

Meeting of the Board 23 June 2022

## Action summary update and review

### Introduction

1. This paper provides an update to the Board on actions taken and planned actions to progress the agreed work plan as outlined in the action summary. In addition, a full review of the action summary will be undertaken in order to streamline outstanding actions and develop a clearer work plan.
2. To facilitate this, the existing action summary has been separated into completed and outstanding items:
  - 2.1. [Completed actions 23 June 2022](#)
  - 2.2. [Outstanding actions 23 June 2022](#)

### Completed actions

3. Outstanding sub-actions in relation to the FRA remedy self-assessment survey have been completed including individual FRA results exported and issued for discussion at Local Pension Board meetings and an equivalent survey of administrators carried out, which is tabled under agenda item 11. As there was no clear appetite demonstrated by the sector to move to centralised administration, the overarching action has also been closed [Action 03.10.2019 (7)].
4. Following approval of the abatement guidance in December 2021, publication was suspended due to a Pensions Ombudsman determination on application of policy. The guidance was updated to reflect this and [informal abatement guidance for FRAs](#) was issued on 31 May 2022 with the May FPS Bulletin [Action 17.09.2020 (5.3)].
5. Both software suppliers to the sector have been invited to provide an update to the Board on their remedy progress under agenda item 10, therefore the previous action inviting follow-up questions to the remedy assurance presentations given in June 2021 has been closed [Action 24.06.2021 (6.26)].
6. The illustrative scenarios commissioned by the Board to inform scheme members about the impact of remedy and compare legacy scheme benefits to reformed scheme benefits were issued on 1 April 2022 to coincide with remaining protected members moving into FPS 2015 [Action 30.09.2021 (5.19)].

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7. A [letter from the SAB to HM Treasury regarding the withdrawal of the Home Office's informal guidance](#) on processing certain types of immediate detriment cases ahead of legislation was issued on 17 December 2021 and published on the SAB website [Action 09.12.2021(5.28)].
8. A response was received on 23 March 2022 and published with [FPS Bulletin 55 – March 2022](#) on 31 March 2022 [24.03.2022 (13.12)].
9. On 20 April 2022, the Board submitted a letter to the Home Office acknowledging the consultation response on regulation amendments to deliver prospective remedy for the FPS. A summary of the letter was included in [FPS Bulletin 56 – April 2022](#) [Action 24.03.2022 (6.13)].

### **Actions in progress**

10. The action relating to the establishment of a working group to consider ill-health regulations and processes has been un-paused following the Home Office consultation response on prospective remedy and the primary and partial secondary legislation coming into force. The terms of reference of the ill-health review group convened in 2008 will be used as starting point for this work. One additional objective of the group will be to review the ill-health Provision Definition Document (PDD) which is due to be discussed at the joint Home Office engagement session on 24 August 2022. Volunteers are sought from the group or will be nominated by the chair and vice-chairs [Action 04.10.2018 (5)].
11. Background scoping work has started on procurement of member videos to explain remedy on the revised basis as agreed in March 2022. This includes identification of interested suppliers or parties to approach, the content/ themes of the videos, and indicative pricing [30.09.2021 (5.26)].
12. A separate working group is to be convened to provide governance and oversight of Matthews and the second special members options exercise. A project implementation document has been drafted which includes proposed terms of reference for the group. Volunteers are sought from the group or will be nominated by the chair and vice-chairs [24.03.2022 (5.16)].

### **Actions to note**

13. Training for Board members is tabled under agenda item 9 and will now be progressed following appointment of the Firefighters' Pension Adviser – Governance [Action 10.12.2020 (5.1) – (1) and (2)].
14. Informal clarification has been sought from SPPA on the policy decision to remove the commutation cap from the FPS 1992 in Scotland. A representative will provide a verbal update of any impact to date under agenda item 4. The SAB Chair has drafted an informal note to try to identify both the regulatory background and potential sample costings as a first step to commissioning further information from the appropriate parties [Action 24.03.2022 (7.20)].

### **Historic outstanding actions**

15. There are several actions outstanding on the summary which were added some time ago, either to note or where it has not been possible to reach a consensus view in order to progress or finalise the item.
16. Views are sought from the Board on how these actions can be moved forward or closed as no longer relevant for monitoring.

### **Board actions**

17. The Board is asked to note the contents of this paper.
18. The Board is asked to comment on progressing or closing specific historic actions as indicated in Appendix 1 below.

Board Secretary  
June 2022

## Appendix 1 – Historic outstanding actions

Meeting Date and agenda item	Action:	Progress
26.05.2016 (3)	Action: To note that past service costs are potentially a risk to the cost cap valuation	<p>To keep on agenda. Formal response sent to Home Office on 31 July 2017</p> <p>03.10.2019 Recent Booth vs MAWW case will require authorities to correct pensionable pay. The effect of that is yet to be understood.</p> <p>11.06.2020 Paper provided to Board to determine if further action required or continue to maintain a watching brief. Home Office confirmed GAD considered past service pen pay costs for 2016 valuation but were deemed immaterial. Question from FA – can Board collate and provide data for GAD to incorporate into 2020 cycle.</p> <p>17.09.2020 GAD has requested information from FRAs in respect of changes to pensionable pay made following the MAWW judgment.</p> <p>10.12.2020 Action noted. Awaiting 2020 valuation results.</p> <p>16.02.2021 GAD report limited changes to pensionable pay arrangements in England due to allowances</p>

		<p>already deemed pensionable or low numbers of members in receipt. Further evidence to be sought on behalf of the Board, such as pre- and post- values.                  24.06.2021  <a href="#">HCWS757</a> confirmed that any impact on member benefits due to a breach to the cost-ceiling will be waived for the 2016 valuation. Additionally, the cost-control mechanism to be reviewed for the 2020 valuation. Await 2020 valuation results and outcome of review.                  23.06.2022                  Action is to note. We have noted. Should we close and open a new action or move to the cost committee?</p>
<p>03.10.2019 (6)</p>	<p>Pensions tax: Working party/ work stream to be convened with remit of pursuing evidence and developing proposals for flexibility.                  Also, to consider what guidance will be required for stakeholder groups.</p>	<p>09.01.2020                  To be convened as soon as possible to discuss what flexibilities could be made available as this can be dealt with outside of remedy. Evidence needs to show impact on frontline services and how proposed flexibilities would address unique FPS workforce issues.                  Update: room booked 25 March 2020                  11.06.2020                  Temporarily postponed due to COVID-19.                  24.03.2022                  Postpone until more guidance available from HMT on remedy via tax PDD.                  23.06.2022                  Do members agree to the extended postponement?</p>

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<p>11.06.2020 (6.1)</p>	<p>To consider legal advice provided on temporary in the context of the scheme. Board to submit written comments/ feedback in advance of September meeting.</p>	<p>17.09.2020 Comments from FOA received. Carry forward. 10.12.2020 Board to commission Weightmans to convert legal advice into a note for FRAs. Home Office will consider possible routes of escalation on policy intent, due to impact on compensation scheme. 18.03.2021 Temporary roles factsheet prepared by Weightmans provided to the Board for review. Members to provide comments by email. 24.06.2021 Board to provide comments by email, including in relation to apprenticeships. Amendments to the eligibility factsheet will be considered if necessary. 30.09.2021 Comments are awaited. 23.06.2022 No progress since 2021. Proposed action to table for Sept meeting as refresher of issue and reach an agreed position in order to close.</p>
<p>11.06.2020 (6.3)</p>	<p>To consider legal advice provided on retrospective action relating to pensionable pay decisions. Board to submit written comments/ feedback in advance of September meeting.</p>	<p>17.09.2020 <a href="#">Paper 1</a> provided to Board explaining points for consideration and potential actions. A request for a Part 8 decision will be considered internally by the Home Office. 10.12.2020 Follow up discussions with the Home Office are continuing.</p>

		<p>18.03.2021 Pensionable pay remedies factsheet prepared by Weightmans provided to the Board for review. Members to provide comments by email.</p> <p>24.06.2021 Chair and secretariat to consider next steps.</p> <p>30.09.2021 Home Office has been advised that Board is unable to recommend a specific course of action due to ambiguities within the scheme rules. Consideration of amendment to regulations suggested due to risk of local decision making. An associated funding risk has been added to the risk register.</p> <p>23.06.2022 No progress since 2021. Proposed action to table for Sept meeting as refresher of issue and reach a position in order to close – including if agreement cannot be reached.</p>
<p>18.03.2021 (4.1.40)</p>	<p>When appropriate, cost-effectiveness committee to undertake review of report commissioned by the Home Office from GAD, on use of original 2016 assumptions for recalculation of the cost cap cost including McCloud.</p>	<p>24.06.2021 To review as appropriate.</p> <p>24.03.2022 Consider to progress or close this action now in light of final cost control valuation results.</p> <p>23.06.2022 To discuss.</p>