

Matthew Remedy (Options Exercise) Project

October 2024

Legislative amendments are being made to the Firefighters Pension Scheme to enable FRAs to give an option to certain retained firefighters to join the Scheme. Legislation came into force in October 2023 following which FRAs were expected to commence the 2023 Options exercise as soon as is reasonably practicable, and for the exercise to run for a period of 18 months.

Summary Position

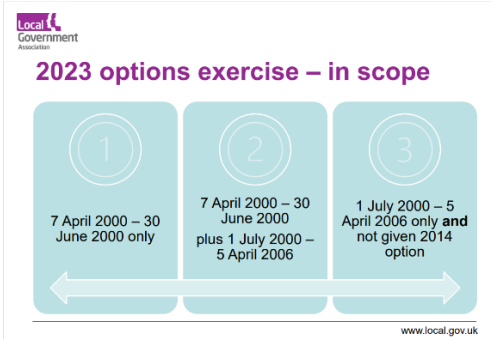
In scope	588
Letters sent	571
<i>Responses Yes</i>	<i>277</i>
<i>Responses No</i>	<i>9</i>
<i>Subsequently out of scope</i>	<i>1</i>
<i>Response not received</i>	<i>284</i>
Letter not sent (deceased and pending guidance)	17

Data collated and checked	106
<i>GAD Calculators in progress but not completed</i>	<i>72</i>
<i>GAD Calculators completed</i>	
Options papers issued	
<i>Responses Yes</i>	
<i>Responses No</i>	
Collection of contributions and interest	
Member records updated and confirmation issued	

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Milestones

Milestone / Description	Date	RAGB	Commentary
Collate in scope member identifiers	28/02/2023	●	<p>Identified 586 individuals.</p>  <p>Note: The retained firefighters who were in scope for Matthew I but did not elect to take part within the deadlines, are excluded from Matthews II except if they also have service from 7 April 2000 to 30 June 2000.</p>
Advertise Matthews remedy for RDS employees to contact the FRA	31/05/2023	●	All except one contact received was included as in scope members already.
Completion of address trace exercise	31/03/2023	●	Address trace completed which demonstrate all reasonable endeavors.
Complete of data capture to include pay / service data and ensure as far as possible that accurate data is used for calculations. Alternative is basic service data (recommended by the Home Office).	28/02/2024	●	There are currently four employees working full time on the delivery of the data capture and calculations. Most of the information has been sourced from legacy systems which is now being collated and will be supplemented by information held on the administration and finance systems.

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Milestone / Description	Date	RAGB	Commentary
Send out communication to in scope member using LGA template letter (future activity and background).	30/09/2023	●	<p>567 letters sent by 22 December 2023. LGA template was used with a few clarifications around timescales and references. Additional letters sent when addresses confirmed.</p> <p>There are 17 deceased cases. In line with guidance, a letter has been sent to one individual.</p> <p>Reminders were sent in late August where no response had been received.</p>
Calculation of options	15/03/2024	●	<p>It has been acknowledged nationally that there are issues and training requirements in relation to the GAD Calculator.</p> <p>Resource in place with payroll team to support the calculations.</p> <p>Data capture will be completed based on expressions of interest received.</p>
Options papers issued	31/03/2024	●	<p>Original guidance indicated that the options papers should be issued within three months of a completed expressions of interest form being received. This has not been possible.</p> <p>LGA template letters adapted by West Sussex and ready for mail merge.</p> <p>Statements sent by first class, signed for post for each member.</p>
Position on IHER determined	TBC	●	<p>Members will be given the option to backdate the service. Any adjustments would then need to be made. There are potentially <15 IHER cases. It has been determined under guidance that all ill health cases will be processed under priority one. GAD have published a Matthews-guide-to-processing-cases-v1.pdf (fpsregs.org)</p>
Options responses received	Dependency on prior tasks		<p>Member to make an election within 6 months of receipt of the FRA sending the Options papers issued.</p>

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Milestone / Description	Date	RAGB	Commentary
Collection of contributions and interest	Dependency on prior tasks	●	Feedback on process shared with Hampshire Pension Services.
Member records updated and confirmation issued	Dependency on prior tasks	●	Feedback on process shared with Hampshire Pension Services.

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Issues and risks

Key Issue or risk

Latest update on issues (including change requests) and risks related to the Work Package

- 1. DATA ISSUE:** Original data included incorrect addresses for Fire Watch employees. This will be rectified to support efficiency of the address tracing. A few cases identified which were not on the original data. Query raised with HR colleagues about whether any theme.
- 2. RESOURCING RISK:** Payroll now fully staffed to support exercise.
- 3. SCOPE RISK:** Regulations and supporting systems / tools are still being developed. Working with other FRA's to develop knowledge and consistency.
- 4. DATA RISK:** Records pre 2004 are on microfiche. Where possible, a copy should be made to the corporate system so these can be referenced going forwards.
- 5. McCLOUD:** A cohort of members may be impacted by the Matthews and McCloud remedy. Therefore, McCloud remedy should be delayed for these individuals until the options / decisions have been made in relation to Matthews. Administration team have identified those who cross over.
- 6. REPUTATIONAL AND MEMBER IMPACT:** The time taken to resolve the Remedy work may have an impact on an individual decision (eg. retirement).
- 7. MEMBER STATEMENT INACCURACIES:** reputational risk and risk of complaints, if a statement quotes an incorrect figure of payment owing or due. This is also relevant for historic issues relating to Matthew I.
- 8. LETTERS:** Royal Mail reliability for post-delivery and tracking: Danger of post not being delivered and not being able to determine, if a letter reached the recipient due to Royal Mail website issues with some letters.
- 9. INVOICING OF MEMBERS:** If this is not done correctly a member may incorrectly lose their rights to take part in the exercise if an invoice isn't produced and a member doesn't make the required payments. Timeliness and accuracy of the invoice are important to provide clarity and certainty to the member .
- 10. DATA BEING UPLOADED FOR MEMBERS:** This is important to ensure the accuracy of Annual Benefit Statements and also the forthcoming Pensions Dashboards.

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Resources and costs

Key resourcing and costs agreed / to be agreed

Resourcing in place / to be in place and estimated costs

- Tracing service commissioned
- Postal charges (via recorded delivery) chargeable.
- Employer costs will not be a direct upfront cost but may cause fluctuations in future Scheme contributions.
- Employees who elect to pay to be part of the Modified Scheme, who have already reached retirement, will have interest due on the arrears of their pension payable as part of the second options exercise.
- GAD Calculator cost estimate of £50,000 plus VAT to be shared between all the Fire Authorities.

Future decisions

Key future decisions required to deliver project

Latest update on potential future decisions and when these will present

N/A