

“Matthews” – lessons learned



**FPS 2006
SPECIAL**

2014 options exercise

Took place between 2014 and 2015 to allow eligible individuals to join the FPS

- Employed between 1 July 2000 – 5 April 2006

FRAs had to identify these individuals and use reasonable endeavours to contact them

Eligible firefighters had to apply for a statement of service

Statement provided service and payment options available

Eligible firefighters had to make a positive election in order to join the scheme by 30 September 2015

2023 options exercise

Home Office has a maximum period of 18 months to draft, consult, and introduce the secondary legislation

FRAs to start 2023 options exercise as soon as possible after the legislation comes into force

The exercise will run for a maximum period of 18 months

Retained firefighters required to pay relevant employee contributions with interest

Cost will be reduced to reflect tax relief where individual unable to claim through self-assessment

Employer contributions picked up through valuation as past service cost

2023 options exercise – in scope



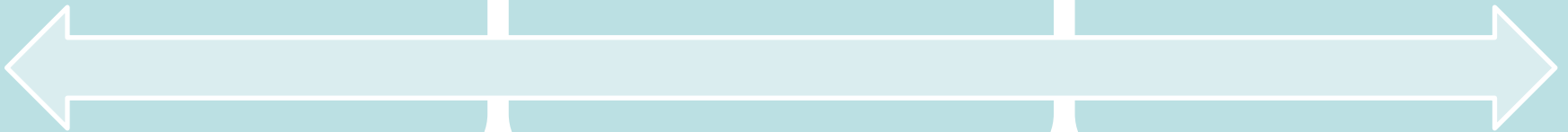
7 April 2000 – 30
June 2000 only



7 April 2000 – 30
June 2000
plus 1 July 2000 –
5 April 2006



1 July 2000 – 5
April 2006 only **and**
not given 2014
option



2023 options exercise - entitlement

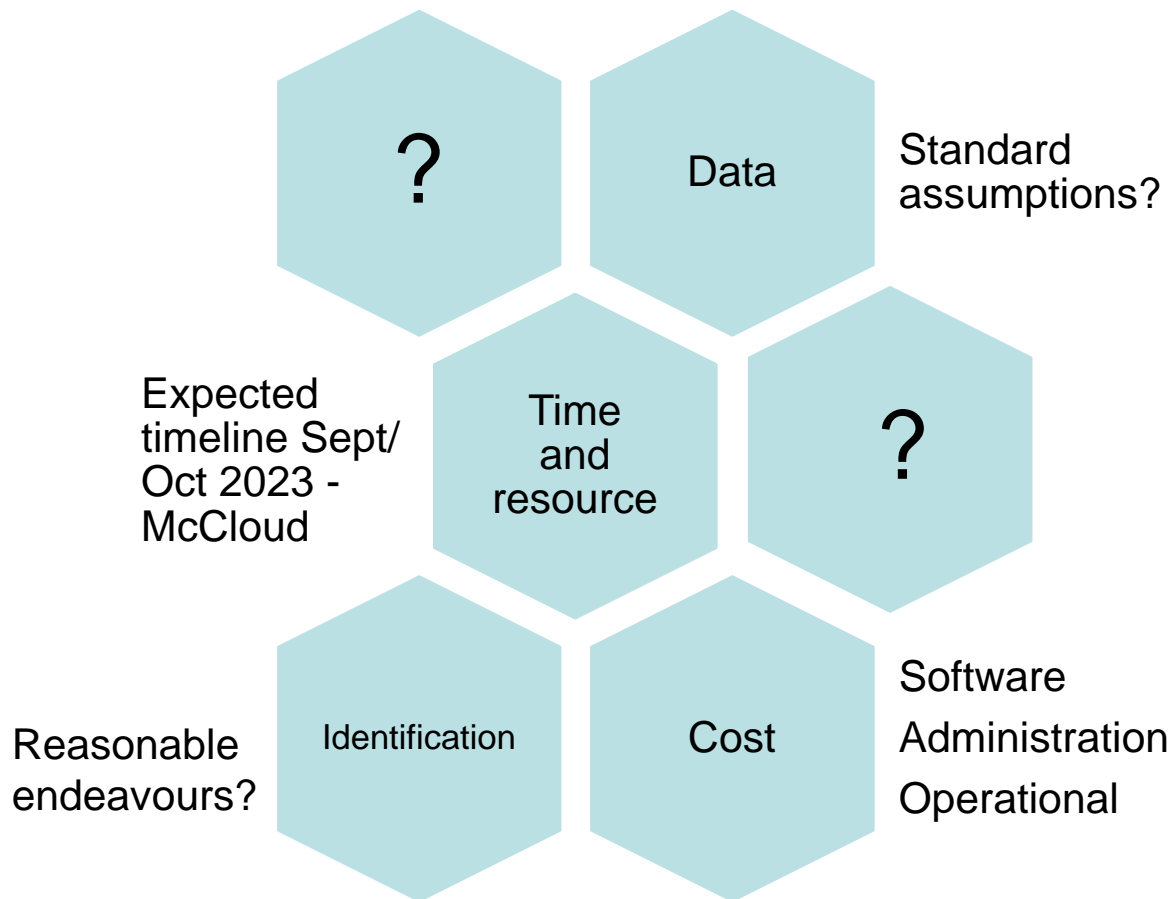
Some or all of:

- Service between 7 April 2000 and 5 April 2006
- Continuous service up to 7 April 2000 (no limit on backdating)
- Continuous service from 5 April 2006

Aggregation remains under discussion:

- Members who were retained but became wholetime without a break in service
- For FPS 1992, could give ability to retire from 50 with 25 years' and access to double accrual in respect of RDS

Challenges



Mitigations

Early engagement

- Home Office
- GAD
- LGA
- Sector

Central support and governance

- LGA
- Scheme Advisory Board
- Local Pension Boards

Communications

- Suite of documents from 2014
- FPS Regulations and Guidance website
- FPS Member website
- Support of rep bodies

Lessons learned

- PAYE
- GAD calculator
- Timescales
- Clear guidance on roles and responsibilities

Policy development - Tax

Lessons identified

- Tax relief claims made in error (deferred/ pensioners)
- Lack of clarity on NI
- Lack of clarity on tax relief on interest
- Statutory tax relief principles unsuited to remedy

Mitigations

- Cost reduced to reflect tax relief where FF unable to claim through self-assessment
- HMRC to provide clarity on interest
- Early engagement with stakeholders on policy expectations
- Clear statement of requirements inc. deadlines from HMT/ HMRC

Policy development – Statutory timescales

Lessons identified

- Policy intent under [2015 amendments](#) not widely understood
- Interpretation of “reasonable endeavours”
- Choices not always allowed outside recommended timescales but within statutory timescale

Mitigations

- Clear policy expectation and guidance to be provided ahead of 2023 options exercise – reviewed by tech and comms groups
- Governance oversight by SAB/ LPBs
- Seek examples of case law on reasonable endeavours

Knowledge, understanding, and comms #1

Lessons identified +

- Positive engagement with working groups
- Template letters and guides helpful

Lessons identified -

- Lack of knowledge on requirements and expected outcomes
- No effective means of contacting all individuals
- No central point of contact – silo working
- Lack of clear, consistent messaging and guidance

Knowledge, understanding, and comms #2

Mitigations

- Coordination of remedy comms group inc. HO
- Clear comms plan to be developed
- Central comms issued to scheme managers and LPBs to maximise coverage
- Utilise FPS websites

Tech, software, and resource #1

Lessons identified +

- Positive engagement with GAD
- Technical expertise across sector (limited +/-)

Lessons identified -

- Calculators complex and not user-friendly
- Benefits not clearly conveyed to members
- No process or governance in place for data management
- Data incomplete or poor quality

Tech, software, and resource #2

Mitigations

- Creation of peer group to share knowledge and expertise
- Early engagement between GAD and software suppliers
- Bulk spreadsheet for calcs??
- Early provision of data requirements inc. assumptions
- LPBs to provide data governance

Recommendations

- LGA coordination
- FRA peer working
- Working groups
- Roles and responsibilities
- SAB oversight

Collaboration



- LGA/ GAD data strategy
- Central assumptions
- LPB data governance

Data



- Improved calculator/s
- Software engagement
- Web-based resources

Technical



Next steps

FRA to:

- Identify those in scope
- Find out what steps were taken for 2014 exercise
- Provide aggregation data to LGA by 30 June
- Respond to consultation (in due course)

LGA working with HO and GAD on data spec, calculators, and policy

LGA to work with all parties on central comms

SAB to convene working group

Existing resources:
<https://www.fpsregs.org/index.php/modified-2006-scheme-resources>

Request for information

Aggregation (LGA)

- RDS between 7 April 2000 – 5 April 2006
- Joined WT without break or overlap in service

Interaction with Sargeant (Home Office)

- Total numbers in scope:
 - Number also in scope for Sargeant
 - Number eligible for IC i.e. pensioner (or deceased) at 1 October 2023

Costing assumptions (GAD)

- Numbers who did not take first option but could now take second
- Earliest start date of those in scope

Questions for FRAs

Would warm-up comms be helpful at this stage?

- i.e. in- and out-of-scope letters

When it is anticipated that cases will be processed:

- 2023/24?
- 2024/25?

Are FRAs having difficulty identifying individuals in cohort 1 (7 April 2000 – 30 June 2000)

- Please share your experiences and any mitigations

Any questions



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Thank you for listening!

claire.hey@local.gov.uk

claire.johnson@local.gov.uk

elena.johnson@local.gov.uk