

HFRS Pension Issues Log

Pension issue	Description / Impact	Progress	Project Manager	Status
RDS Less Favourable Treatment – purchase of retrospective membership	<p>RDS members given option to purchase retrospective membership of a modified pension scheme.</p> <p>The past service employer costs will be reflected in increases in future employer contribution rates.</p>	<p>937 members identified and written to.</p> <p>276 individuals requested individual cost information which was provide in June 2015 with an options form to return by 1 Sept 2015 if they want to proceed.</p> <p>Calculating final backdated lump sum costs for individuals who returned their forms and writing to individuals to confirm details and explain the process.</p> <p>Making arrangements to collect monthly pension contributions from current staff from the date that they returned their option form.</p> <p><u>January 2016</u></p> <p>Process has stalled to a certain extent as project manager was required to undertake testing for new system, have asked Claire Neale to step in and provide support to get this finished.</p>	Gemma Tapley	Amber
Employment tribunal claims regarding transitional protections	<p>Fire Brigades Union have started the process of a legal challenge on the transitional protections in the 2015 pension scheme regulations, in respect of potential discrimination.</p>	<p>Received letter from Walker Solicitors 13 July. Response provided confirming the LGA will act on behalf of HFRA.</p> <p>Information regarding membership returned to Bevan Brittan.</p> <p>2 ET cases received for HFRS and logged with Bevan Brittan for collective response with other FRAs.</p> <p><u>January 2016</u></p> <p>Some national issues about the way in which the ET cases are going to be dealt with, which seems to have now settled down. Data return provided to Bevan Brittan for HFRS.</p>	Rob Carr	Green

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Change to pensionable status of training allowance and Additional Responsibility Allowances (ARAs).	<p>Assessment and implementation of allowances becoming pensionable (Norman Case).</p> <p>Provision allowed for in accounts.</p>	<p>Identified 27 staff receiving 10% training allowance. Significant numbers receiving ARA's e.g. instructors, co-responders.</p> <p>Advice sought from national pension lead on the eligibility and legal requirements of these prior to taking further action.</p> <p><u>January 2016</u> Still awaiting further national guidance.</p>	Sandy Gregory (Geoff Howsego and Claire Alcock)	Green
Impact on pension tax liability of temporary promotions	<p>Assessment of alternatives methods (Additional Pension Benefits (APB)) to limit or remove tax liability when moving into temporary promotions.</p> <p>Regulations changed – policy development required.</p>	<p>Initial work with Kent and wider on Additional Pension Benefits and ways of mitigating the impact. New scheme has made temporary promotion pay non pensionable, so has reduced the potential number of cases going forward.</p> <p><u>January 2016</u> HFRS failed to make a decision about the pension status of temporary promotions back in July 2013. Major piece of work now required to unwind temporary promotions since that point.</p> <p>Impact of temporary promotions on tax liability will be reduced as a result of this work, so some positive outcome.</p> <p>Develop discretionary powers policy Report to F&GP Committee in January 2016 including decision making on temporary promotions and pension position.</p>	Rob Carr Claire Neale will project manage.	Red

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GMP Reconciliation exercise	<p>April 2016 – State pension provision moving from two tiers to single tier.</p> <p>All schemes will need to do a GMP reconciliation – not a legal requirement (no secondary legislation issued yet) but an ‘expectation’ from Pensions Regulator and HMRC.</p>	<p>Initial returns made to DCLG</p> <p>Essentially an employer responsibility, but Pension Services will be taking the lead.</p> <p><u>January 2016</u> HMRC data has been received by Pension Services and initial queries raised with them in terms of variances in the data. Most of these have been resolved, but some secondary queries are being followed up.</p>	Nick Weaver	Green
Re-engagement Policy	Review of re-engagement policy	<p>Report to be provided to Finance and General Purposes Committee – recommendation to end process of review of re-engagement policy.</p> <p><u>January 2016</u> Will be included in report to F&GP in January about a range of policy and process issues.</p>	Sandy Gregory	Amber
LGPS Discretionary Powers Policy	<p>Review and revision of LGPS discretionary powers required in light of the following issues:</p> <p>Regulation [18(1d)] provides for CPD payments to be pensionable on the determination of the employer.</p> <p>NJC collective agreement as per NJC circular 03/07 appendix A http://www.local.gov.uk/c/document_library/get_file?uuid=3cbb554c-6964-49b3-a254-6116ff09cb03&groupId=10180</p>	<p>Work underway to identify appropriate recommendations for amendment to LGPS Discretionary Powers Policy.</p> <p><u>January 2016</u> Report and recommendations to go to Finance and General Purposes Committee in January.</p>	Sandy Gregory	Amber

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	<p>The need to establish process for independent review of individual member's medical circumstances following IHR to ensure that the level of ill health pension awarded is still appropriate.</p> <p>The need to establish injury allowance policy for HFRS confirming whether or not the Authority provides an injury allowance for employees in accordance with the Local Government (Discretionary Payments) (Injury Allowances) Regulations 2011.</p>			
Contributions for those who joined aged 18-20 with over 30 years service	<p>Government decision announced details concerning contributions for firefighters who joined the Service between the ages 18 - 20 and who reach 30 years' service before they reach the age of 50.</p> <p>Some Firefighters who joined the Service before the age of 20 and have served for over 30 years may be entitled to a 'contributions holiday' in respect of their pensions.</p>	<p><u>New – January 2016</u> The DCLG are currently working on these changes and how they can be effectively implemented.</p> <p>Staff communication sent December 2015, but once more is known this will require a further significant project to understand the financial implications due to the backdating to 1 December 2006.</p>	Rob Carr	Green

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Communications to non-members	Target communications to non-members of the pension scheme as part of a wider communication strategy including	<p><u>New – January 2016</u> Request send to LGA for national co-ordination of communications promoting membership and general communications issues.</p> <p>Legal advice sought regarding writing to those who have opted out to understand their reasons for doing so.</p> <p>Initial advice is that the Pension Board does not have the powers to do this although they could recommend that F&GP as scheme manager could do it.</p> <p>An alternative approach would be to consider more general communications that requests members who have or are thinking of opting out to provide information as to why, but this is not targeted and is likely to be less effective.</p>	Rob Carr	

Completed Pension Issues

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Re-engagement	Commitment made to small group of officers to provide recompense in event they received additional tax demands related to being re-engaged by HFRS.	Letters sent. Provision for this removed from accounts following repeated no response from HMRC		Complete
USAR 20% allowance - change to pensionable status.	Implement change to pensionable status backdated to 1/7/13. Cost of £12,500	Letters sent and retrospective changes implemented.		Complete
New 2015 Pension Scheme.	Provision of information and roadshows to inform members of the new scheme requirements.	Information available through intranet and roadshows delivered at HQ, Basingstoke and Isle of Wight.	Rob Carr	Complete
Registration of FPS for HFRA	New governance and administration requirements came into force in April and managers of new public service pension schemes must provide information to the pensions regulator to secure registration of the scheme with HM Revenue and Customs.	Registration now overdue. Reminder received from pensions regulator 10 August 2015 requesting registration be completed. Form submitted on 14 September 2015	Rob Carr	Complete
Change in pension contributions in April 15.	Implement revised deductions through payroll effective from 1.4.15.	Delayed due to late notification and technical issues. Subsequently implemented in June 2015 payroll.	Richard White	Complete

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		Some staff in the wrong scheme and with a pay impact as they will not have been tapered from June 2015. 10 staff required adjustment. Remedied in September payroll. Letters sent to all members confirming the arrangements for tapering/protection September 2015.		
Ombudsman Decision – Milne v GAD	<p>Part-Time Workers (Prevention of Less Favourable Treatment) ET cases - final phase</p> <p>HMT now confirmed that they will reimburse FRA's for compensation payments</p> <p>Government expectation that this will be completed by 31 December 2015</p>	<p>Information returned to LGA 28 July 2015 to enable estimate of potential costs</p> <p>Calculation data received from DCLG, Claire Neale in Pension Services appointed as project manager.</p> <p><u>January 2016</u></p> <p>All payments made at beginning of December and information provided to DCLG. Project is now closed, but we await repayment from DCLG.</p>	Claire Neale – Pension Services	Complete