

FPS Bulletin 6 – March 2018

Welcome to the sixth issue of the Firefighters' Pensions Schemes bulletin. While the bulletins were previously issued bi-monthly, it is now intended to produce them on a monthly basis where there is sufficient content.

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

Contents

[Calendar of events](#)

[FPS](#)

- [Contribution rates 2018-19](#)
- [Year End update 2018](#)
- [TPO determination on pensionable pay](#)
- [FPS 2015 Additional Pension purchase limit applicable for 2018-19](#)
- [LPB survey research report](#)

[Other News and Updates](#)

- [TPR – managing service providers](#)
- [TPO public service pension scheme statistics](#)

[HMRC](#)

- [HMRC newsletters/bulletins](#)
- [Contracting-out reconciliation update](#)
- [User research into scheme administrators with multiple scheme administrator IDs](#)

[Training](#)

- [GDPR and TPR data requirements](#)
- [Special Members of the 2006 Scheme Refresher Workshop](#)

[Legislation](#)

[Useful links](#)

[Contact details](#)

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](#).

Meeting GDPR and TPR Data Requirements	29 March 2018
Firefighter Pensions Technical Community	10 April 2018
Modified 2006 scheme workshop	2 May 2018
Joint Police and Fire governance event	9 May 2018
Local Pension Board (LPB) wrap up training	19 June 2018
SAB	20 June 2018
Aquila Heywood CLASS AGM, Holiday Inn - Manchester City Centre	11-12 July 2018
Firefighters' Pensions AGM	AMENDED: 17-18 September 2018
SAB	4 October 2018
SAB	5 December 2018

FPS

Contribution rates 2018-19

Banded contribution rates were introduced to the Firefighters' Pension Scheme 1992 and the Firefighters' Pension Scheme (England) 2006 by Statutory Instruments [2012/953](#) and [2012/954](#) respectively.

These rates have subsequently been amended each year by an amendment order to the schemes. The most recent amendments¹, which came into force on 1 April 2015, listed the rates applicable from 2015-16 to 2018-19, including contribution rates for Special Members of the Firefighters' Pension Scheme (England) 2006.

The Firefighters' Pension Scheme 2015 was introduced on 1 April 2015 by SI 2014/2848. [Regulation 110](#) set out details rates applicable from 2015-16 to 2018-19.

The factsheet at [Appendix 1](#) reminds FRAs of the contribution rates set out in the above Regulations and Orders which apply to 2018-19. These revised contribution rates apply from 1 April 2018.

Year End update 2018

A factsheet containing relevant thresholds and rate changes is available at [Appendix 2](#).

¹ [SI 2015/579](#), [SI 2015/590](#)

[TPO determination on pensionable pay](#)

The Pensions Ombudsman made a decision recently regarding pensionable pay for a retained firefighter with various allowances - [PO-15584](#).

The ombudsman upheld the complaint and determined that the Fire Authority should treat the disturbance, work activity and training attendance payments as pensionable pay (see paragraph 65 for the full direction).

This determination will now have an impact on other Fire Authorities who may have made similar decisions. However, as per the ombudsman comments in paragraph 64, which states that this is not a class action case, the ombudsman does not have the power to bind others. We can therefore confirm that the Scheme Advisory Board (SAB) have taken an action to provide guidance on this case and will work with their legal advisers to provide this as soon as possible.

An update on a timetable for this work will be provided at the end of April.

[FPS 2015 Additional Pension purchase limit applicable for 2018-19](#)

As detailed in [bulletin 2](#), no determination under [rule 2, \(1\)\(b\)\(i\) of schedule 1](#) was made by Treasury on the overall limit of extra pension for 2017-18, or subsequently 2018-19.

Paragraphs (1)(b)(ii) and (2)(a)&(b) confirm that the limit on the Additional Pension that can be purchased in the 2015 scheme is therefore increased on the 1 April *for any scheme year beginning on or after 1st April 2016* as if it were a pension beginning on the first day of the previous scheme year to which the Pensions (Increase) Act 1971 applies.

The pensions increase due at 1 April 2018 is that from 10 April 2017 (since the 2018 PI date is the 9 April 2018) and so the **Additional Pension limit has increased from £6,500 by 1% to £6,565 from 1 April 2018**.

For completeness, the limit for 2017-18 remained at £6,500 as PI was 0% at the relevant date (11 April 2016).

[LPB survey research report](#)

Between 28 November 2017 and 26 January 2018, FRAs and their LPBs were invited to participate in a web-based survey to monitor the progress of LPBs since their establishment in legislation. The survey was designed to measure the engagement and compliance of boards, and to establish where targeted support could be offered to assist local boards.

During the survey period 37 total responses were received from 32 of the 44 LPBs, equating to an overall response rate of almost 73%. The results of the survey have now been collated and analysed, and we are pleased to present the research report at [Appendix 3](#).

The [LPB Effectiveness Committee](#) would like to thank all boards that were able to submit a response for their participation in the survey, and for continuing to support the work of the SAB. The recommendations within the report will now be taken forward with the support of the Committee and the SAB. In the first instance, the SAB secretariat kindly requests that any missing or revised Terms of Reference are submitted to bluelight.pensions@local.gov.uk for inclusion on the [Local Pension Boards](#) page.

Other News and Updates

TPR – managing service providers

In light of recent news regarding outsourced service providers, the Pensions Regulator is aware that pension schemes may be considering their controls in this area. TPR has issued a statement summarising their existing guidance around the management of outsourced providers, to remind trustees and scheme managers of TPR's expectations. The statement is available at [Appendix 4](#).

TPO public service pension scheme statistics

[Appendix 5](#) provides a summary of the statistics collated by the Pensions Ombudsman concerning the enquiries and investigations undertaken on behalf of the Local Government, Police, Firefighters and Teachers Pension Schemes.

The statistics show that failure to provide information/act on instructions is the most common cause of complaint within the FPS, followed by misquote/misinformation and incorrect calculation of benefits.

HMRC

HMRC newsletters/bulletins

HMRC have published pension schemes newsletter 96 containing important updates and guidance on pension schemes. The following issues are covered:

[Newsletter 96 – February 2018](#): Scottish Budget 2017 – Taxation of Pension Income, relief at source - annual return of individual information for 2017 to 2018 onwards, look up residency status for relief at source, relief at source – excess relief, new pensions online service, and reporting of non-taxable death benefits.

Contracting-out reconciliation update

The following bulletin containing important guidance and information about the end of contracting-out, and the scheme reconciliation process, was published by HMRC in February.

[Countdown bulletin 32](#)

User research into scheme administrators with multiple scheme administrator IDs

As part of the work that HMRC are doing to develop their new pensions online service, they would like to talk to pension scheme administrators who use multiple scheme administrator IDs to manage their registered pension scheme(s).

If you can help with this, HMRC will contact you to arrange either a teleconference or face to face meeting to discuss how you use your multiple scheme administrator IDs, so that your feedback can be factored into the development and design of the new service.

Please email your Pensions Compliance Manager if you'd like to take part in this work and let them know:

- if you would prefer to do so face to face or via a teleconference
- dates and times in April or May 2018 that you are available

You can read more about the new pensions online service in the [HM Revenue and Customs pension schemes newsletters - GOV.UK](#) which will also be used to provide you with further updates on work as the service develops.

This is your opportunity to let HMRC know what your needs are as users of the new pensions online service. Your feedback will help them to build the best possible service and any help would be appreciated.

Training

GDPR and TPR data requirements

A half-day training session is being held at the LGA offices at [18 Smith Square](#), London on 29 March 2018.

The conference aims to look from a pensions perspective at the requirements of becoming both GDPR compliant and meeting TPR expectations and is intended for data controllers (scheme managers), Data Protection Officers, data processors (administrators), Local Pension Boards, and industry experts.

There will be sessions by LGA, ITM and TPR, along with practical tips from Local Authority colleagues, and a chance to view some of the solutions on offer from software suppliers.

Book your place [here](#).

Special Members of the 2006 Scheme Refresher Workshop

You are invited to participate in a refresher workshop on special members of the 2006 scheme, more commonly known as the modified scheme. This scheme introduced by legislation in 2014, has been widely regarded as a complex scheme to administer and communicate.

This session is designed to reflect on the history of the scheme, and what information was provided to help, refresh delegates on the technical details, and to offer an opportunity to network with colleagues. The session will be relevant for scheme managers, HR and pension practitioners, and software providers.

The workshop is being held at the LGA offices on 2 May 2018. Booking will be available shortly.

Legislation

Act	Title
2018	Finance Act 2018
SI	Reference Title
2018/234	The Contracting-out (Transfer and Transfer Payment) (Amendment) Regulations 2018
2018/240	The Occupational Pension Schemes (Preservation of Benefit and Charges and Governance) (Amendment) Regulations 2018
2018/262	The Police Injury Benefit (Amendment) (England and Wales) Regulations 2018

2018/271	The Social Security Revaluation of Earnings Factors Order 2018
2018/279	The Guaranteed Minimum Pensions Increase Order 2018
2018/333	The Pensions Increase (Review) Order 2018
2018/337	The Social Security (Contributions) (Rates, Limits and Thresholds Amendments and National Insurance Funds Payments) Regulations 2018
2018/338	The Public Service Pensions Revaluation Order 2018
2018/367	The Automatic Enrolment (Earnings Trigger and Qualifying Earnings Band) Order 2018

Useful links

- The Firefighters' Pensions (England) Scheme Advisory Board www.fpsboard.org
- FPS Regulations and Guidance www.fpsregs.org
- Khub Firefighters Pensions Discussion Forum
<https://khub.net/group/thefirefighterspensionsdiscussionforum>
- FPS1992 guidance and commentary
http://webarchive.nationalarchives.gov.uk/20120919152859tf_/http://www.communities.gov.uk/fire/firerescueservice/firefighterpensions/firefighterspensionscheme/
- The Pensions Regulator Public Service Schemes
<http://www.thepensionsregulator.gov.uk/public-service-schemes.aspx>
- The Pensions Ombudsman <https://www.pensions-ombudsman.org.uk/>
- HMRC Pensions Tax Manual - <https://www.gov.uk/hmrc-internal-manuals/pensions-tax-manual>

Contact details

Clair Alcock (Firefighters' Pension Adviser)

Telephone: 020 7664 3189

Email: clair.alcock@local.gov.uk

Kevin Courtney (NPCC Pensions Adviser)

Telephone: 020 7664 3202

Email: kevin.courtney@local.gov.uk

Claire Hey (Assistant Firefighters' Pension Adviser)

Telephone: 020 7664 3205

Email: claire.hey@local.gov.uk