

Hampshire Fire and Rescue Authority

Fire Pension Board

Item 10

22 July 2016

Pension Issues Log

Report by Head of Finance

Contact: Jonathan Hurford-Potter Telephone:01962 667991 – email:

jonathan.hurford.potter@hants.gov.uk

1 Summary

- 1.1 The updated Pension Issues Log is attached to this report at Appendix 1. There are 10 open issues and no new issues have been added since the last meeting.
- 1.2 Two issues have been closed. The closed issues are:
 - Issue 8: HFRS Discretionary Powers Policy – covered elsewhere on this agenda.
 - Issue 16: Treatment of Temporary Promotions (TPs) – TPs were erroneously treated as pensionable under the 2015 scheme. The records of affected personnel have now been corrected. Note this is a different issue to Temporary Promotions relating to the change in regulations in July 2013.

2 Recommendations

- 2.1 That the contents of this report are noted.

3 Pension Issues Log

- 3.1 The open issues have been updated in the “progress” box to reflect the latest position only, historic updates have been removed, but are of course available on previous agendas. There are 1 red and 2 amber issues:
- 3.2 Issue 5 (Red): Impact on pension tax liability of temporary promotions – Following a change in regulations in July 2013 work has been taking place to identify those officers affected and amend their pension records so that their pension benefits and tax positions are correct.

- 3.3 The update report provided to The Pension Regulator assumed that the project to correct these records would take around 6 months and be completed by September 2016. Due to the impact of completing year end pension returns, it was not possible to begin extracting all of the required data until mid-June.
- 3.4 At this point, it was discovered that it is not possible to automatically extract the data from the SAP system and therefore all of this work must be carried out manually. Initial estimates are that this would take approximately 18 weeks of full time work for one individual.
- 3.5 Pensions is one of the high priority areas covered by new governance and control arrangements for shared services and a project board for pensions is chaired by the Head of Finance. Based on an assessment of other priorities that are required to stabilise pensions administration within the IBC the manual data extraction has now been planned for end of July. This makes the timetable for completion very challenging, but a call with The Pension Regulator is planned for the end of July to take them through the current position.
- 3.6 Issue 1 (Amber): RDS Less Favourable Treatment – purchase of retrospective membership: Final calculations and administrative details have been completed and payroll and finance staff are catching up with the backlog of processing payments to those that are due them and collecting Direct Debit forms from those who wish to pay their backdated contributions in that way. There are, however, 3 potential complaint cases that are being dealt with and there are some potential national issues arising from this as a result of the way in which the process was handled and the level of information provided to Fire Fighters in making their decisions.
- 3.7 Issue 17 (Amber): 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 - A new re-engagement policy is being developed and work is in-hand to identify how best to communicate this to members, potentially linked to HFRS Leaver actions and notifications. This remains Amber as we should already have a formal policy in place and have communicated with the individuals affected.