

Remedy (Sargeant and Matthews) deadlines and challenges

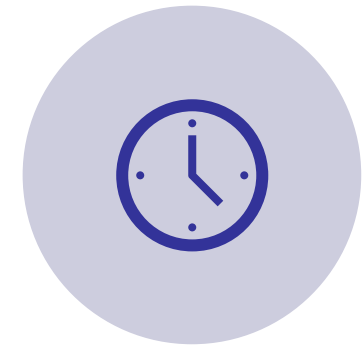
Statutory deadlines



31 MARCH 2025



SARGEANT –
STATUTORY DEADLINE
FACTSHEET



MATTHEWS –
STATUTORY DEADLINE
FACTSHEET

Remedy challenges

Are there any concerns about scheme manager understanding / knowledge of these?

Off-setting for previously paid (now overpaid) unauthorised payments

- Off-setting the unauthorised payment affects **payment** of a top-up lump sum to members, it does not affect calculation of IC-RSS, there are options but the date on which the IC-RSS is issued is important, if the benefits cannot be paid out immediately.
- HMRC guidance now needs interpreting by each of the 11 administrators
- Guidance is very dense and in words not a methodology, which does not lend itself to consistency of understanding and interpretation
- Home Office have commissioned GAD to work with LGA and administrators to develop shared understanding, work is ongoing on this.
- Requires precise knowledge of when the UP was paid to HMRC. Scheme managers in some cases do not have this.

CD 1992 opt-outs

- In August 24 it was identified that the primary legislation allows someone back to the 'relevant scheme'.
- The FPS 1992 is closed, firefighters' who opt-out of FPS 1992 return to FPS 2006 scheme as per [regulation 6](#) of FPS 2006.
- This means the relevant scheme is FPS 2006, however the policy effect of a CD opt-out was to return the member to the position they would have been in (ie never left the FPS 1992)
- Home Office are seeking legal advice
- Rather than allow members into FPS 2006 in the meantime, Home Office and LGA support a pause to protect the position of any unintended effect on members from crystallising their FPS 2006 benefit.
- HOT NEWS – A cohort has been identified that can go into FPS 1992, update [published 20 January 2025](#)
- **Where a member opts out on or after the closing date (31 March 2015) and does not re-join during the remedy period, in these cases they CAN re-join the FPS 1992.**

Remedy challenges

Divorce guidance

- Prospective guidance now issued for consultation by GAD
- Retrospective is awaited and expected in February/March.
- The guidance has been delayed because GAD have had to seek counsel advice on how to deal with contributions
- GAD are issuing guidance about what to expect

Pension debit cases coming into payment before the divorce guidance is finalised

- Where members with a pension debit in respect of a divorce case that **commenced before 1 October 2023** are **due to retire** and receive pension benefits before the divorce guidance is finalised, the scheme manager may use their discretion under regulations pay benefits assuming that the member makes a legacy scheme election in advance of issuing a Remediable Service Statement (RSS).
- If the scheme manager wants to make use of this discretion to pay benefits, the scheme administrator should contact LGA.
- **GAD will then provide guidance on how the debit applies to the member's benefits**, assuming that the member makes a legacy scheme election. When the divorce guidance is finalised, it will still be necessary to issue an RSS to the member.

Remedy challenges

Missing data (transferees)

- Some administrators have reported delays in rollback due to missing data either from the current employing FRA or previous FRA
- FRAs are encouraged to share and provide data.
- [Data sharing agreement and guidance](#) provided to scheme managers



Data conference 17 May 2023

Sargeant Roadmap

Plans to meet statutory deadlines

- Outstanding cohorts
- Scheme managers ability to use their powers under [section 29 \(10b\)](#) to extend the relevant date for an RSS and how this would meet the 'reasonable' test.

HMRC unauthorised payments offsetting guidance

- Do scheme managers know how many cases they have where members have unauthorised payments
- Have administrators identified cohorts where they do not fit the guidance?

Divorce and transfer cases

- How many cases are being prevented rollback for both deferred choice and immediate choice cases.
- Reminder that divorce cases can be referred to GAD via LGA until the guidance is published.

Ill health protected cohort re-assessments

- Do you have any members where they have not agreed to the re-assessment or the assessment process is delayed?
- Are there any cases where scheme managers could extend the relevant date by using their powers under 29(10b)

What is regulation 29 (10b)

(b) such later day as the scheme manager considers reasonable in all the circumstances in the case of a particular member or a particular class of member.

Good Communications

Do:

- Be transparent
- State fact
- Apologise where relevant
- Include relevant detail
 - When can they expect to receive their RSS
 - Where have you got to so far
 - What have your challenges been so far – give context
 - Have you reported a breach
 - Are you extending the relevant date and on what grounds

Do not:

- Play the blame game
- Air your frustrations

Communication challenges

Are these felt locally, and if so how are they managed?



Taper members

Potential for some members benefit in payment to reduce - [FAQ](#)



Ill-Health assessments

IQMP backlogs mean these are delayed
Not all members eligible have given consent.



Myths

Members expecting big pay-outs who may already be on best benefits
Members without PSS who won't breach due to increased AA threshold
Mis-understanding of interest rates

Internal Dispute Resolution procedure (IDRP)

Are you starting to receive them?

- What is it?
 - [Dispute resolution processes TPR code module | The Pensions Regulator](#)
 - Dispute resolution process
 - Reasonable Periods
 - Decision making
 - Informing members
- Is yours current?
- What can you do to prepare
 - Communicate well (see previous slides)
 - [How to avoid the Ombudsman | The Pensions Ombudsman](#)
 - [Mcloud factsheet July 2022 v3.pdf](#)

LGA resources

- [Guides and sample documents](#)

We are reviewing these currently with additional guidance and a member factsheet coming shortly.

Matthew's remedy deadline

- Consultation proposal to extend deadline to 31 March 2026. This is not overall, so those who have already received their options statement do not get any longer to make their options.

*“Where a person did not receive a notification from the authority under **rule 5B(8) of this Part**, despite the **authority** using reasonable endeavours to notify eligible persons as required by that paragraph, an election under paragraph (1) may take effect after 31st March 2025”*

- We have highlighted our concerns over this within our [consultation response](#).

Communications

Make sure individuals know when they can expect to receive their options statement.

This should be a follow up to their acknowledgement letter which indicated when you would have intended to send it by.

Do not play the blame game

Do not pass on your frustrations

Member Resources

- [Matthews Remedy | Firefighters' Pension Scheme](#)

Matthews Remedy

The Matthews remedy - information and FAQs

What is Matthews Remedy?

Matthews Remedy FAQs

FRSA and LGA podcast

Update on LGA Team

- Senior Firefighters' Pension Adviser
- [Programme Support Officer Role](#) – closing date 24 February
- [Firefighters' Pension Adviser](#) advert going live 24 February

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Thank you for listening!

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