

FPS Bulletin 26 – November 2019

Welcome to issue 26 of the Firefighters' Pensions Schemes bulletin.

If you are looking for information on a certain topic, issue and content indexes are held on the main [bulletin](#) page of the website and are updated following each new issue.

If you have any comments on the contents of this bulletin or suggested items for future issues, please contact [Claire Hey](#).

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Calendar of events

Please see below a calendar of upcoming events relevant to the Firefighters' Pension Schemes. Only those events which are hyperlinked are currently available to book. If you have any events you would like to be included in a future bulletin, please contact [Claire Hey](#).

Eastern FPOG	10 December 2019
SAB	9 January 2020 - amended
North East regional FPOG	12 February 2020 – amended
LGA annual Fire conference and exhibition	10-11 March 2020
SAB	19 March 2020
SAB	11 June 2020
SAB	17 September 2020
Firefighters' Pensions AGM – save the date!	22-23 September 2020
SAB	10 December 2020

FPS

Fire and Rescue workforce and pensions statistics published

The Home Office published workforce and pensions statistics for Fire and Rescue Services (England) on 31 October¹. The pension scheme statistics, covering April 2018 to March 2019, reflect data returns on income, expenditure and membership submitted by all 45 FRAs in England.

Some key results:

- Firefighters' Pension Scheme expenditure in 2018/19 was around £856 million.
- In 2018/19, 81% of expenditure was "recurring outgoing payments" and 18% was "commutation payments".
- Firefighters' Pension Scheme income in 2018/19 was around £257 million.
- In 2018/19, 53% of income was "employer contributions", 44% was "employee contributions" and the remaining 4% comprised transfers, miscellaneous income and ill-health charges.
- The Firefighters' Pension Scheme deficit in 2018/19 was around £599 million.
- As at 31 March 2019, the total number of pensioner members was 43,665. Of these, 95% were members of FPS 1992.

1

https://assets.publishing.service.gov.uk/government/uploads/system/uploads/attachment_data/file/843566/fire-rescue-workforce-pensions-1819-hosb2619.pdf

ABS 2019 survey – action required

A little later than anticipated, we are pleased to launch this year's survey of the ABS process, developed in collaboration with the SAB Local Pension Board effectiveness committee.

The survey was extended last year to invite administrators to submit responses, and while the 2018 web-based version gave more flexibility to response options, there were issues around the clarity and wording of the questions, particularly for measuring internal controls, and issuing the same question set to both FRAs and administrators skewed the results in some areas. The 2018 [research report](#)² was published in April 2019.

Taking into account feedback and learning from previous years, we have revised the question sets and have developed separate surveys for the FRA and administrator to complete. We welcome one reply from each FRA, and for administrators with multiple FRA clients, a completed survey per authority.

To ease the burden on those administrators, a third, shorter version of the survey has been provided, with the intention that they will complete a full survey for the first FRA and the reduced version for each subsequent submission.

FRA (employer) survey https://www.surveymonkey.co.uk/r/ABS_2019_SURVEY_FRA

Administrator survey for single, or first of multiple FRAs

https://www.surveymonkey.co.uk/r/ABS_2019_SURVEY_ADMIN

Administrator survey for subsequent multiple FRAs

https://www.surveymonkey.co.uk/r/ABS_2019_SURVEY_ADMIN_PLUS

We would be grateful for your responses by **10 January 2020**. If you require any further information or clarification on the surveys, please contact claire.hey@local.gov.uk.

FPS England - 2020 valuation draft data specifications

The Government Actuary's Department (GAD) has issued the draft 2020 valuation data specifications for FPS England. This has been circulated by email to software suppliers and administrators.

The data specifications are mostly the same as they were for the 2016 valuation, with the one major addition being the inclusion of extra data requirements for salary and contribution information between 2015 and 2020 following the McCloud judgement.

As these specifications are in draft GAD welcome any comments from administrators regarding the contents or structure of the document. Please submit any comments to bluelight.pensions@local.gov.uk.

GAD will follow up in the near future with the required data collection spreadsheet and instructions.

A new page has been created in the member-restricted area of www.fpsregs.org to hold confidential or draft documentation relating to the valuation process <http://fpsregs.org/index.php/member-area/scheme-valuations-restricted>. If you require log-in details for the member area, please contact us on the email address above.

² <http://www.fpsboard.org/images/PDF/Surveys/ABS2018.pdf>

Accounting disclosures: Police and Firefighters Pension Schemes 2019/20

Have you started thinking about your 31 March 2020 pension accounting disclosures? If not, now is the time!

Click on the attached flier ([Appendix 1](#)) to find out how Hymans Robertson can help you.

November query log

The current [log of queries and responses](#) is available on the FPS Regulations and Guidance website. The queries have been anonymised and divided into topics. The log will be updated on a monthly basis in line with the bulletin release dates.

Queries from earlier months have been grey-shaded to differentiate from new items added in October.

Other News and Updates

TPR governance and administration survey 2019

Invitations for the Pension Regulator's annual Governance and Administration survey were sent out 6 November 2019 with a deadline of 29 November 2019. An email was sent to Local Pension Board chairs to remind them to liaise with their scheme manager to ensure completion within the deadline.

Before completing the survey, FRAs should ensure they are familiar with the recent guidance published on the [six key processes](#)³ used by TPR to measure public sector performance under and our guidance on [data scoring to measure accuracy](#)⁴. The TPR reports from previous surveys can be found on our dedicated webpage <http://www.fpsregs.org/index.php/legal-landscape/the-pensions-regulator>.

Pension Schemes Bill – second reading delayed

In [FPS Bulletin 25 – October 2019](#), we reported on the Queen's Speech confirming that a new Pension Schemes Bill would be introduced to strengthen TPR's powers, provide a framework to support pensions dashboards and introduce regulations covering the right to a pension transfer.

The first reading of the Bill took place on 15 October 2019 and the second reading of the Bill was scheduled to take place on 30 October 2019. However, this was delayed with no replacement date set, as the UK moves towards a general election on 12 December 2019.

LGA Pensions Adviser vacancy

The LGA is [recruiting](#) for a pensions adviser to lead on the development and implementation of an extended service to LGPS Scotland. It is a full-time role that can be either office (London) or home based. The salary scale ranges from £41,675 to £47,736 (plus London weighting where appropriate).

The closing date for applications is 3 January 2020; interviews will be held on 13/14 January 2020. For more information or to discuss this opportunity please contact Jeff Houston (07786 681 936) or Lorraine Bennett (07766 252847).

³ <http://fpsregs.org/images/admin/TPR-6-key-processes.v1.pdf>

⁴ <http://fpsregs.org/images/admin/TPR-data-scoring-2019-clean.pdf>

HMRC

HMRC newsletters/bulletins

HMRC have published pension schemes newsletters 114 and 115 containing important updates and guidance on pension schemes. The following issues are covered:-

- [Pension schemes newsletter 114 – 30 October 2019](#): Registration statistics | Pension flexibility statistics | Pension scheme administration - moving pension recipients from one payroll to another | Relief at source | Guaranteed Minimum Pension Equalisation | Annual allowance scheme pays GOV.UK guidance |
- [Pension schemes newsletter 115 – 26 November 2019](#): Lifetime allowance and the 2019 to 2020 event report | Managing Pensions Schemes service - giving access to Government Gateway administrators and assistants | Managing Pension Schemes service - pension practitioner IDs | Relief at source - notification of residency status report for 2020 to 2021 | Annual allowance - members declaring their annual allowance charge on their Self Assessment tax return |

HMRC have published a new guide about paying the AA tax charge for pension scheme members. The guide entitled '[who must pay the pensions annual allowance tax charge](#)' has information about 'mandatory' and 'voluntary' scheme pays and provides links for members on declaring their AA charge on their self-assessment return.

Authorities are asked to remind those members who have exceeded their annual allowance for 2018/19 and who do not have sufficient unused annual allowance to carry forward to cover the excess, that they must declare this on their Self-Assessment tax return, even if the FRA is paying the tax charge.

Training and Events

Pensions tax – event summary

It was another full house at Smith Square on 12 November for the LGA Bluelight team's final event of the year: pensions tax in the Firefighters' and Police schemes.

In an unfortunate turn of events, Malcolm Eastwood was unable to chair the day due to ill-health and was ably substituted by Andy Hopkinson, DCFO at Bedfordshire FRS. We would like to take this opportunity to pass on the good wishes of the FPS community to Malcolm for a full and speedy recovery.

Andy remained at the lectern to deliver the first session of the day; an update on the work of the Public Service Pensions Alliance, which brings together pension experts from across the public sector, and is currently investigating options to help members better manage their tax consequences by improving freedom and flexibilities, and what evidence might be needed to build a robust business case.

Andy was followed by the ever-popular Annemarie Allen from Barnett Waddingham, with a look at the ins and outs of the annual and lifetime allowance.



Following a short break, the LGA's very own Clair Alcock delivered back to back sessions on unauthorised payments, including the how and why, and scheme pays, including the who and when.

In an afternoon dedicated to next steps, and in the tricky after-lunch slot, Laura Bowler of Pen-gage kept delegates entertained with a fascinating look at engagement and communication in relation to pensions tax: the good, the bad, and the ugly...



Craig Moran of First Actuarial then picked up the theme from Andy's earlier session with a look at the landscape across public service schemes, the work of the Scheme Advisory Board around the cost-cap breach, and what evidence is needed to build a case for change.

The final session of the day allowed the audience to direct their burning questions (no pun intended) to our panel of experts. And that's a wrap for 2019. See you all again in 2020!

The complete presentation slide decks from the event are available [here](#)⁵. Please note that Annemarie's slides are available to delegates of the session only.

To view the full conference in pictures, visit our [@LGAWorkforce](#) twitter feed, #LGAfirepensions

⁵ <http://www.fpsboard.org/images/PDF/Events/Pensions-Tax/Pensions-tax-slide-deck-121119.pdf>

Legislation

NISR	Reference Title
2019/206	The Local Government Pension Scheme (Amendment) Regulations (Northern Ireland) 2019
SI	Reference Title
2019/1425	The Finance Act 2004 (Specified Pension Schemes) Order 2019
2019/1433	The Occupational Pensions (Revaluation) Order 2019
2019/1449	The Local Government Pension Scheme (Amendment) Regulations 2019
SSI	Reference Title
2019/357	The Firefighters' Pension Scheme (Scotland) Amendment Regulations 2019
2019/358	The Firefighters' Pension Schemes (Scotland) Amendment Order 2019
2019/380	The Police Pensions Amendment (Increased Pension Entitlement) (Scotland) Regulations 2019
2019/381	The Firefighters' Pension Scheme Amendment (Increased Pension Entitlement) (Scotland) Order 2019
2019/382	The Firefighters' Pension and Compensation Schemes (Amendment) (Scotland) Order 2019

[The Civil Partnership \(Opposite-sex Couples\) Regulations 2019 \[SI 2019/1458\]](#)

On 5 November 2019 the Government made the Civil Partnership (Opposite-sex Couples) Regulations 2019 [[SI 2019/1458](#)] which are effective from 2 December 2019. This means that an opposite-sex couple can give notice of a proposed civil partnership on 2 December 2019 after which the 28 day waiting period will commence (section 11 of [The Civil Partnership Act 2004](#)). This means an opposite sex civil partnership registration can take place from 31 December 2019.

These regulations were made in response to the Government [consultation](#) published on 10 July 2019, which proposed changing the law to allow opposite-sex couples to form civil partnerships (section 2 of the [Civil Partnerships, Marriages and Deaths \(Registration etc\) Act 2019](#)).

Also amended is section 37 of the Marriage (Same Sex Couples) Act 2013. This limits the conversion of a civil partnership into a marriage, to couples in same sex civil partnerships only. The Government has not made provisions to allow a marriage to be converted into a civil partnership.

Useful links

- [The Firefighters' Pensions \(England\) Scheme Advisory Board](#)
- [FPS Regulations and Guidance](#)
- [Khub Firefighters Pensions Discussion Forum](#)
- [FPS1992 guidance and commentary](#)
- [The Pensions Regulator Public Service Schemes](#)
- [The Pensions Ombudsman](#)
- [HMRC Pensions Tax Manual](#)
- [LGA pensions website](#)

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