

Pensions Issues Log

Issue Number	Pension Group	Pension issue	Description / Impact	Progress	Project Manager (use drop down)	Target Completion Date	Status
5	HFRS	Impact on pension tax liability of temporary promotions	Assessment of alternatives methods (Additional Pension Benefits (APB)) to limit or remove tax liability when moving into temporary promotions. Regulations changed in July 2015 – policy development required.	Initial work with Kent and wider on Additional Pension Benefits and ways of mitigating the impact. New 2015 scheme has made temporary promotion pay non pensionable, so has reduced the potential number of cases going forward. January 2016 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. Impact of temporary promotions on tax liability will be reduced as a result of this work, so some positive outcome. Develop discretionary powers policy Report to F&GP Committee in January 2016 including decision making on temporary promotions and pension position. April 2016 - On 3 February 2016 HFRA Finance and General Purposes Committee agreed that any temporary promotions that existed on or had been granted from 1 July 2013 will be treated as pensionable Additional Pension Benefits (APBs) up until 1 April 2015 when the new scheme provisions apply and temporary promotions are non-pensionable. Implementation of this is a detailed piece of work and is expected to take at least 6 months to complete. A communication has sent to inform staff of this decision and the implications. Initial data suggests 207 individuals are affected, a project plan has been prepared and sent to TPR.	Rob Carr	30 November 2016	AMBER
1	HFRS	RDS Less Favourable Treatment – purchase of retrospective membership	RDS members given option to purchase retrospective membership of a modified pension scheme. The past service employer costs will be reflected in increases in future employer contribution rates.	937 members identified and written to. 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. Calculating final backdated lump sum costs for individuals who returned their forms and writing to individuals to confirm details and explain the process. Making arrangements to collect monthly pension contributions from current staff from the date that they returned their Option form. January 2016 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. April 2016 Claire has been progressing this work further and has identified some issues with the initial calculations that are now being corrected. Once final figures have been received the necessary financial changes will be put in place.	Gemma Tapley	31 July 2016	AMBER
7	HFRS	Re-engagement Policy	Review of re-engagement policy	Report to be provided to Finance and General Purposes Committee – recommendation to end process of review of re-engagement policy. January 2016 Will be included in report to F&GP in May 2016 about a range of policy and process issues.	Sandy Gregory	31 May 2016	AMBER
8	HFRS	HFRS Discretionary Powers Policy	Review and revision of HFRS discretionary powers required in light of the following issues: Regulation [18(1d)] provides for CPD payments to be pensionable on the determination of the employer. 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 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. 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.	Work underway to identify appropriate recommendations for amendment to HFRS Discretionary Powers Policy. January 2016 Report and recommendations to go to Finance and General Purposes Committee in May 2016	Sandy Gregory	31 May 2016	AMBER

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17	HFRS	Communication to members	All FRAs should have a re-employment policy in place and ensure that the re-employment conditions are met on re-employment of an officer who has retired under the age of 55, including those who have a concurrent retained employment.	<p>New - April 2016</p> <p>The effect of the determination is that Pension Boards and Scheme Managers should ensure that information on important tax changes is provided to employees who are or may be affected by them. This is not just in relation to protected pension ages, but with regards possible tax charges that may be applied on exceeding annual allowance or lifetime allowances. Work is in-hand to identify how best to communicate this to members, potentially linked to HFRS Leaver actions and notifications.</p>	Jonathan Hurford-Potter		AMBER
3	HFRS	Employment tribunal claims regarding transitional protections	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>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>January 2016</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> <p>April 2016</p> <p>We have been asked to answer a number of questions in response to the ET but these are mostly factual responses in respect of the implementation of the relevant legislation at the time.</p>	Rob Carr		GREEN
4	HFRS	Change to pensionable status of training allowance and Additional Responsibility Allowances (ARAs).	<p>Assessment and implementation of allowances becoming pensionable (Related to Norman case).</p> <p>Provision allowed for in accounts.</p>	<p>Identified 27 staff receiving 10% training allowance.</p> <p>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>January 2016</p> <p>Awaiting further national guidance.</p> <p>(Geoff Howsego and Claire Allcock supporting)</p>	Sandy Gregory		GREEN
6	HFRS	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>January 2016</p> <p>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> <p>April 2016</p> <p>GMP reconciliation forms two parts. The first part is to do a population match to ensure that the right period of Contracted Out employment are held with both Hampshire Fire Pensions (under the correct SCON) and with HMRC. The second part is based on the matching records, to check that the amount of GMP liability held matches or is within tolerance.</p> <p>The population matching has been completed for Fire Pension Schemes.</p> <ul style="list-style-type: none"> 424 records were individually checked as no match was found to or from the HMRC data 198 queries were raised with HMRC 35 of these are still outstanding with HMRC and we are waiting for replies to these. <p>The GMP amount reconciliation is in progress</p> <ul style="list-style-type: none"> 141 records were individually checked where the amounts did not match Overall there are potentially 53 cases that may need to have a recalculation of benefits in payment due to GMP not being applied, or applied incorrectly. Some of these cannot be completed as correct GMP data is needed from HMRC, others have been flagged as possible recalculations, but may in fact not be so when looked at in more detail. It is not possible to give any estimates of the amounts involved regarding under or over payments at this time. 	Nick Weaver		GREEN
9	HFRS	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>New - January 2016</p> <p>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> <p>Regulations will now need to be drafted, consulted upon and laid, all of which will take some time to do. Philip Perry from DCLG, confirmed that the timescale is likely to be months rather than weeks</p> <p>Email from Clair Alcock dtd 1 March 2016. refers.</p>	Rob Carr		GREEN

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10	HFRS	Communications to non-members	Target communications to non-members of the pension scheme as part of a wider communication strategy including	<p>New - January 2016 Request sent to LGA for national co-ordination of communications promoting membership and general communication issues. Legal advice sought regarding writing to those who have opted out to understand their reasons for doing so. 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. 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> <p>April 2016 Consider as part of a wider communications strategy at next meeting, which Clair Alcock may attend</p>	Rob Carr		GREEN
18	HFRS	FPS Briefing Sessions to Members	Requirement to arrange 3 FPS Briefing sessions in September/October 2016.	Briefing session arranged on 14th Sept. 2016 at Eastleigh. Proposal to hold separate sessions at Southsea (22nd Sept. 16) and Rushmoor (6th Oct. 2016) fire stations.	Jonathan Hurford-Potter	30 March 2016	GREEN
16	HFRS	Treatment of Temporary Promotions	Temporary promotions were erroneously treated as pensionable under the 2015 scheme. Work is required to "unpick" the incorrect application of the rules, in particular relating to members who have since left employment.	Work has been undertaken to identify and verify all of the temporary promotions affected by this error and plans are in place to correct this in March payroll. April 2016 Errors were corrected for Whole Time staff only, further work required to sort out the reimbursement of RDS staff	Sandy Gregory	31 May 2016	GREEN
2	HFRS	Ombudsman Decision – Milne v GAD	Part-Time Workers (Prevention of Less Favourable Treatment) ET cases - final phase HMT now confirmed that they will reimburse FRA's for compensation payments Government expectation that this will be completed by 31 December 2015	Information returned to LGA 28 July 2015 to enable estimate of potential costs Calculation data received from DCLG, Claire Neale in Pension Services appointed as project manager. Payments made in December 2015, only remaining work is liaison with DCLG on figures and recovery of costs.	Claire Neale		COMPLETE
11	HFRS	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
12	HFRS	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
13	HFRS	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.			COMPLETE
14	HFRS	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			COMPLETE
15	HFRS	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. 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.			COMPLETE
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