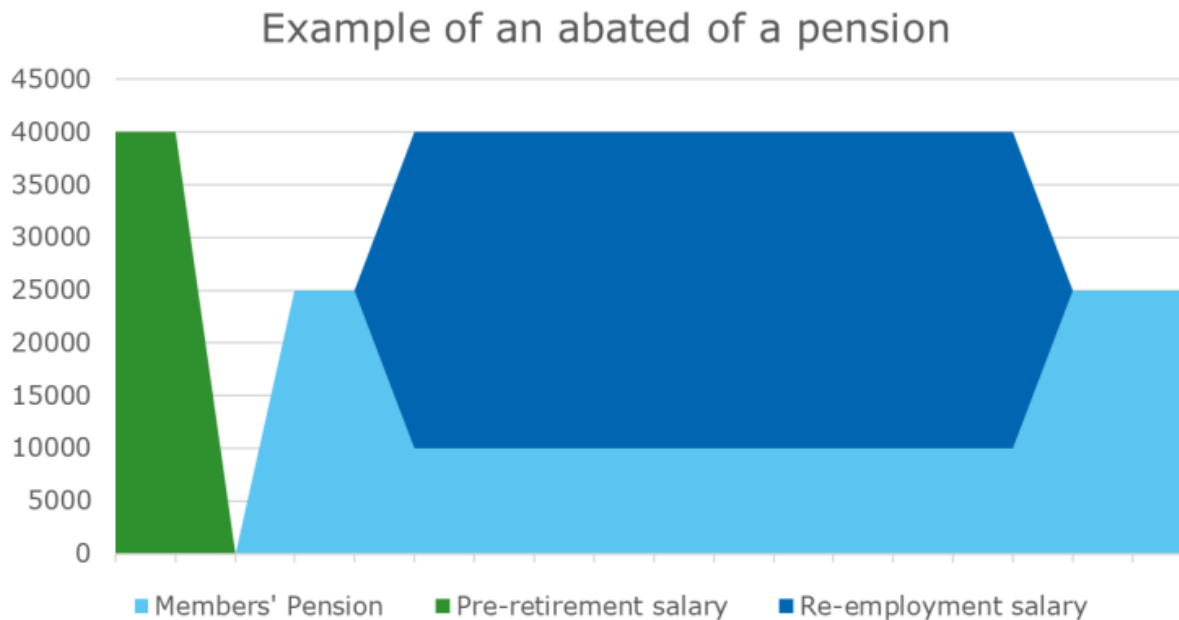


# Abatement - FAQs

- What counts as re-employment?
- What pay figure to use?
- Should an injury award be included in the abatement calculations?
- How often should the abatement test be performed
- Does re-employment in a green book role or grey book non-operational role qualify as in-service abatement or interservice abatement?
- When might you choose not to abate?
- [Abatement guidance for FRAs](#)

# Abatement – a worked example

## Abatement – a worked example



Member's pre-retirement salary was £40,000 (this is the cap)

Member retires on £25,000 pension

Re-employed by Authority on £30,000 salary

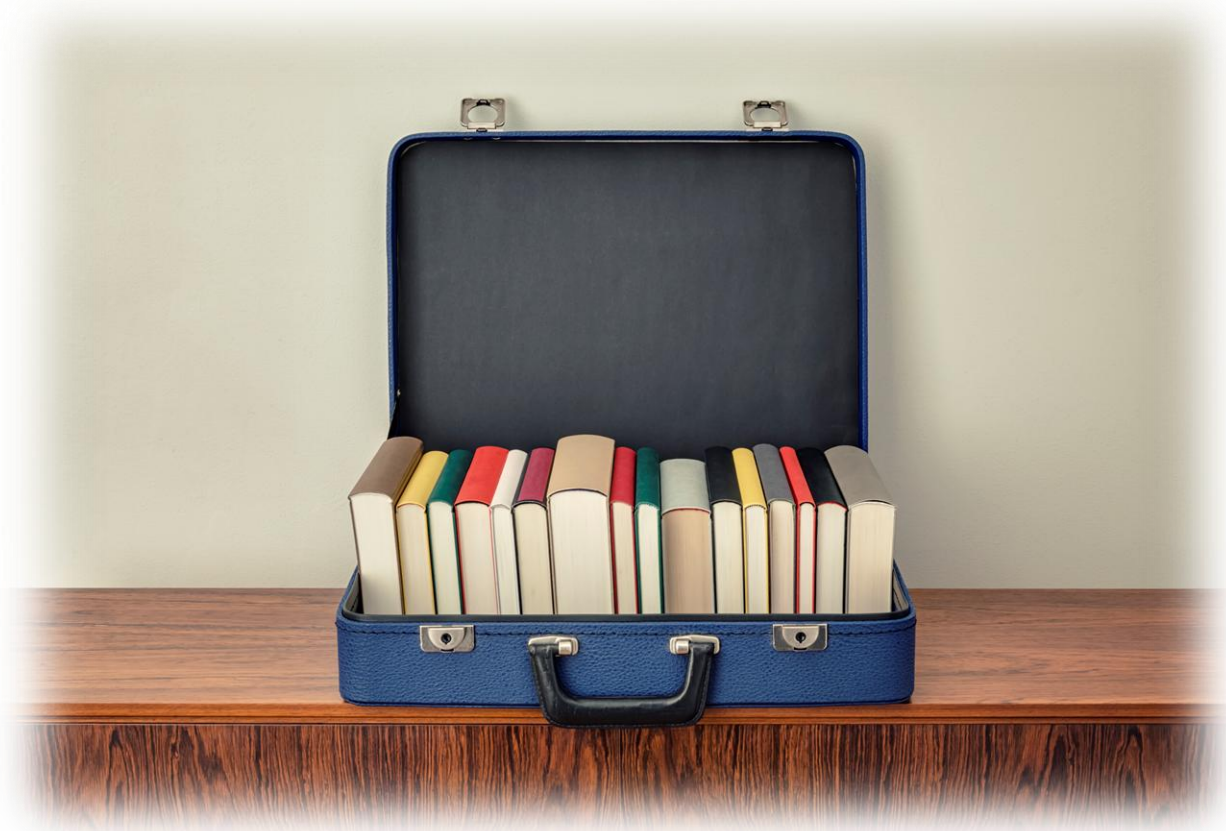
Member's pension reduced/abated to £10,000 (so Member does not exceed £40,000 cap)

# Transitional 1992 member of 2015 scheme

- Re-employment of 2015 scheme member with transitional 1992 benefits.
- Retiring at age 50 in 2020 with payment of 1992 benefits only, with 2015 benefits being deferred until age 60.

Does abatement apply?

# Case study



# TPO determination PO-25374

FPS 1992. Benefits: overpayment (recovery of)

FRS sought to recover an overpayment of pension following decision to abate

Member claims FRS had a duty of care to alert him that pension would be abated

Partly upheld:

- No additional duty of care than to provide factual information
- FRS did not follow a “reasonable process”

# The member's position

He was not aware of the position on abatement or other members who have been abated

His total earnings did not exceed his pre-retirement earnings

He has been caused financial distress and should not have to repay the overpayment

Issues raised:

- Did the FRS have a duty of care
- Was the FRS decision making procedure reasonable
- Is there a legal defence against recovery

# The FRS position

Abatement is a government policy and is common in the FRS

Information on abatement was available and pensioners are expected to inform the Pensions Section

Duty of care argument is not accepted

Recovery of overpayment is not time-barred and FRS has obligation to recover overpaid amounts

# TPO conclusions

Rule K4 allows FRS to abate pensions

Evidence and case law show that FRS did not act negligently as factual information was available

Evidence indicates that a blanket policy in respect of abatement was applied

- Merits of individual case were not considered
- Member should have been invited to provide “exceptional factors”



# Directions

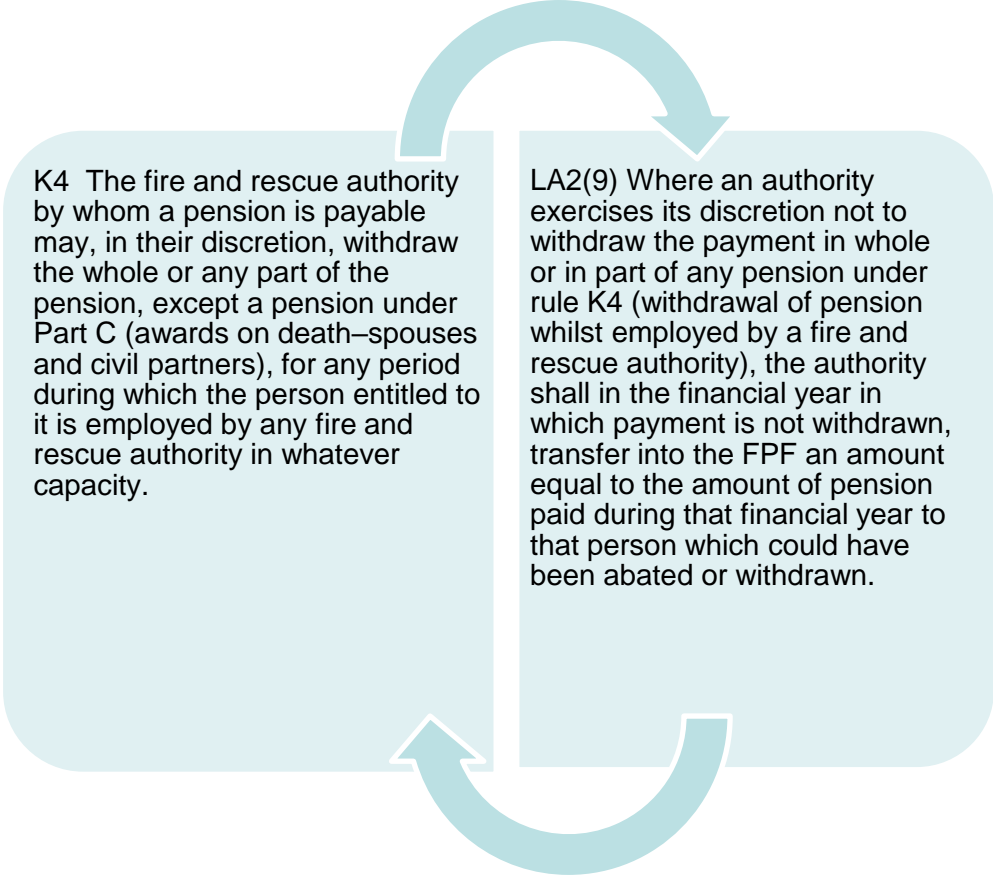
£500 payment for distress and inconvenience

Member to be invited to make representations against recovery of overpayment

FRS to review decision and make a new discretionary determination

If overpayment still to be recovered, payment plan should equal overpayment term at least

# Regulations (SI 2013/1392)



K4 The fire and rescue authority by whom a pension is payable may, in their discretion, withdraw the whole or any part of the pension, except a pension under Part C (awards on death—spouses and civil partners), for any period during which the person entitled to it is employed by any fire and rescue authority in whatever capacity.

LA2(9) Where an authority exercises its discretion not to withdraw the payment in whole or in part of any pension under rule K4 (withdrawal of pension whilst employed by a fire and rescue authority), the authority shall in the financial year in which payment is not withdrawn, transfer into the FPF an amount equal to the amount of pension paid during that financial year to that person which could have been abated or withdrawn.

# Abatement and the 2015 Remedy

Abatement will continue to apply in the legacy schemes (FPS 1992 and FPS 2006)

Abatement provisions are contained in scheme rules, so no specific provision made in PSPJO Bill

Transitional members may become liable to abatement or increased abatement when “roll-back” occurs

Should be flagged to members as part of DCU decision

Could constitute a contingent decision claim for those already re-employed

# Abatement resources

[Abatement factsheet](#)

[Protected pension age factsheet](#)

Historic archived circulars:

- [FPSC 10/2009](#)
- [FPSC 08/2006](#)

[CLG commentary – Rule K4](#)

[FPS AGM – Workshop 2](#)

[Current draft abatement guidance](#)

---

# Protected Pension Age

# Pension protection age (PPA)

Normal minimum pension Age (NMPA) = 55 from 6 April 2010

FPS 1992 PPA = 50 with min 25 years' service

Can be lost on re-employment or concurrent employment

Tax charges apply:

- 55% PCLS
- 40% pension (up to age 55)

# Retaining a PPA

If one of the following employment conditions is met:

- Break in employment of min 6 months
- Break in employment of 1 month and abatement may apply
- Break in employment of 1 month and re-employment is “materially different” e.g. grey to green book

# Authority Initiated Early Retirement



# Authority Initiated Early Retirement

## What is AIER ?

The regulations give the FRA the ability to award a pension to a firefighter member who is over the age of 55 but under normal retirement age paid without the appropriate early retirement reductions



**When** - Only on the basis that would assist the economical, effective and efficient management of its functions having taken account of the costs likely to be incurred in the particular case



**How** - [AIER Factsheet](#)

# What else?

# BAU Here and now - future

**What is the day job – the pension arena is very different now!**



# FRA's - Service needs

**So many things to consider not only pensions...**

- Service implications –  
establishment numbers  
recruitment campaigns
- Who can retire –  
back filling posts  
promotions
- When can they retire –  
processing pensions  
recruitment  
re-engagement



# Local Pension Boards

# Role of the LPB



# Local Pension Board

Introduced by the [Public Service Pension Act 2013](#) and FPS governance regulations [[Rule 4A to 4D](#)]... .. to assist the scheme manager to secure compliance with the regulations, any other legislation relating to the governance and administration of the scheme, and any requirements imposed by TPR in relation to the scheme.

The board also assists the scheme manager to ensure the effective and efficient governance and administration of the scheme.

# LPB responsibilities

1

Assist Scheme  
Manager

2

Notify Scheme  
Managers of  
Conflict of  
Interest

3

Comply with  
scheme rules

4

Keep Code of  
Conduct

5

Comply with  
TPR Code of  
Practice

6

Report  
breaches of law

7

Gain  
knowledge and  
understanding



# LPB assistance



Compliance of duties under the regulations and relevant legislation



Effectiveness of processes for the appointment of advisors and suppliers



Effectiveness of communication



Identify improvement of customer service



Identifying patterns of complaints

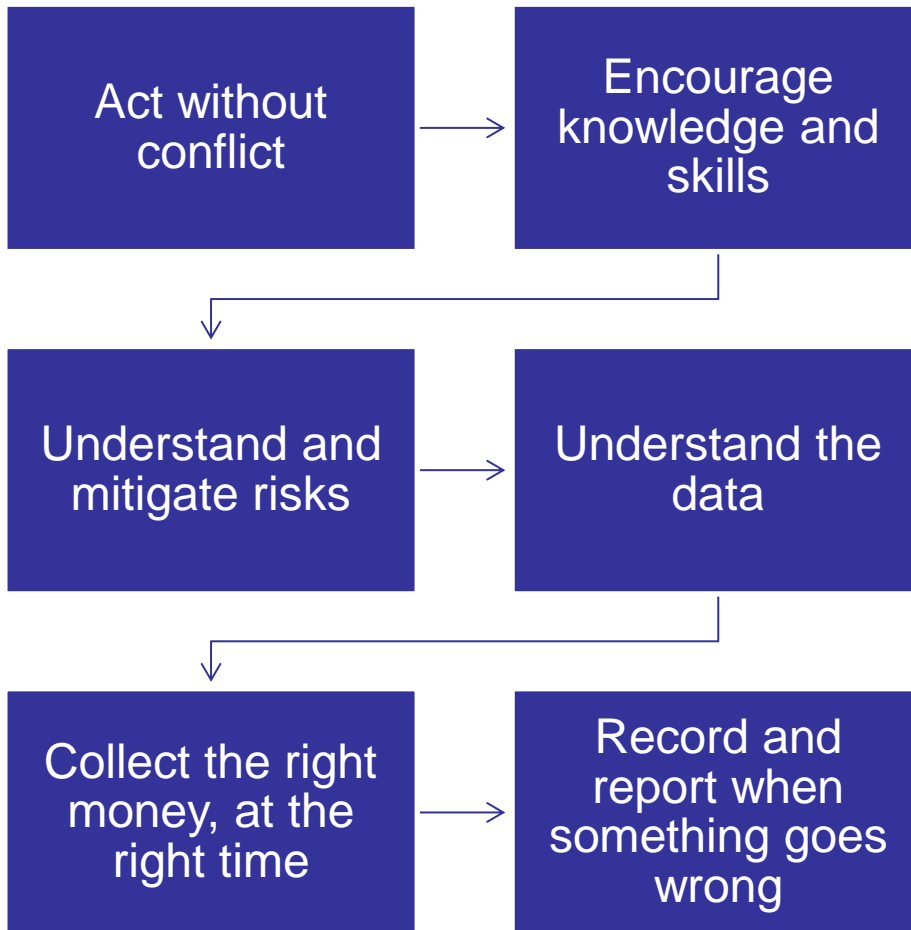


Reviewing the performance of administration



Reviewing the process for sharing data

# Governance



- Assurance rather than reassurance
- **Reassurance:** when someone you trust tells you that all is well
- **Assurance:** when someone you trust tells you what's happening; shows you the evidence; encourages questions and constructive challenge; and allows you to judge for yourself if everything's fine

# LPB expectations



Access to all information and resources needed to support the scheme manager.



Scheme manager to attend LPB meetings and advise members of any issues arising.



Board is adequately resourced in terms of members and length of office.



The LGA to provide appropriate advice, guidance, and training to assist the LPB in fulfilling their role.

# Case Law



# Why is considering Case Law important?



Case law can set judicial precedent and become the standard against which other cases are then decided.



Unlike statutory law, which is enacted by legislative bodies, case law evolves through the outcomes of individual cases, where courts interpret legislation, set legal standards, and resolve disputes.



Courts reference previous rulings when determining the outcomes of new cases.

---

## Where can you find out about other cases?

Pensions  
Ombudsman  
website

[Decisions](#)

FPS  
regulations  
and  
guidance  
website

[Relevant case law](#)

# Pensions Litigation past and present



## Milne v GAD

GAD failed to identify its continuing responsibility to calculate appropriate factors.



## Norman v Cheshire

Whether certain sums received are pensionable pay under the FPS: retaining fee, disturbance fee, public holiday pay.



## Booth v MWWFRA

Appeal of TPO determination [PO-14863](#) concerning the treatment of four specific elements of pay as pensionable or otherwise.



## Marrion & Ors, R v Board of Medical Referees & Ors

That permanent incapacity should include duties appropriate to the role, in addition to engaging in firefighting.

# Pensions Dashboards





# Pensions Dashboards Programme



All occupational pension schemes in scope will need to have connected to the pension's dashboards ecosystem by the legal connection deadline of **31 October 2026**



Public Sector schemes included the Firefighters' Pension Scheme are due to connect by **31 October 2025**



[Pensions Dashboards Programme](#)

## Are you ready?

- Does your scheme manager understand that the legal responsibility to connect is theirs, even if they are using their administrator to administer this.
- Do you know where you can obtain information relating to their responsibilities?

# Resources

- [Connection guidance](#)
- [Hot topics from TPR](#)
- [TPR connection checklist](#)
- [Dashboard Standards](#)
- [Connecting using a third party](#)
- [Change connection plans](#)

# Discretions



# What is a discretion?

Whilst the Firefighters' Pension Scheme is a statutory scheme, there are some decisions, known as discretions that the scheme manager have to make in relation to their administration of the scheme.

# Resources

[Full list of discretions available to scheme managers in the FPS](#)

[FPS 1992 discretions and table of delegations](#)

[FPS 2006 discretions and table of delegations](#)

[FPS 2015 discretions and table of delegations](#)

[FCS discretions and table of delegations](#)

[Discretions Workshop – 2022 AGM slides](#) (page 64)

**\*The discretions documents are subject to review**

# Reference material

# LGA framework and support services

- Forums and Groups
  - Technical group
  - Communications group
  - Regional groups
  - Admin
  - LPB Chair
  - FRA Drop in session
- Events
- Technical Support
- Coffee mornings



# Resources

- [www.fpsboard.org](http://www.fpsboard.org)
- [www.fpsregs.org](http://www.fpsregs.org)
- [www.fpsmember.org](http://www.fpsmember.org)
- [Monthly bulletins](#)
- [Regulations](#)
- [GAD Guidance](#)
- [Age discrimination](#)
- [Second Options Exercise](#)

## Firefighters' Pension Schemes Regulations and Guidance

[Welcome](#) [Training and Development](#) [Age discrimination remedy](#) [Special members of FPS 2006](#) [Regulations](#) [Bulletins and Circulars](#)  
[GAD Guidance](#) [Administration Resources](#) [Legal Landscape](#) [Events](#) [Contact Us](#) [Archive](#)



You are here: [Home](#)

### Welcome

Welcome to the Firefighters' Pension Schemes Regulations and Guidance website.

The site has been developed to hold all resources relating to the administration of the Firefighters' Pension Schemes and provide Fire & Rescue Authorities and administrators with tools and guidance to provide an efficient and effective service to their members.

Details of events relevant to the Firefighters' Pension Schemes can be found on the [Events](#) page. A calendar of forthcoming diary dates is also included in our monthly [FPS bulletins](#) from January 2018 onwards.

For more information about governance of the schemes and the work of the Scheme Advisory Board, please visit our dedicated [Board website](#).

If you have any comments, feedback or suggestions regarding the site, please [contact us](#).

### Latest news

#### 30 April 2025

[FPS Bulletin 92 - April 2025](#) was published on 30 April 2025

This issue provide updates on Age Discrimination remedy, including HMT amending directions and update on GAD guidance, Matthews GAD Calculator, FPS top up grant deadline, FPS valuation update, HMRC newsletter and more.

#### 31 March 2025

[FPS Bulletin 91 - March 2025](#) was published on 31 March 2025.


This issue provides updates on Age Discrimination remedy, Matthews, 2025 Annual update, NS&I rates, IDRP guidance, SDES guidance, HMRC newsletters, training and development and more.

### Login Form

Username 

Password 

☐ Remember Me

 Web Authentication

[Log in](#)

[Forgot your password?](#)  
[Forgot your username?](#)

### Useful Links

[CLG archive](#)  
[Fire and rescue workforce and pensions statistics](#)  
[Firefighters' Pension Scheme statistics](#)  
[FPS England Scheme Advisory Board](#)  
[FPS Member website](#)  
[HMRC Pensions Tax Manual](#)

## Firefighters' Pension Schemes Regulations and Guidance

[Welcome](#)   [Age discrimination remedy ▼](#)   [Special members of FPS 2006 ▼](#)   [Regulations ▼](#)   [Bulletins and Circulars ▼](#)   [GAD Guidance ▼](#)  
[Administration Resources ▼](#)   [Legal Landscape ▼](#)   [Events ▼](#)   [Contact Us](#)   [Archive ▼](#)



[Bulletins](#)

[Firefighters' Pension Committee \(FPC\)](#)

[FPSC circulars](#)

[News archive 2022](#)

[News archive 2021](#)

[News archive 2020](#)

[News archive 2019](#)

[News archive 2018](#)

# Website navigation

Coffee morning 28 January 2025

[Website Navigation](#)

**Do you have access to the Member area?**

If not, but you need it please email  
[bluelightpensions@local.gov.uk](mailto:bluelightpensions@local.gov.uk)

# Scheme regulations



- FPS 1992 Regulations  
<http://www.fpsregs.org/index.php/regulations/fps-1992-regulations>
- FPS 2006 Regulations  
<http://www.fpsregs.org/index.php/regulations/fps-2006-regulations>
- FPS 2015 Regulations  
<http://www.fpsregs.org/index.php/regulations/fps-2015-regulations>
- Firefighters' Compensation Scheme  
<http://www.fpsregs.org/index.php/regulations/firefighters-compensation-scheme>
- Age Discrimination Remedy Regulations  
<https://www.fpsregs.org/index.php/regulations/age-discrimination-remedy-regulations>
- Special Members of the FPS 2006 Regulations  
<https://www.fpsregs.org/index.php/regulations/special-members-of-fps-2006-regulations>

## Firefighters' Pension Schemes Regulations and Guidance

[Welcome](#)   [Age discrimination remedy ▼](#)   [Special members of FPS 2006 ▼](#)   [Regulations ▼](#)   [Bulletins and Circulars ▼](#)   [GAD Guidance ▼](#)  
[Administration Resources ▼](#)   [Legal Landscape ▼](#)   [Events ▼](#)   [Contact Us](#)



- [FPS 1992 Regulations](#)
- [FPS 2006 Regulations](#)
- [FPS 2015 Regulations](#)
- [Firefighters' Compensation Scheme](#)
- [Age Discrimination Remedy Regulations](#)
- [Special members of FPS 2006 Regulations](#)
- [Consolidated regulations](#)
- [Scheme valuations](#)



## The Firefighters' Pensions (England) SAB

[Welcome](#) [About the Board](#) [Board Committees](#) [Board Publications](#) [Local Pension Boards](#) [Contact Us](#)



You are here: [Home](#)

## Welcome

Welcome to the website for the Firefighters' Pensions (England) Scheme Advisory Board.

The site holds information about the work of the Board and its three committees, as well as useful information and resources for Local Pension Boards.

If you have any comments about the site, please contact the Board secretariat at [bluelight.pensions@local.gov.uk](mailto:bluelight.pensions@local.gov.uk)

## Latest news

### 31 October 2024

[FPS Bulletin 86 - October 2024](#) was published on 31 October 2024.

This issue provides readers with important updates relating to Age discrimination remedy tax treatment for top up death benefits, immediate choice remediable service statement (RSS) rollout, immediate choice protected members, FPS 1992 contributions and the HMRC digital services, interest payments, contingent liabilities (unfunded debt), Employee Contribution system, Maternity RPA and death

## Login Form

The Login form is for Scheme Advisory Board members only.



☐ Remember Me



Web Authentication

Log in

[Forgot your password?](#)



# LPB Resources



<https://www.fpsboard.org/index.php/local-pension-boards/resources> -

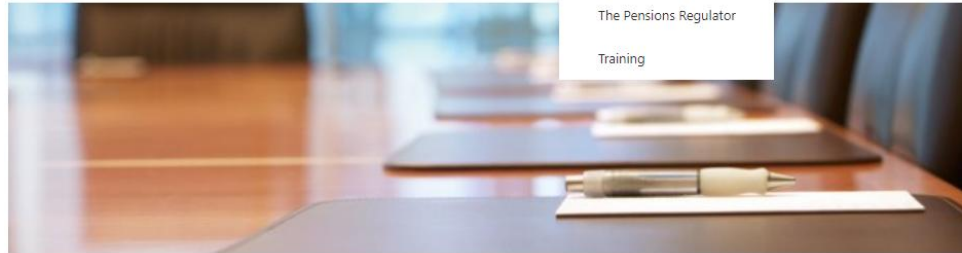
## The Firefighters' Pensions (England) SAB

[Welcome](#) [About the Board](#) [Board Committees](#) [Board Publications](#) [Local Pension Boards](#) [Contact Us](#)

[Resources](#)

[The Pensions Regulator](#)

[Training](#)



You are here: [Home](#) / [Local Pension Boards](#) / Resources

### Resources

Please see below a list of resources that have been developed to facilitate the effective running of Local Pension Boards.

[LPB meeting agenda template](#) (Word, 2 pages, 44kb)

[Guidance on the creation and operation of Local Pension Boards in England](#) (PDF, 73 pages, 659kb)

[Eversheds' UK pensions speedbrief - FPS Governance](#) (PDF, 3 pages, 125kb)

[Draft LPB Terms of Reference - updated June 2019](#) (Word, 7 pages, 28.5kb)

[Scheme manager delegation guidance](#) (PDF, 6 pages, 177kb)

[Breach assessment template](#) (Word, 4 pages, 42kb)

[Scheme year cycle](#) (PDF, 1 page, 69.5kb)



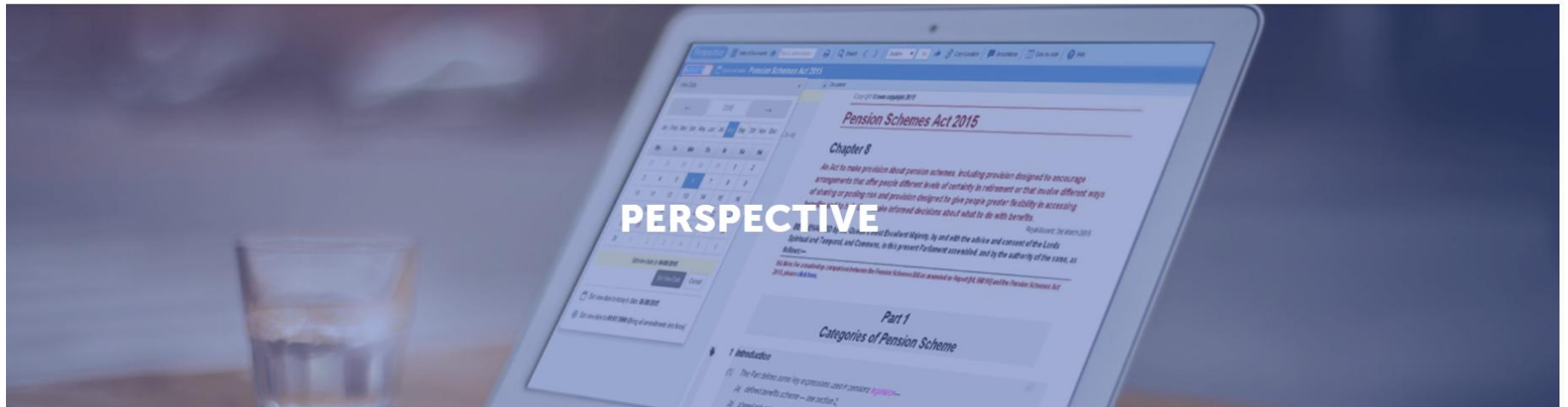
### Useful Links

[CLG Archive](#)  
[FPS Regulations and Guidance](#)  
[FPS Member website](#)  
[Firefighters' Pension Scheme Statistics](#)  
[HMRC Pensions Tax Manual](#)  
[Local Government Association](#)  
[LGA Pensions page](#)

# Signposting to Information Perspective - Pendragon



HOME PERSPECTIVE NEW & RECENT CLIENT VIEWS TRAINING ABOUT



Pendragon developed Perspective with the help of key professionals from the pensions industry who helped us to understand how they work and what they need. Perspective is, therefore, the ultimate information service for the UK pensions industry designed and conceived by it.

### Table of Documents

- Acts and Bills
- SIs, Drafts, Explanatory Memoranda
- Other Regulatory Materials
  - HMRC, TPR, PPF
- European Union Materials
- Law Reports
- The Pensions Ombudsman -
  - Determinations & Materials
- Timeline
- Spotlight on Pensions
- Commentary
- Statistics
- Parliamentary Materials
- Reports, Consultations, etc
- Scheme Rules (NEST, Civil Service, etc)
- Public Sector Schemes (E+W+S)
- Public Sector Schemes (NI)
- PensionSurveys
- Perspective User Guides & Help

### Recently Opened Documents

Ctrl-click to open document in a new tab

- [SI 2013/704 The Firefighters' Pension Scheme \(England\) \(Amendment\) Order 2013](#)
- [SI 2006/3432 The Firefighters' Pension Scheme \(England\) Order 2006](#) [fire 06 (e)]
- [SI 2006/1811 The Firefighters' Compensation Scheme \(England\) Order 2006](#) [fire comp (e)]
- [SI 2023/986 The Firefighters' Pension Schemes \(England\) \(Amendment\) Order 2023](#)
- [SI 2012/2988 The Firefighters' Pension Scheme \(England\) \(Amendment\) \(No 2\) Order 2012](#)
- [SI 2013/1393 The Firefighters' Pension Scheme \(England\) \(Amendment\) \(No 2\) Order 2013](#)
- [SI 1992/129 The Firemen's Pension Scheme Order 1992 \(E\)](#) [fire 92 (e)]

### New and Recently Amended Documents

9 September 2024

- [A&O Shearman LLP: What's New This Week 9 September 2024](#) – [Call for Evidence: Pensions Investment Review - TPR: Dashboards Compliance and Enforcement Policy - Reminder: Pensions Academy Online]

6 September 2024

# The Pension Regulator (TPR)



[For more information on TPR](#)





**We want to hear your  
feedback**

# Disclaimer

- The information contained in these slides are the authors interpretation of the current regulations.
- Readers should take their own legal advice on the interpretation of any particular piece of legislation.
- No responsibility whatsoever will be assumed by LGA or their partners for any direct or consequential loss, financial or otherwise, damage or inconvenience, or any other obligation or liability incurred by readers relying on information contained in these slides.

**Thank you for listening!**

[Tara.atkins@local.gov.uk](mailto:Tara.atkins@local.gov.uk)

[Bluelight.pensions@local.gov.uk](mailto:Bluelight.pensions@local.gov.uk)

[www.fpsboard.org](http://www.fpsboard.org)

[www.fpsregs.org](http://www.fpsregs.org)

[www.fpsmember.org](http://www.fpsmember.org)