

FPS Local Pension Board (LPB) Training

The Bluelight Team

23 January 2025

www.local.gov.uk

Agenda

Welcome and Introductions

Bluelight Team

Scheme Advisory Board – An update from the Chair

Local Pension Board Effectiveness Committee – An update

An introduction to the Pensions Regulator (Governance)

Break

Pensions Dashboard Programme Update

Pensions Dashboard an update from the Pensions Regulator

An update from the Bluelight team – Current hot topics

End of session review

Close

Introductions

Bluelight team

Tara Atkins

Senior Firefighters' Pension Adviser

Claire Johnson (maternity leave)

Senior Firefighters' Pension Adviser

Bluelightpensions@local.gov.uk

•HELLO•
welcome

Role and responsibilities

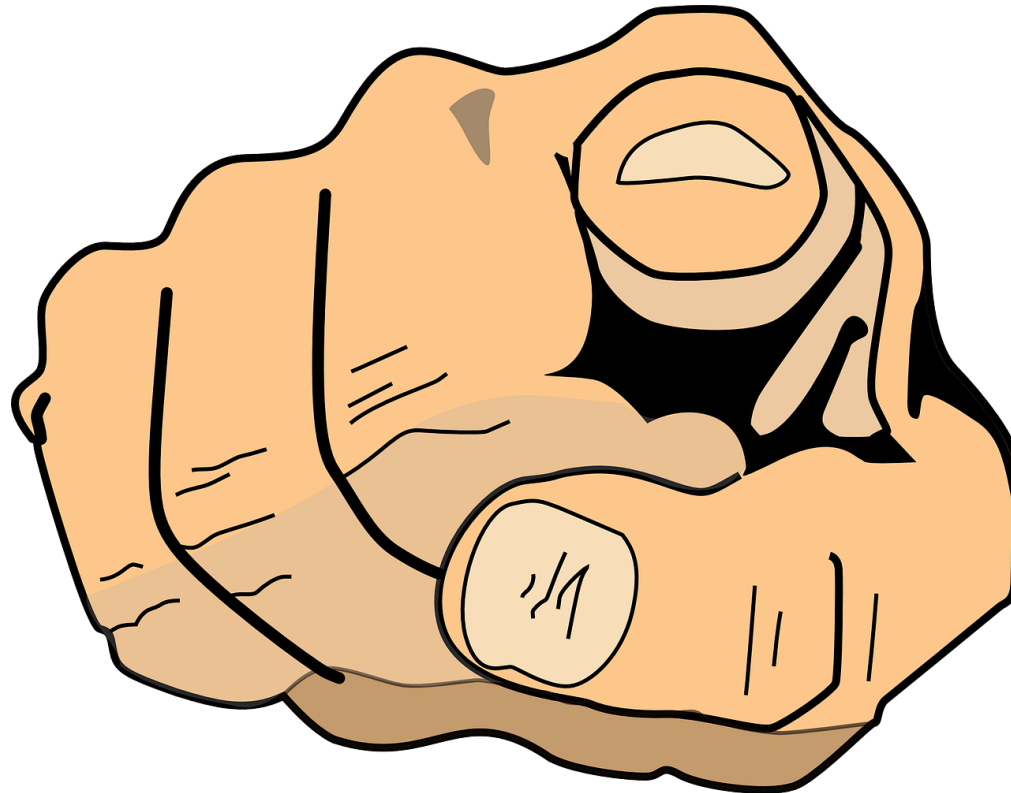
To support scheme managers with their responsibilities for the administration and management of the FPS.

- 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

Now it is over to you?



Please introduce yourself



Name



Which LPB do you represent?



What's your role on the LPB? i.e. member rep, employer rep, etc.



How long have you been on the LPB?

And a couple of questions to discuss with the wider group....



What are the challenges your LPB is currently facing?



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

Feedback to the group



Why are we here?



Background to the Firefighters' Pension Schemes

18 years ago...
– one scheme



Then in 2006...



From 2015...



From 2022.....



Role of the LPB



Purpose of the pension board



4A.—(1) Each scheme manager must no later than 1st April 2015 establish a pension board (“a local pension board”) responsible for **assisting** it—



(a) to secure compliance with—

- (i) these Regulations,
- (ii) any other legislation relating to the governance and administration of this scheme and any connected scheme⁽¹⁾, and
- (iii) any requirements imposed by the Pensions Regulator in relation to this scheme and any connected scheme; and



(b) to ensure the effective and efficient governance and administration of this scheme and any connected scheme.

[The Firefighters' Pension Scheme \(Amendment\) \(Governance\) Regulations 2015 \(legislation.gov.uk\)](https://www.legislation.gov.uk)

How do you 'assist'?



Re-assure the scheme manager by providing assurance



Assure

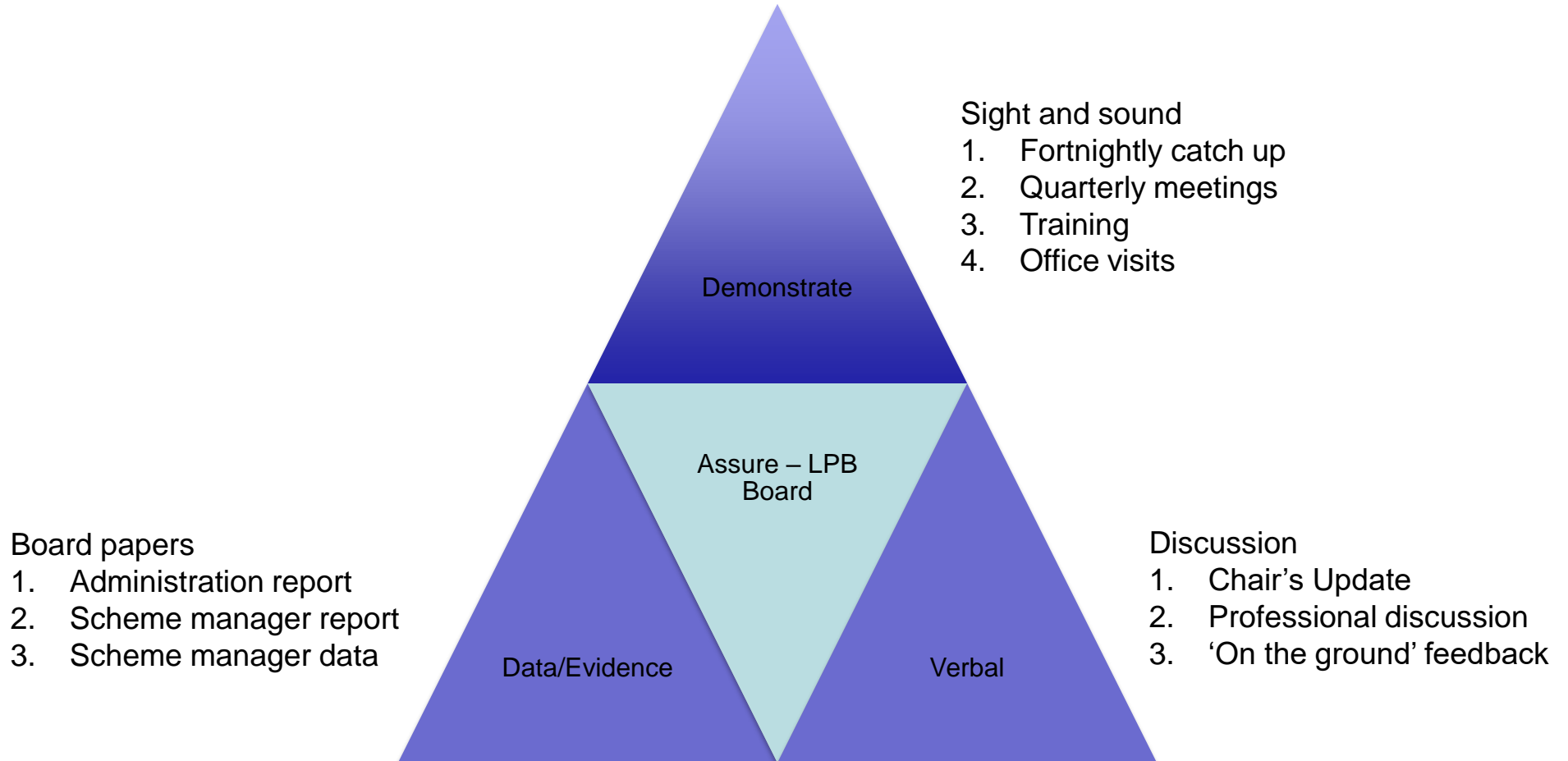
To convince someone of something through action
Triangulated evidence



Reassure

To provide comfort or encouragement
From a trusted source
Often verbal

Assurance triangle



Re-assurance

Audit and transparency



Data to 'tell the story'



Advance knowledge of issues



Honest and up to date



Understand mitigation options

Provide Re-assurance



Annual report



Attendance at quarterly board with the delegated scheme manager

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.

Top tips



Hold meetings in person



Build and share knowledge (LGA bulletins, coffee mornings, training)



Regular opportunities to keep in touch



Build evidence/data into board papers

Assurance workplan



ADMINISTRATION
OUTCOMES



DASHBOARD
READINESS



DATA
IMPROVEMENT
PLAN



MEMBER
COMMUNICATIONS

LPB Resources



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

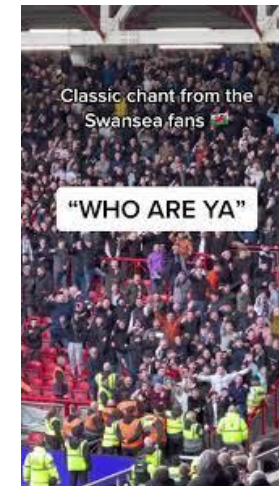
Scheme Advisory Board

Joanne Livingstone
SAB Chair



What do we do?

- What do you think is our remit?
- Is this the same as other public sector schemes?
- How many people are on it?
- Who do they represent?
- Where can I find out more?



Our remit

- The purpose of the Board is to provide advice in response to a request from the Secretary of State on the desirability of making changes to this scheme and any connected scheme
- To provide advice to scheme managers and local pension boards in relation to the effective and efficient administration and management of this scheme and any connected scheme.

[Welcome \(fpsboard.org\)](https://www.fpsboard.org)

Role and experience of the Chair

- Former actuary, now a professional pension trustee
- Also worked for Pension Wise
- In post of Chair since August 2020
- Role is to make sure we fulfil our remit by chairing meetings, asking questions, providing input and encouraging sharing of knowledge
- Mixture of reactive and proactive
- Liaison with other stakeholders



What work has SAB been doing?

- Remedy (Sex discrimination, age discrimination, Treasury Orders)
 - Consultation on direction
 - Provide operational input
 - Governance oversight
- Actuarial valuation 2020
- Input into contribution rate reform
- Consideration of inheritance tax changes

Ongoing work for the SAB

- Ensuring remedies are implemented
- TPR General Code and Dashboard
- Actuarial valuation 2024
- Deepening links with Scheme Managers and Local Pension Boards
- Helping overcome obstacles

How does SAB interact with LPBs

- Attending meetings
- Through our Local Pension Boards Effectiveness Committee
- Fire Pensions Annual Conference
- Occasional surveys
- Working with LGA, and stakeholder groups on materials that can help scheme managers and LPBs eg common agendas

How can we have a mutually beneficial relationship?



Local Pension Board (LPB) Effectiveness Committee

Update via LGA

What have we been doing?



LPB training

Full training
Refresher training
Refreshed [FPS Board training](#) page



LPB Chairs forum

Bi-monthly



Template agenda

[FPS Board resources](#) page



**The
Pensions
Regulator**

Making workplace pensions work

An introduction to The Pensions Regulator

Nick Gannon – Policy Delivery Lead
January 2025

Introduction and overview

- The role of the Pensions Regulator (TPR)
- TPR's role in respect of public service pensions
- A focus on the General Code of Practice
- Opportunity for questions



TPR – what is our role?

- We are responsible for:
 - making sure employers put their staff into a pension scheme and pay money into it (known as ‘automatic enrolment’)
 - protecting people’s savings in workplace pensions
 - improving the way that workplace pension schemes are run
 - reducing the risk of pension schemes ending up in the Pension Protection Fund (PPF)
 - making sure employers balance the needs of their defined benefit pension scheme with growing their business

TPR's priorities

- In our Corporate Strategy, there are five high-level priorities, each with a strategic goal, which indicate our core areas of focus:
 - Security: Savers' money is secure
 - Value for money: Savers get good value for their money
 - Scrutiny of decision-making: Decisions made on behalf of savers are in their best interests
 - Embracing innovation: The market innovates to meet savers' needs
 - Bold and effective regulation: TPR is a bold and effective regulator.
- The detail behind our day-to-day work is set out in our Corporate Plan

Supervision

- One-to-one supervision is part of our evolving approach to protecting and regulating pensions
- In addition to the process for authorisation and supervision of authorised master trusts, supervision is in place for other workplace DB and DC schemes in both the public and private sectors
- It involves pro-active engagement with trustees, employers, scheme managers and other stakeholders to protect the interests of members
- Relationship building
- Making better use of our data
- Intelligence led reactive engagement to specific events
- Clearer, quicker, tougher interventions



Enforcement

- Carry out an investigations into breaches of law, non-compliance or other issues
- Investigate regulatory, civil and criminal matters
- Work closely with other organisations including the Insolvency Service, Serious Fraud Office and various police forces
- Our regulatory powers include:
 - Collection of data, obtain information, conduct inspections
 - Imposition of civil penalties and criminal prosecution
 - Issuing of improvement notices and third-party notices
 - Other interventions, such as requiring a skilled person's report, appointment of a person to assist the pension board, recovery of unpaid contributions from employers on behalf of the scheme manager
 - Ability to publish reports about cases regarding our regulatory work

TPR and Public Service Pension Schemes

- We regulate compliance with the Governance and Administration requirements introduced by the Public Service Pensions Act 2013
- We provide details of our expectations in codes and guidance
- We engage mainly with scheme managers and pension boards to oversee and monitor compliance with the requirements
- We have the power to take regulatory enforcement action, by way of improvement notices, third party notices and fines, in cases of non-compliance

The purpose of codes of practice

- Our COPs are not statements of the law, except in certain circumstances set out in legislation. Instead, our COPs set out our expectations for the conduct and practice of those who must meet the requirements set in pensions legislation.
- In most cases there is no specific penalty for failing to follow a COP, or to meet the expectations set out in it.
- However, we may rely on COPs in legal proceedings as evidence that a requirement has not been met. In those situations, a court must take a COP into account when considering their verdict.
- Similarly, if we find grounds to issue an improvement or a compliance notice, they may be worded in relation to a COP issued by us.

Codes of practice - Then

Reporting Breaches of Law	Notifiable Events	Funding Defined Benefits
Early Leavers	Late Payment of Contributions	Late Payment of Contributions (PPP)
Trustee Knowledge & Understanding	MNTs & MNDs	Internal Controls
Modification of Subsisting Rights	Dispute Resolution	Material detriment
DC Code	Public Service Code	Master Trust Authorisation
	CDC Authorisation	



The General Code of Practice

Funding Defined Benefits	Modification of Subsisting Rights	Material detriment
Notifiable Events	Master Trust Authorisation	CDC Authorisation

Structure

- Aims for consistency in expectations for all scheme types
- Content in 51 modules
- Just over a third the length of the codes it replaces
- Designed to be viewed and used online



Increased importance: Internal controls

- Internal controls are the policies, processes and procedures carried out in running the scheme
- Governing bodies may delegate operational tasks but they retain accountability
- The modules set out below contain systems, arrangements or procedures that governing bodies should have in place
 - Identifying, evaluating and recording risks
 - Risk management
 - Scheme continuity planning
 - Financial transactions
 - Record keeping & administration
 - Data monitoring and improvement
 - Receiving & monitoring contributions
 - IT systems & cyber controls

New Elements: ESOG & ORA

- Most private sector schemes have to have and operate an Effective System of Governance
- The elements of an ESOG includes the processes and procedures in around half the code
- Most private sector schemes with 100 or more members must complete an Own Risk Assessment
- The ORA is a regular process where the governing body assesses the effectiveness and risks of the ESOG
- Regulations set out frequency
- Code sets out content and approach

Reflections

- Feedback overwhelmingly positive
- Disclosed shortcomings in some areas
- Governance reviews & overhauls
- Extra work but valuable
- Prompting creativity
- Going further than required



Questions





Pensions Dashboards Programme

Chris Curry, Principal



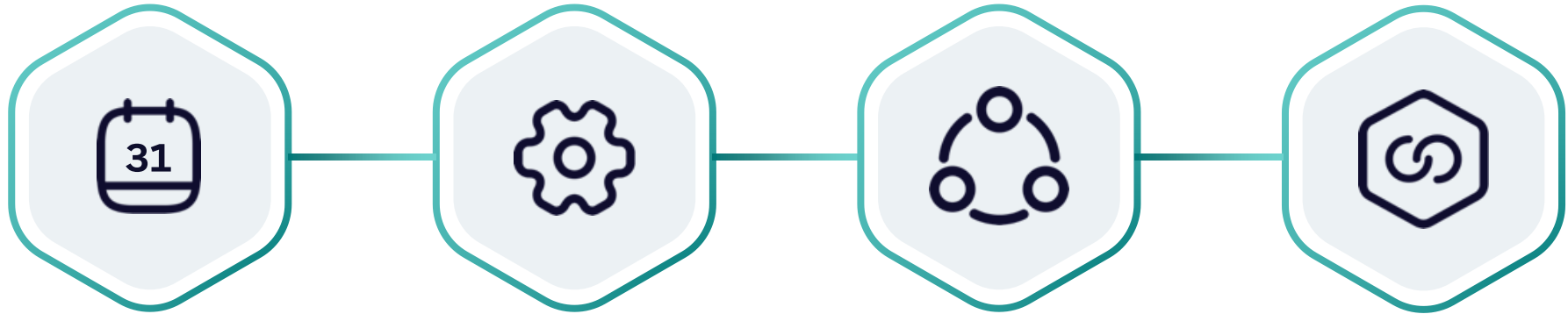
23 January 2025

Volunteer participant connection: progress update



- PDP has been working closely with 20+ ‘volunteer participants’ (VPs)
- The VPs comprise pension providers and schemes, third party administrators and integrated service providers (ISPs)
- All VPs have now begun connecting to the pensions dashboards ecosystem
- 3 VPs have completed integration testing and are at the final stages of connection
- PDP has been refining the connection process based on feedback

Wider industry connection – deadline and guidance



Legislative connection
deadline for providers and
schemes in scope:

31 October 2026

Guidance complements the
deadline, specifying when
schemes should connect


Phased approach to
connection is intended to
help support stable and
timely onboarding

Trustees will be expected
to demonstrate how they
have had regard to the
guidance

MoneyHelper dashboard and commercial dashboards

- The Minister for Pensions has affirmed the government's commitment to delivering pensions dashboards
- The state-provided MoneyHelper dashboard will be made publicly available before commercial dashboards launch
- Better insights into consumer behaviour and ensure greater confidence in operational delivery, security and consumer protection
- PDP is working closely with potential dashboard providers, DWP and the regulators on a pathway for dashboard development and implementation





**User
testing**

User research
has already
informed design
and
development

Working with
industry
partners to
develop plans

User testing of
live service
with real
individuals

MaPS leading
on user testing
of the live
service

Ensure
positive, safe
user experience
that meets
users' needs

Inform the
Secretary of
State's decision
making on
criteria for DAP

What you can be doing



Keep in touch

 @pensions-dashboards-programme

 @PensionsDboards

 Sign up to our newsletter via our website

Money and Pensions Service, Borough Hall,
Caldwell Street, Bedford MK42 9AP

Email: supportpdp@maps.org.uk

Web:
pensionsdashboardsprogramme.org.uk



**The
Pensions
Regulator**

Making workplace pensions work

Local Pensions Board: Pensions dashboards update

Angela Bell: 23 January 2025

Connecting to pensions dashboards

Deciding when to connect

- Read DWP guidance and take it into account when making decisions around connection.
- Ensure you have access to all relevant info before making decisions.
- Develop and agree a practical delivery plan according to your scheme-specific situation.
- We expect schemes to adhere to the dates set out in DWPs guidance. Not following the guidance could expose you to greater risk of not being able to comply with your dashboard duties.

Not 'having regard' is a breach of law

- Scheme managers will need to be able to demonstrate, upon request, how you have had regard to the guidance on connection.
- Reasoning for decisions should be clearly considered and documented, including how relevant risks are identified, evaluated and managed.

TPR's compliance & enforcement policy:

A pragmatic approach but robust where we see intentional non-compliance.

Governance & Controls

It is important to have appropriate governance and controls in place to ensure work is progressing as planned.

What should scheme managers be doing now?

Read our guidance

Read our guidance and make sure you understand your dashboards duties, and what you need to do to prepare.

Decide how you will connect to dashboards

Look at the options available to you ie using your current pensions administrator, an integrated service provider, or building own connection solution.

Include pensions dashboards as an agenda item

Include pensions dashboards as an agenda item at board meetings to raise awareness of the steps you'll need to take to meet your duties.

Ensure data accuracy

Ensure data you use to match people with their pensions and to return the required pension value is accurate and complete.



Getting data dashboard ready: four key steps



Understand

- Data you will receive from the digital architecture
- Data you will need to return to members and by when



Assess

- Current quality
- Digital accessibility



Consider

- Data items for matching criteria
- How to present and calculate the value



Put plan in place

- Improve the data quality
- Maintain the data quality

Hot topics from industry engagement



Multiple administrators and AVCs



Change of administrator



Data readiness



Increased member engagement



Pensions dashboards: Some useful links

- TPR guidance: [Pensions dashboards: initial guidance](#)
- TPR checklist: [Preparing to connect: checklist](#)
- TPR compliance and enforcement policy: [Failing to comply with duties](#)
- TPR blog: [Act now on pensions dashboards so we don't have to](#)
- PDP useful resources: [Connection hub](#), [Queries, Events and webinars](#)
- PASA guidance (connection, matching, value, AVC): [Guidance](#)
- LGPS guidance: [Connection guidance for administering authorities, AVCs and Dashboards administrator guide](#)

Update from the bluelight team

Tara Atkins

Firefighters' Pensions Adviser

Current Hot Topics



Two major projects



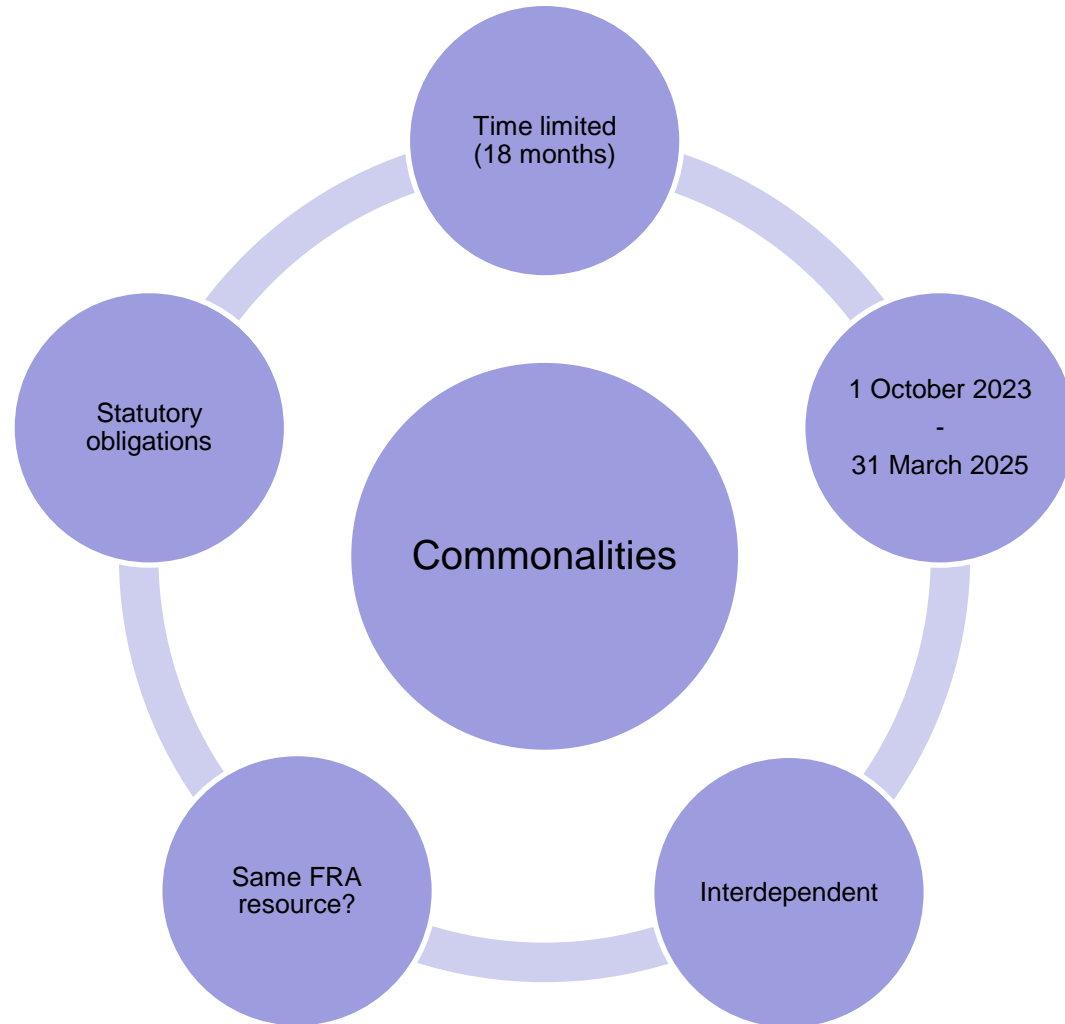
Sargeant



Matthews

What do you know?





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

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
- Retrospectively

Key provisions

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



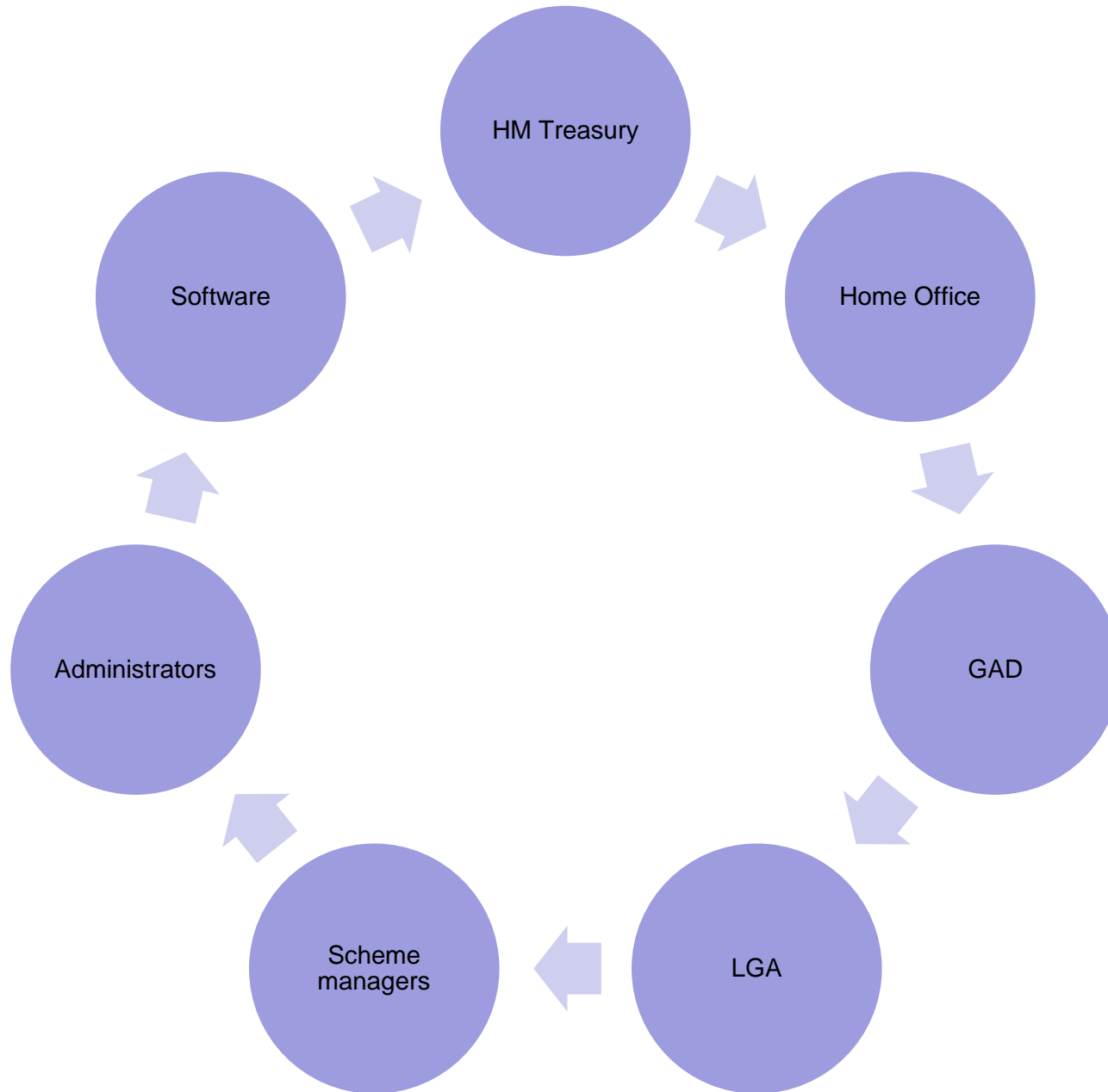
All affected members “roll back” to final salary scheme with effect from 1 April 2015 to rectify past discrimination.



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)



What should LPBs be asking?

Readiness

- How have we prepared ourselves?
- Do we have a project implementation plan?
- Who are the people involved in the project?
- Have we needed to expand our resources/ create additional resources?
- What key risks have we identified?

Data

- Is all required data easily accessible and in a manageable format?
- Do we have any gaps in data?
 - If so, what do these gaps look like?
- What are the expectations on sharing data with third parties?
- Do we have time limits etc.

Communications

- What type of communications are being shared centrally?
 - Is there any action we are being asked to take?
- What communications have been shared with affected individuals?
 - Is there any central communications we have been asked to share?
- Have we received any feedback from affected members on communications?

Progress

- Where are we with implementation?
- What challenges have we faced?
- Have our risks changed?
- Have we met all necessary deadlines?
- What feedback have we received?

Central support

Remedy readiness self-assessment tool

- [Remedy readiness tool](#) is available on the [Regulations and Guidance](#) website.
- Scheme managers/Pension Boards can reflect on their own readiness for remedy.
- Identifies potential gaps which need addressing.

FPS Websites

- [FPS Regulations and guidance website](#)
 - Specific section on the [age discrimination remedy](#)
- [FPS Member website](#)
 - Specific section on the [age discrimination remedy](#)
 - Member [FAQs](#)

LGA Communications

- Monthly [bulletins](#)
- Regular '[coffee mornings](#)'
- Bank of [supporting documentation](#) aimed at scheme managers and administrators

“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

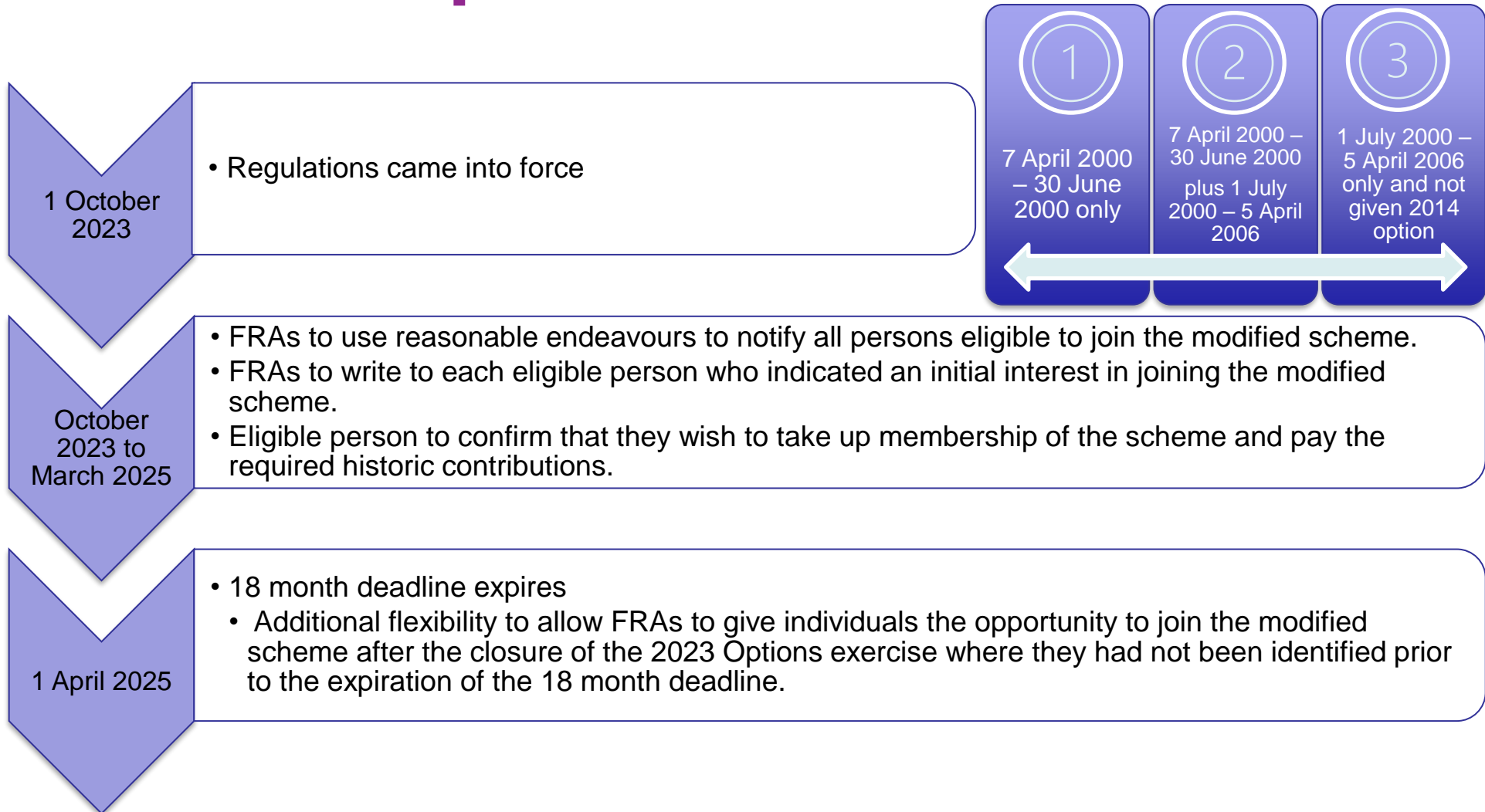
Held that remedy could extend back before the PT Workers Directive was required to be implemented (7 April 2000)

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





What should LPBs be asking?

Readiness

- How have we prepared ourselves?
- Do we have a project implementation plan?
- Who are the people involved in the project?
- Have we needed to expand our resources/ create additional resources?
- What key risks have we identified?

Data

- Is all required data easily accessible and in a manageable format?
- Do we have any gaps in data? If so, what do these gaps look like?
- Will we be reliant on assumptions?
- Can we trace all in scope? What do reasonable endeavours look like?
- What are the expectations on sharing data with third parties? Do we have time limits?

Communications

- What type of communications are being shared centrally?
- Is there any action we are being asked to take?
- What communications have been shared with affected individuals?
- Is there any central communications we have been asked to share?
- Have we received any feedback from affected members on communications?

Progress

- Where are we with implementation?
- What challenges have we faced?
- Have our risks changed?
- Have we met all necessary deadlines?
- What feedback have we received?

The consultation

23 Dec. 2024

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

The consultation closes on 17 February 2025.

17 Feb. 2025

[Coffee Morning 14 January 2025](#)

Central support

FPS Websites

- [FPS Regulations and guidance website](#)
 - Specific section on the [Matthews exercise](#).
- [FPS Member website](#)
 - Specific section on the [Matthews exercise](#).
 - Member [FAQs](#)
 - Member [guides](#)

LGA Communications

- Monthly [bulletins](#)
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End of session review



Did you get what you thought you would out of the session?



If not, what didn't we cover?



Any questions?

Challenges

Knowledge

Retention of
knowledge

Remedies

FPS is
complex

Time frames
of Matthews
and Sargeant

Pensions is
not the day
job

What do you want to achieve from today's session



How to run LPBs correctly



More of what to do



Greater knowledge and understanding



Understand how to move the board forward



Gain confidence



**We want to hear your
feedback**

Reference slides

Scheme comparison

Feature	1992 Scheme	2006 Scheme Standard Members	2006 Scheme Special Members	2015 Scheme
Basis of pension	Final salary	Final salary	Final salary	(CARE)
Accrual rate	40/60ths 1/60 th (2/60 th after 20 years)	1/60 th	1/45 th	1/59.7 th
Benefit / Membership Cap	40/60 th	45 years	30 years	None
Revaluation rate	n/a	n/a	n/a	Average Weekly Earnings

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>

LGA framework and support services

- Forums and Groups
 - Technical group
 - Communications group
 - Regional groups
 - FRA drop in
 - LPB Chair forum
- Events
- Technical Support
- Coffee mornings

Resources

- www.fpsboard.org
- www.fpsregs.org
- www.fpsmember.org
- [Monthly bulletins](#)
- [Regulations](#)
- [GAD Guidance](#)
- [Age discrimination](#)

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!

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www.fpsboard.org

www.fpsregs.org

www.fpsmember.org