



Tax awareness seminars – next steps

Between October 2017 and January 2018, Barnett Waddingham hosted and presented a series of tax awareness seminars for the Firefighter and Police pension schemes, which were procured through the SAB budget in conjunction with NPCC.

Seven three-hour sessions were held at locations across the country for FPS decision makers, and six for the PPS. The aim was to provide an awareness of the aspects of the annual and lifetime allowances, to consider their effects and to discuss the issues arising from them in order to enhance understanding in the FRAs of the importance of taking certain actions. These include encouraging education of the workforce, promoting greater understanding among members making retirement and promotion decisions, considering the workforce issues arising and how they might be mitigated, and reviewing whether FRAs are compliant with legislation.

The sessions were aimed at scheme managers and decision makers, and Board Members. They were also attended by administrators, software suppliers, Scheme Advisory Board members, and the Home Office. The mix of skill-sets and experience at each event ensured good, open engagement with plenty of audience participation and networking.

A common question concerned the timescales for Mandatory and Voluntary Scheme Pays (MSP and VSP). The LGA prepared and issued guidance on VSP for 2016-17 with bulletin 4 and this can be accessed [here](#).

Authorities may now be thinking about long term changes around future planning, flexibility, and workforce retention; plus potential provisions for tax management to ensure compliance with legal requirements. While individual taxation remains a member responsibility, FRAs may want to consider what next steps they can take to ensure that their workforce is educated and informed.

Positive actions for schemes managers/ board members could include:

1. Reviewing processes and information provided for compliance and best practice.
2. Monitoring performance and considering any [breaches of the law](#), including requirements for and reporting those of material significance.
3. Reviewing pension administration resources and systems.
4. Being aware of VSP developments and changes to legislation and guidance.
5. Educating employees, including to understand their own individual circumstances versus custom.
6. Monitoring opt out requests and resignations or retirements following the issue of pension savings statements and/ or scheme pays applications.
7. Considering workforce policies and planning.

Some ideas we have already received to further assist FRAs include the commissioning of literature for FRAs to send with pension saving statements to improve member knowledge, posters advertising the deadlines for MSP/ VSP, and a leaflet for members considering promotion on any potential tax implications. FRAs may also wish to consider providing individuals with access to specialist advice. We would be interested to hear your views – please email bluelight.pensions@local.gov.uk with any suggestions or comments.

Further to the success of the series of seminars, requests for additional workshops with a focus for administrators have been received, and the SAB secretariat is looking to progress this with the Board.