



To whom it may concern

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**Our Ref** DJC/PBG/SALF

Dear Chief Fire Officer

### **Retained Firefighters pension**

I am writing to you as a sub-scheme administrator of the Firefighters Pension Scheme 2006. As you will be aware, following a court ruling in 2006 (in the case *Matthews v Kent and Medway Fire Authority*) retained firefighters won the right to elect to join the modified section of the Firefighters Pension Scheme 2006 (FPS 2006) as a special member. Recent contact with members and Fire and Rescue Authorities would suggest that a number of compliance issues need to be resolved. HMRC is aware that in some cases:

- Relief has been given under a net pay arrangement.
- Contributions and interest due exceeds their earnings and so all or part of the relief should have been given by way of IT/SA claim.
- Relief has been given by the wrong method.
- Relief may have been given incorrectly.

I am writing to all Scheme Managers of Fire & Rescue Authorities to request further information which will enable me to establish compliance and also to ensure consistency of treatment across the sector. The fact that that you have received this letter should not be interpreted as HMRC suggesting that you have not been compliant, the same letter has been issued across the Fire & Rescue sector.

### **Request for Information**

- 1) We require the following information for those who were employed as retained firefighters between 1/7/2000 and 5/4/2006 inclusive and have taken the opportunity to purchase retrospective membership of the Modified Scheme.**
  - a) Name, date of birth and national insurance number.

- b) A breakdown of total amount of periodical contributions\* in respect of retrospective membership for each person for each year (*specify years they relate to i.e. 2000 onwards*).
- c) Was the individual at the time the contributions were paid still employed as a Firefighter and a current member\*\* of FPS 2006? Y/N
- d) Were any of the individual's contributions paid as a lump sum? Y/N
- e) Were any of the individual's contributions to be paid in instalments? If so please provide annual amounts payable and dates of all the payments made to date?
- f) Did you operate net pay arrangement to give tax relief for these contributions? Y/N

**2) We require the following information for each individual in respect of arrears of pension due**

- a) Name, date of birth, national insurance number.
- b) Total amount due of additional pension for each person.
- c) Please specify whether PAYE was applied to the total amount of arrears or only to residual arrears after deducting contributions?

**3) We require the following information where there was any lump sum**

- a) Were any contributions paid by a deduction from an additional Pension Commencement Lump Sum (PCLS) Y/N
- b) If yes, please provide name, date of birth, national insurance number.
- c) Details of the amounts for each individual and years these relate to.

I understand that it may take you time to collate the information requested and therefore I would request that all responses are sent for my attention before 21 September 2018. To assist you with completing this information request, I attach to my email a spreadsheet which I would ask you to complete. If you have concerns with regards to providing confidential data via email, I would suggest that you password protect the data and send the password under separate cover to my email address shown above. I would be grateful if you would mark responses for my attention and send the requested information to the mailbox below:

[wmbc.policeandfiresectorpbq@hmrc.gsi.gov.uk](mailto:wmbc.policeandfiresectorpbq@hmrc.gsi.gov.uk)

**Notes for completion**

\*Contributions include interest for late payment.

\*\*Current member means they are a) still employed as a Firefighter (either retained or regular) and b) they are a member of the FPS 2006 scheme and c) they are paying contributions in respect of their current employment.

Please reply by 21 September 2018. If you can't reply by this date, then let us know.

Yours sincerely

**David Cannon**

Sector Compliance Manager (Police, Fire and Housing Associations)

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