



GMP Reconciliation Update

Cheshire Fire and Rescue Service

October 2019

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01 Introduction

01.01 Background and purpose

The purpose of this report is to provide an update on the progress of the GMP reconciliation project for Cheshire Fire and Rescue Service.

01.02 GMP Reconciliation Update and News

In the GMP update sent to you in July 2019 we informed you that 295 inactive queries and 475 active queries had been submitted to HMRC. The number of active case queries actually sent to HMRC was 462. It was originally anticipated that HMRC would reply to all queries and provide a final membership closure scan by early 2019. However, since then, HMRC announced that they would be extending their response deadline to May/June 2019 and the final closure scan deadline to December 2019.

As a result of these extensions, work has very recently commenced on reviewing the replies that we have received from HMRC in order to progress and complete Stage 2. However, this is something of a preliminary step because, until the final closure scans are received, it is possible that the number of recalculations/rectifications may change if HMRC update their records with any other changes before December 2019.

02 Scheme member update

02.01 Inactive members

In the previous update we stated that 295 inactive member queries had been sent. The table below provides an update of the current reconciliation position of the **inactive** members at 30 September 2019.

Member status/category	Queries submitted to HMRC	Total replies investigated	Cases left to review
Pension members over state pension age	42	0	42
Pension members under state pension age	71	0	71
Deceased members/adult survivors	17	0	17
Deferred members	91	0	91
Leavers - no liability	11	0	11
Orphaned HMRC/scheme	63	0	63
Total	295	0	295

02.02 Explanation of cases

Once work commences on the cases that will be investigated by the team, some of them will require no further action. Example of cases that will be in this category include:

- Queries where HMRC have advised that their records have been updated with the information we have provided.
- End Date queries where the Scheme end date is after State Pension Age (SPA) and HMRC are quoting the end date as the final year of revaluation before SPA. As the GMP is not subject to revaluation after SPA, we can accept the HMRC date and no further action is required.

Some cases, requiring further action, will be identified where HMRC details are still incorrect, the member's Altair record is incorrect or a recalculation of benefits is required. Any further cases of HMRC being incorrect will be re-submitted to HMRC and hopefully amended and addressed with the results of the final closure scan. The inactive queries are taking priority due to the nature of these cases and the potential over and under payments involved. As such, work has not yet commenced on the active members which remain unchanged since our last update.

We will invoice you each month for the work that has been completed for inactive members as we progress through HMRC replies.

Scheme member update continued

02.03 Active member analysis breakdown

The results of the active member reconciliation are as follows, broken down between the two pension schemes.

Fire Pension Scheme 1992:

Category	Initial Results	Queries submitted to HMRC
Best Match - NINO & Surname	22	22
Orphaned - HMRC	399	21
Orphaned - Scheme	176	175
Start Date Mismatch	2	0
Total	599	218

Fire Pension Scheme 2006:

Category	Initial Results	Queries submitted to HMRC
100% Matches	8	0
Best Match - NINO & Surname	3	0
MULTIPLE (HMRC) Mismatches	8	1
MULTIPLE (Scheme) Mismatches	11	0
Orphaned - HMRC	468	208
Orphaned - Scheme	13	0
Start Date Mismatch	218	35
Total	729	244

Scheme member update continued

02.03 Active member analysis breakdown continued

The total number of queries submitted to HMRC across both schemes was 462:

Category	Total 1992 & 2006 scheme queries submitted to HMRC
Best Match - NINO & Surname	22
MULTIPLE (HMRC) Mismatches	1
Orphaned - HMRC	229
Orphaned - Scheme	175
Start Date Mismatch	35
Total	462

Of the 462 cases, 404 are classed as 'Orphaned' and either have:

1. A record with HMRC, but none with the scheme or
2. A record under one of the schemes, but no liability with that scheme with HMRC.

These cases are the bulk of the active queries and after investigation and instruction to HMRC should be relatively straightforward to correct. We have identified that many of these cases have been recorded under the incorrect scheme contracting out number (SCON) with HMRC, where 1992 scheme members have been recorded in the 2006 scheme and vice versa.

03 Costing

In previous correspondence we have concentrated on details of the work required on the reconciliation of inactive members and have not communicated with you costs regarding the active Scheme reconciliation. We have now quantified the position in relation to the active members, which is summarised in the table below:

Category	1992 Scheme	2006 Scheme	Total	Resolved NFA	Queries Submitted to HMRC	Queries to be Investigated
100% Matches	0	8	8	8	0	0
Best Match - NINO & Surname	22	3	25	3	22	22
MULTIPLE (HMRC) Mismatches	0	8	8	7	1	1
MULTIPLE (Scheme) Mismatches	0	11	11	11	0	0
Orphaned - HMRC	399	468	867	638	229	229
Orphaned - Scheme	176	13	189	14	175	175
Start Date Mismatch	2	218	220	185	35	35
	599	729	1328	866	462	462

Cost

£150

£2309.08

We will shortly raise an invoice for the cost of the resolved active members; in total there are 866 active member queries which have been resolved and the charge for the work is £150.

We estimate that the charge to investigate the remaining active queries will be **£2309.08**. Could you please forward a Purchase Order, made out to XPS Administration, for £2309.08 to leanne.ferreira@xpsgroup.com.



Contact us
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