

**BEDFORDSHIRE FIRE AND RESCUE SERVICE**

**SERVICE ORDER**

**VOLUME 10: HUMAN RESOURCES**

**V10 29 ABATEMENT AND RE-ENGAGEMENT**

**V10 29/01 ABATEMENT AND RE-ENGAGEMENT POLICY**

**1 Policy Statement**

BFRS operates a fair selection process and will appoint to advertised vacancies according to merit and organisational need. Any re-employment following retirement must be to an advertised vacancy, and as a result of a normal and open competitive process. The only exception to this is where BFRS has identified an individual they wish to retain in their role; in this circumstance there is no requirement for a selection process. Where re-engagement is agreed, the pension is adjusted (abated) where relevant.

**2 Scope**

This policy applies to all Grey Book employees and those in receipt of a pension under the Firefighters' Pension Scheme (1992), and the New Firefighters' Pension Scheme (2006).

**3 Vacancies**

There is no automatic entitlement to apply for or to be re-engaged. The Service will decide on a vacancy-by-vacancy basis within the context of Service business and workforce planning and requirements whether the eligibility criteria for advertised vacancies will include those seeking re-employment. Factors influencing this decision will include:

- The retention of skills and experience based on return on investment;
- The ability to attract, train and retain talented employees;
- Reducing recruitment and training costs for the Service;
- Retention of specific skills that are difficult to obtain from elsewhere;
- The workforce profile of the Service, including diversity targets;
- The budgeted Service establishment and workforce planning considerations;
- Succession planning, development of skills and opportunity.

The final determination on whether a vacancy is opened for re-employment opportunities rests with the Chief Fire Officer.

In the event that the successful candidate for the vacancy is a pensioner seeking re-employment abatement of the pension will occur as outlined in this policy.

The usual role related medical and fitness assessments and normal clearances will apply to any conditional offer of re-employment.

Note: Where BFRS has identified an individual that they wish to retain following retirement, there will be no requirement for a selection process.

## **4 Abatement**

### **4.1 Definition**

Abatement is the suspension or reduction of a pension in payment during a period of employment.

### **4.2 Abatement Rules**

The annual salary of the role for which the individual is being re-employed into plus their annual pension (as index-linked) must not exceed the salary (as index-linked) they received immediately prior to retirement.

Where the new annual salary, plus annual pension (as index-linked) exceeds the salary prior to retirement the annual pension (as index-linked) will be reduced or suspended to a level where the situation no longer applies.

Bedfordshire Fire and Rescue Service will advise the Pension Administrator of re-employment and an abatement check will be carried out. An abatement check will continue to be undertaken throughout the individual's period of employment as required, and at least once per year. Examples of changes that would trigger an abatement check include but are not limited to an annual pay award, a change in working hours or a change of job role.

It is the responsibility of the re-employed individual to also declare their re-employment to the Pension Administrator. Overpayments will be recovered so it is in the member's interests to declare re-employment as soon as possible to avoid repayments to the pension scheme.

For those re-employed in a Retained role, Bedfordshire Fire and Rescue Service will advise the Pension Administrator every April of the total earned in the previous year to the March 31<sup>st</sup>.

*The 2015 Fire Scheme Regulations do not provide for abatement and thus anyone retiring solely under this scheme will not be subject to abatement if reemployed. However, there are circumstances (such as ill health retirement) where someone has membership of the 1992 or 2006 **and** the 2015 schemes where special provisions apply. Each case will be considered individually to determine whether abatement will apply.*

## **5 Protected Pension Age (PPA - Pensioners Aged Under 55)**

Under the rules of the relevant legislation, employment in any Fire and Rescue Authority or in some cases by a Local Authority is considered as being by the 'same

'sponsoring' employer'. Accordingly, to avoid tax penalties, those wishing to be re-employed will also have to meet one of the following re-employment conditions specified by Her Majesty's Revenue and Customs (HMRC). These are:

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| <ul style="list-style-type: none"><li>i. A break in employment of at least six months, or;</li><li>ii. A break in employment of at least one month and benefits may be abated under scheme rules, or;</li><li>iii. A break in employment of at least one month and re-employment being materially different</li></ul> |
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Whilst these rules are in the context of PPA and those under 55, BFRS policy is to apply the break in service criteria above to ALL cases of re-employment.

All cases of re-employment will be subject to the abatement principles outlined in this document irrespective of the age of the employee.

Signed:

Date:

**FRA Chair**

Signed:

Date:

**Chief Fire Officer**