

FPS Bulletin 4 – January 2018

Happy New Year! And welcome to the fourth issue of the Firefighters' Pensions Schemes bulletin. This bulletin has been sent outside of our standard issue dates to provide information in time for HMRC's Event Reporting deadline of 31 January 2018.

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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FPS

Commutation factors – Special Members of the 2006 Scheme (Modified members)

Please find below an extension of the special member factors provided in The Firefighters' Pension Scheme (England) Order 2006 (as amended) ('the 2006 Scheme Regulations'), which includes factors for ages between 65 and 75. Please note that these are fixed and will not be subject to future review.

Years	Age in years and completed months on day pension commences											
	0	1	2	3	4	5	6	7	8	9	10	11
65	16.6*	16.6	16.6	16.5	16.5	16.5	16.4	16.4	16.3	16.3	16.3	16.2
66	16.2	16.2	16.1	16.1	16.0	16.0	16.0	15.9	15.9	15.9	15.8	15.8
67	15.7	15.7	15.7	15.6	15.6	15.6	15.5	15.5	15.4	15.4	15.4	15.3
68	15.3	15.2	15.2	15.2	15.1	15.1	15.1	15.0	15.0	14.9	14.9	14.9
69	14.8	14.8	14.7	14.7	14.7	14.6	14.6	14.5	14.5	14.5	14.4	14.4
70	14.3	14.3	14.3	14.2	14.2	14.1	14.1	14.0	14.0	14.0	13.9	13.9
71	13.8	13.8	13.8	13.7	13.7	13.6	13.6	13.5	13.5	13.5	13.4	13.4
72	13.3	13.3	13.2	13.2	13.2	13.1	13.1	13.0	13.0	12.9	12.9	12.8
73	12.8	12.8	12.7	12.7	12.6	12.6	12.5	12.5	12.4	12.4	12.3	12.3
74	12.3	12.2	12.2	12.1	12.1	12.0	12.0	11.9	11.9	11.8	11.8	11.7
75	11.7											

*The factor at age 65 and 0 months is already quoted in the Regulations.

The commutation factors provided above are only to be used for special members in England who commute special pension and must not be used for any other members or options.

The full set of commutation factors for Special Members of the 2006 scheme, can be found in the GAD Guidance section of the [khub](#)

[Ill health retirement and the Firefighters' Compensation Scheme quick guide](#)

The team have produced a quick guide to ill health and injury benefits, intended to give a snapshot of the scheme regulations. The guide is available at [Appendix 1](#).

The slides are based on a presentation given at the Ill Health Retirement and Medical Appeal Process seminar held at Merseyside Fire & Rescue Service on 11 January 2018.

[IQMP Guidance – Edition 4 October 2012](#)

The latest version of the IQMP Guidance – Edition 4 October 2012 as referenced at the Ill Health Retirement and Medical Appeals Process and in the quick guide above is available at [Appendix 2](#).

[Medical appeals circular FSPC 9/2010](#)

As referenced at the Ill Health Retirement and Medical Appeal Process, circular FCPC 9/2010 Appeals to the Board of Medical Referees: Processing of Medical Appeals is available at [Appendix 3](#).

Please note neither the Home Office, LGA or the FSAB endorse archived circulars, nevertheless the guidance may be considered useful.

[Voluntary Scheme Pays](#)

In advance of the 31 January deadline, LGA has issued further information for FRAs considering agreeing to a VSP arrangement. Notes and guidance on VSP are available at the following appendices:

[Voluntary Scheme Pays – Note to FRAs – LGA Guidance Note dated 31 May 2017](#)

[Appendix 4](#): Voluntary scheme pays - Note to FRAs - Further Guidance v2 23 January 2018

[Appendix 5](#): Member VSP Election Forms

[Appendix 6](#): Scheme Manager VSP Election Forms

[Appendix 7](#): Guidance on proportioning Scheme Pays Debit v2 23 January 2018

[Other News and Updates](#)

[Re-engagement of Senior Fire Officers Post-retirement: Response to Government Consultation](#)

In February 2017, the Government launched a consultation on amending the Fire and Rescue National Framework in England ('the Framework') to include requirements to discourage fire and rescue authorities from re-engaging senior fire officers post-retirement.

The consultation ran from 21 February 2017 to 4 April 2017 and 62 responses were received. The [consultation response](#) was published on 27 December 2017, to summarise the Government's findings and outline the next steps.

[Pensions Dashboard development day](#)

On 11 December 2017, DWP hosted a Pensions Dashboard development day, at which the Minister for Pensions and Financial Inclusion Guy Opperman MP delivered a speech.

Attached as [appendix 8](#) are slides from the event which outline DWP's policy objectives for the Dashboard and a transcript of the Minister's speech from the day is available at <https://www.gov.uk/government/speeches/pensions-dashboard-development-day>.

[The Pensions Ombudsman Service \(TPOS\) newsletter 3](#)

TPOS have published the third edition of their stakeholder newsletter which is attached to this bulletin as [Appendix 9](#).

HMRC

HMRC newsletters/ bulletins

HMRC have published pension schemes newsletter 94 containing important updates and guidance on pension schemes. The following issues are covered:

[Newsletter 94 – December 2017](#): relief at source for Scottish Income Tax, Annual Allowance, reporting multiple small pots payments through Real Time Information (RTI), simplifying pension language and new pensions online service - updating your scheme administrator details.

Contracting-out reconciliation update

The following bulletin containing importance guidance and information about the end of contracting-out and the scheme reconciliation process have been published by HMRC in January.

[Countdown bulletin 31](#)

HMRC have provided details to LGA and the Home Office of FRAs whom they have not yet received queries from. We strongly urge FRAs to ensure their reconciliation exercise is underway, as they otherwise risk not completing it on time.

- **Action for Pension Board Chairs**

Pension Board Chairs should ensure this item is on their next agenda to seek reassurance the exercise is underway and request a progress update.

Contribution holiday Unauthorised Payments to HMRC - England Fire Authorities only

We reported in [bulletin 1](#) that a bulk procedure is now available to report and pay tax due on Unauthorised Payments relating to the 18-20 contributions holiday. At this stage there are a number of Fire Authorities who have not yet done this.

HMRC have asked us to remind FRAs that the deadline to pay the unauthorised tax for those refund payments made before 6 April 2017 is **31/01/2018**.

In order to obtain your PSTR and SAFE reference, please email bluelightpensions@local.gov.uk

Annual Allowance Pensions saving statements 2016-17

HMRC have confirmed that, as last year, they are prepared to accept scheme data regarding pension savings statements for 2016-17 on an excel spreadsheet rather than through the scheme's Event Report, from CLM customers. All other scheme events for 2016-17 must be submitted via Pensions Online.

This concession is made on the clear understanding that the pension savings statement data represents part of the scheme's formal reporting obligations for the 2016-17 Event Report. The data must be submitted by 31 January 2018 or penalties will be due for late filing. HMRC also reserves the right to open enquiries based on any of the pension savings statement information provided.

The data required for each member is as follows:

- Name of Member (Title, First Name, Surname)
- National Insurance Number of Member
- Aggregate Pension Input Amounts for the scheme (x)
- Tax Year Ending (that the information relates to)
- Have you provided this member with a pension savings statement under regulation 14A(1)(b)(ii) SI 2006/567? (Y/N) (Money Purchase Pension Savings Statement)
- If Yes, provide the Aggregate Pension Input Amounts for Money Purchase Arrangements (y)

All fields must be completed. For members who have both (x) & (y) above, the data should be listed on the same line in the spreadsheet.

Guidance is included at <https://www.gov.uk/hmrc-internal-manuals/pensions-tax-manual/ptm161600> and <https://www.gov.uk/hmrc-internal-manuals/pensions-tax-manual/ptm167000>.

For the data to be compatible with HMRC's IT systems it must be submitted in the following format:

Excel 2003

Encryption via Winzip (up to and including version 17.5)

256 bit AES

File to be password protected

Passwords to be provided by separate cover

All files should be sent via e-mail to pensions.businessdelivery@hmrc.gsi.gov.uk and your CLM copied in. Files will need to be below 5MG, however HMRC will accept multiple submissions if the original file size exceeds this. HMRC will notify the scheme of receipt to enable the passwords to be provided under separate cover.

If the scheme chooses to use this facility to provide this information, it is entirely at the scheme's own risk. HMRC accept no responsibility of loss, interception or corruption until data is delivered safely to us.

If you do wish to use the spreadsheet method, can you please let your CLM know and confirm that you also understand that late filing penalties may be due if the information is not provided by 31 January 2018. If HMRC do not hear anything from you then they will assume that you will submit this information via the Event Report.

We would like to remind FRAs that where members have breached the £40k limit across two schemes or are subject to a tapered Annual Allowance, the [Voluntary Scheme Pays guidance](#) applies.

Lifetime allowance - Event Reporting

As you may be aware from article 6.2 of the [Pension schemes newsletter 85 - March 2017 - GOV.UK](#) the Event Report hasn't been amended to include lifetime allowance protections that your members applied for online.

As per the Event Report requirements, if you need to submit these details to HMRC, you can submit these on a password protected spreadsheet and send the password in a separate email.

Both the spreadsheet and password (separately) should be sent to pensions.businessdelivery@hmrc.gsi.gov.uk with 'Lifetime allowance – Event Reporting' in the subject line of the email.

Training

GDPR

The LGA have arranged three regional events entitled *Data protection reform in local government and the new General Data Protection Regulation* which are free of charge for local government organisations and other public sector organisations such as health, fire and police in England to attend. The events will bring together officers and councillors tasked with implementation and oversight of the new regulations with regulators, data experts and support networks to consider all aspects of the preparations needed and the approaches being advised. The day will take the form of morning plenary sessions with briefings and updates and a selection of short afternoon seminars from which you can choose.

Places are still available at the events in [Manchester – 18 January 2018](#) and [Birmingham – 6 February 2018](#). Please click on the links to book.

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](#).

SAB induction	17 January 2018
SAB Cost-Effectiveness Committee	17 January 2018
LGA GDPR training – Manchester	18 January 2018
SAB LPB Effectiveness Committee	31 January 2018
LGA GDPR training – Birmingham	6 February 2018
SAB Admin & Benchmarking Committee	7 February 2018
Firefighters Pensions Technical Committee	28 February 2018
SAB	9 March 2018
LGA annual Fire conference and exhibition	13-14 March 2018
Modified 2006 scheme workshop	2 May 2018
LPB wrap up training	19 June 2018
SAB	20 June 2018
Firefighters' Pensions AGM	9-10 October 2018
SAB	5 December 2018

Legislation

SI	Reference Title
2017/1151	The State Pension Revaluation for Transitional Pensions Order 2017
2017/1152	The State Pension Debits and Credits (Revaluation) (No 2) Order 2017

[2017/1205](#) The Employment Rights Act 1996 and Pension Schemes Act 1993 (Amendment) Regulations 2017

[2017/1272](#) The Pension Schemes Act 2015 (Transitional Provisions and Appropriate Independent Advice) (Amendment No 2) Regulations 2017

Useful links

- The Firefighters' Pensions (England) Scheme Advisory Board www.fpsboard.org
- Knowledge Hub Firefighters Pensions Discussion Forum

Knowledge Hub home page - <https://khub.net/group/thefirefighterspensionsdiscussionforum>

Technical Group minutes - https://khub.net/group/thefirefighterspensionsdiscussionforum/group-forum/-/message_boards/category/5611524

GAD Guidance - https://khub.net/group/thefirefighterspensionsdiscussionforum/group-forum/-/message_boards/category/19045086

Training - https://khub.net/group/thefirefighterspensionsdiscussionforum/group-forum/-/message_boards/category/25859256

- FPS1992 guidance and commentary
<http://webarchive.nationalarchives.gov.uk/20120919152859tf/http://www.communities.gov.uk/fire/firerescueservice/firefighterpensions/firefighterspensionscheme/>
- The Pensions Regulator <http://www.thepensionsregulator.gov.uk/>
- The Pensions Ombudsman <https://www.pensions-ombudsman.org.uk/>
- HMRC Pensions Tax Manual - <https://www.gov.uk/hmrc-internal-manuals/pensions-tax-manual>

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