

TECHNICAL QUERY LOG

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ADMINISTRATION

Date received	Scheme/ Member type	Query	Status	Date replied	LGA response
07/08/2018	N/A	Is there a list of providers of Third Party Administration services for the Firefighters' Pension Scheme?	Closed	07/08/2018	The current shareable list of Fire pension administrators is available here

COMPENSATION SCHEME

Date received	Scheme/ Member type	Query	Status	Date replied	LGA response
03/09/2018	Compensation Scheme	Is a spouses pension paid on the ill-health pension paid under Part 8, rule 2 for retained firefighters?	Closed	03/09/2018	No spouse's pension is payable on the non-taxable ill-health pension paid under Part 8, rule 2 unless the fire-fighter died from the effects of the qualifying injury they retired with. Part 8, rule 2 of the FCS 2006 confirms the rules on paying an award to a retained firefighter prior to 1 st April 2014. Para 4 gives the retained firefighter an entitlement to a pension calculated on the ill-health rules of the pension scheme. Para 5 confirms that a spouses pension paid under para 6 is only payable where the member dies from the effects of a qualifying injury or infirmity of mind and body occasioned by a qualifying injury.
10/09/2018	Compensation Scheme	Has there been a guide published for the Compensation Scheme for members or optants-out of the 2015 Scheme	Closed	13/09/2018	No there have been no guides published, other than those already in existence - http://www.fpsregs.org/index.php/member-

					<p>area/scheme-guides (you will need your password to login)</p> <p>However, the quick guide is a useful summary of scheme rules -</p> <p>http://www.fpsregs.org/images/admin/illhealth.pdf, published in bulletin 4.</p> <p>The compensation scheme applies equally across the 1992, 2006 & 2015 scheme, the benefits are based on service not which scheme somebody is in.</p>
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DEFERRED BENEFITS

Date received	Scheme/ Member type	Query	Status	Date replied	LGA response
29/08/2018	Transition members	Does a transitional deferred member have to take both parts of their pension at the same time?	Closed	29/08/2018	<p>No, there is no requirement to take both final salary benefit and CARE benefit together.</p> <p>A member can make individual decisions on their final salary benefit on when to take the benefit and whether to commute. The scheme rules on normal pension age apply to each type of benefit.</p> <p>The earliest a deferred pension can be taken in the 1992 or as a special member of the 2006 scheme is age 60.</p> <p>The earliest a deferred pension can be taken in the 2006 scheme is age 55 (with 2006 early retirement factors) or age 65 with no deductions.</p> <p>The earliest a deferred pension can be taken in the 2015 scheme is age 55 (with deferred</p>

					early retirement factors [para 2.6]) or age 65 with no deductions. So a deferred 1992 transitional member could take early payment of their 2015 pension from age 55 and take their 1992 pension from age 60.
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ELIGIBILITY

Date received	Scheme/ Member type	Query	Status	Date replied	LGA response
31/07/2018	All	Under the definition of Firefighter for each of the 1992,2006 & 2015 scheme the person must be employed (a) by a fire and rescue authority as a firefighter (whether whole-time or part-time), other than as a retained or volunteer firefighter , and (b) on terms under which he is, or may be, required to engage in fire-fighting or, without a break in continuity of such employment, may be required to perform other duties appropriate to his role as a firefighter (whether instead of, or in addition to, engaging in firefighting) and whose employment is not temporary. Should a fixed term contract be considered as temporary?	Closed	28/08/2018	While the regulations do not define 'temporary' it is not considered that for the purposes of eligibility to the pension scheme a fixed term contract should be considered as being 'temporary' under this definition

FPS 2006 SPECIAL MEMBERS

Date received	Scheme/ Member type	Query	Status	Date replied	LGA response
26/07/2018	2006 (Special)	Where is the latest version of the settlement calculator?	Closed	26/07/2018	The settlement calculator is available on the special 2006 member resources page - http://www.fpsregs.org/index.php/member-area/modified-2006-scheme-resources
03/09/2018	2006 (Special deferred)	Where an active member chose not to convert 2006 scheme membership, they were awarded a special deferred pension under Part 2, 1A, sub para 8 . Can they draw that pension from normal benefit age (60) under Part 3, para 3, sub para 2 of the 2006 regulations, despite continuing the same active employment the special deferred pension is awarded for?	To be considered by technical group at meeting on 17.09.2018		<p>There is nothing under Part 3, para 3 (as amended) to indicate that a special deferred pensioner cannot take their pension from age 60. However it is not standard practice to pay a pension for an on-going employment, as referenced in the original query. The query has therefore been referred to the Home Office for comment.</p> <p>The initial informal opinion of HO is to agree there is nothing preventing retirement in this case. This will be passed to the technical group to comment on.</p> <p>Awaiting issue of technical group minutes.</p>

ILL HEALTH RETIREMENT

Date received	Scheme/ Member type	Query	Status	Date replied	LGA response
26/07/2018	1992	Can a member make different election options on commutation for an ill-health retirement?	Closed	26/07/2018	Yes a member can make different commutation options on the final salary and CARE elements of the ill-health pension
29/08/2018	2006	If on ill-health review the condition has deteriorated and the person is no	Closed	29/08/2018	There is no facility to review an ill-health pension upwards.

		longer able to perform any employment can you uprate the pension to the higher tier?			<p>Page 11 of the ill-health quick guide - http://www.fpsregs.org/images/admin/illhealth.pdf confirms the rules of the scheme. The relevant rule for the consequence of the review is Part 9, rule 2 - http://www.legislation.gov.uk/uksi/2006/3432/schedule/1/part/9/paragraph/2/made</p> <p>The regulations only allow the authority to cease the higher tier if the person has become capable of undertaking regular employment, or cease the lower tier if the person has become capable of performing the duties of the role from which they retired.</p>
06/09/2018	2006	<p>Does a decision on paying an after appearing injury for retained employment mean that by default an ill-health pension should be paid?</p> <p>The member has a deferred retained pension with a current lower tier ill-health pension in payment for wholetime employment.</p>	Closed	14/09/2018	<p>You would need to consider the ability to ill-health retire from the deferred retained employment in its own right. So you would need to consider afresh whether the member is capable of undertaking regular employment in order to determine whether you can pay the deferred pension as an ill-health pension.</p> <p>However any decision under the deferred retained employment would not affect the lower tier ill-health pension already in payment for the wholetime employment, because you cannot review an ill-health pension upwards, it is paid on the decision at the time of retirement.</p>

LEAVING THE SCHEME BEFORE RETIREMENT

Date received	Scheme/ Member type	Query	Status	Date replied	LGA response
30/07/2018	1992 (transitional)	What is the impact on 1992 scheme if a member opts out of the 2015 scheme when transitioning?	Closed	31/07/2018	<p>When a member opts out or leaves employment, they cease to have continuous employment. Therefore the 1992 benefits are deferred. Schedule 2, rule 35 confirms that if a member ceases to have continuous service they are a deferred member of the 1992 scheme. However, rule 33 confirms that a member with 'continuity of service' defined as less than a 5 year break from public service retains the final salary link. This means that if they re-join the person is treated as a deferred member in terms of retirement age, but the final salary link applies to the benefits at retirement.</p> <p>http://www.legislation.gov.uk/ukxi/2015/589/schedule/1/paragraph/7/made 118 to 122 – of the training day slides refer- https://www.khub.net/group/thefirefighterpensionsdiscussionforum/group-forum/-/message_boards/message/14576774</p>

PARTIAL RETIREMENT

Date received	Scheme/ Member type	Query	Status	Date replied	LGA response
06/09/2018	1992 (transitional)	Is a 1992 transition member eligible to partially retire at the age of 55, receive payment of both FPS 1992 and FPS	Closed	06/09/2018	While partial retirement is an option under the 2015 scheme, in order to draw the 1992

		2015; subject to any actuarial reductions, and continue to work for the Service, without a break, and potentially build up another pension account in the FPS 2015?			<p>scheme benefits the firefighter would need to retire.</p> <p>It is unlikely that a member with transitional 1992 benefits would have built up a significant amount of 2015 pension that with the reductions that would be applied, make it beneficial for them to withdraw the 2015 pension only and continue working. Decision trees to help illustrate the retirement decisions available on leaving employment or opting out are available here.</p>
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PENSIONS INCREASE (PI)

Date received	Scheme/ Member type	Query	Status	Date replied	LGA response
08/08/2018	1992 (Pensioner)	A 1992 pensioner has become entitled to pensions increase on the lump sum at age 55 because best of the last 3 years applied. As the member elected to commute the full 25% and incur a tax charge, does a further tax charge apply when awarding pensions increase?	Open		

SCHEME PAYS

Date received	Scheme/ Member type	Query	Status	Date replied	LGA response
09/08/2018	2015 (linked 1992 benefits)	Can the apportionment of scheme pays guidance be applied where the member	Closed	28/08/2018	As per the guidance issued in January 2018 , paragraph 24 confirms that having taken

		<p>has not breached £40k in either scheme but has breached as a total across the schemes?</p>		<p>legal advice FRAs have a power of general competence which may be exercised reasonably where there are sufficient grounds for doing so.</p> <p>Paragraph 25 considers two circumstances proposed by the Home Office and agreed by the scheme advisory board that would meet the test of being ‘exercised reasonably’</p> <p>It is the intention that in these circumstances the tax treatment should as near as possible mirror that would apply if MSP applied.</p> <p>Therefore where the total breach is more than £40,000 but the breach in either scheme is not greater than £40,000 then the scheme pays should still be apportioned across each of the two schemes in which the tax liability arose so for example the formula as given in the guidance dated 23 January 2018 would apply as follows:</p> <p>Assumes a 47 year old female)</p> <p>A = Final salary pension savings = £38000 (£2,375 * 16)</p> <p>B = Career Average Pension Savings = £14,500 (£906.25 * 16)</p> <p>C = Total Pension Savings = £52,500</p> <p>D = Tax charge declared by member = £2,500 (£52,500 - £40,000 * 20%)</p> <p>E = Final salary scheme pays</p> <p>F – Career average scheme pays</p> <p>$(A \div C) \times D \div E = (£38000 / £52,500) * £2,500 / 13.70 = £132.08$</p>
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					$(B \div C) \times D \div F = (£14,500 / £52,500) *$ $£2,500 / 10.53 = £65.57$
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Disclaimer

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