



**Hampshire  
& Isle of Wight**  
FIRE & RESCUE AUTHORITY

Purpose: Noted

Date: **12 OCTOBER 2023**

Title: **LEGISLATION AND LOCAL GOVERNMENT ASSOCIATION (LGA)  
UPDATE REPORT**

Report of Chief Financial Officer

### SUMMARY

1. This report, together with attachments, provides the framework for this agenda item.

### FPS BULLETINS

2. LGA issue a bulletin at the end of each month; there have been three bulletins issued since the last Fire Pension Board reports were written. The bulletins are emailed out to a variety of contacts but can also be accessed via the [www.fpsregs.org](http://www.fpsregs.org) website.
3. Bulletins 70 and 71 can be found in APPENDICES A and B. There is a lot of information contained within these bulletins; the key items are set out below.

### COLLECTION OF FPS FORECASTS (BULLETIN 70)

4. The bulletin highlighted the annual requirement to provide forecasts of FPS income and expenditure and stressed the need for a robust mechanism for doing this. Forecasts were returned in advance of the deadline of 25 August in line with our standard methodology which has previously been cited as best practice by the Home Office.
5. These forecasts are important to ensure the timely receipt of the Firefighters Pension Grant in July each year.

#### SELF ASSESSMENT ON PREPAREDNESS FOR REMEDY (BULLETIN 70)

6. The bulletin contained a self-assessment tool covering preparedness for the McCloud pensions remedy. This was discussed at the McCloud remedy working group and the service continues to be in a good place, albeit affected by some national delays to software.

#### APPEAL ON COST CAP MECHANISM JUDGEMENT (BULLETIN 70)

7. In March 2023 the high court heard a case surrounding the inclusion of the impact of the McCloud / Sargeant pension remedies in the cost cap calculations. The high court found in favour of the government, judging that the impacts of the remedies could be included.
8. Unions have been granted the right to appeal this decision.

#### PENSIONS DASHBOARDS (BULLETIN 70)

9. In June 2023 a Ministerial Statement and subsequent draft regulations removed the phased timeline for the implementation of pensions dashboards and replaced this with a single deadline of October 2026. This means a later legal date for the introduction of pensions dashboards for HIWFRS.
10. However, guidance will follow on the staged implementation for individual schemes and FRAs must have regard to this guidance. The Pension Regulator also encouraged pension schemes to continue preparing their data for the introduction of pension dashboards. Hampshire Pension Services are continuing to work to an earlier deadline.

#### PENSION SCHEME REVALUATION ADJUSTMENT (BULLETIN 71)

11. It has been noticed by the Treasury during quality assurance work that an error was made on the Revaluation Order for 2021 and 2022. The Average Weekly Earnings figure used in calculations was taken from November rather than December. This means that the CARE revaluation for 2021 and 2022 will need to be revisited.
12. This is likely to affect leavers, transfers out and active members. We are waiting for further guidance on the next steps to address this error.

#### GOVERNMENT'S RESPONSE TO THE McCLOUD / SARGEANT CONSULTATION (BULLETIN 71)

13. The Government's response to the consultation was published, including the regulations to allow administrators to make payments in respect of these

remedies. Importantly, the regulations now provide more guidance on the treatment of interest and tax, to allow payments to be made under remedy. This was one of the significant issues that prevented immediate detriment payments being made.

#### PENSION SCAMS (BULLETIN 71)

14. Regrettably, some scams relating to remedy have now emerged, selling help in accessing remedy benefits. Board members are asked to be vigilant to any incorrect information that members may receive. Pension Services' webpages have been updated to highlight these issues.

#### CONSULTATION: ABOLISHING THE LIFETIME ALLOWANCE (BULLETIN 71)

15. HMRC launched a consultation on the abolition of the lifetime allowance. Pension Services are reviewing the consultation and considering whether a response is necessary. The lifetime allowance affects a relatively small cohort of members of the FPS.

#### FPS AGM (BULLETIN 71)

16. The FPS AGM was held at LGA offices in London on 19 and 20 September 2023. The event was attended by colleagues from Pension Services, HR and members of the Pension Board.

#### RECOMMENDATION

17. That the content of the report be noted by the HIWFRA Firefighters' Pension Board

#### APPENDICES ATTACHED

18. APPENDIX A - [FPS Bulletin 70](#) (June 2023)
19. APPENDIX B - [FPS Bulletin 71](#) (July 2023)

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