

## report

meeting	<b>NOTTINGHAMSHIRE AND CITY OF NOTTINGHAM FIRE AND RESCUE AUTHORITY</b>	
date	<b>7 September 2007</b>	agenda item number

### REPORT OF THE CHIEF FIRE OFFICER

#### POLICY ON RE-ENGAGEMENT

##### 1. PURPOSE OF REPORT

To notify the Fire and Rescue Authority of progress in relation to the policy "Re-engagement on Retirement" as resolved at its meeting on 8 December 2006, and seek formal agreement to the adoption of the attached Policy.

##### 2. BACKGROUND

At its meeting on 8 December 2006 the Authority considered a report relating to a proposed policy on the re-engagement of regular Firefighters on retirement. This arose as a consequence of the changes to the Firefighters' Pension Scheme Regulations arising from Amendment Orders in 2005 and 2006. In line with the resolution of the Authority, the matter was further considered by Human Resources Committee on 5 January 2007 and Officers were authorised to commence consultation with appropriate representative bodies with a view to implementing a final policy. Unfortunately the length of the consultation process has meant that a report was unable to be submitted to the Authority meeting of 23 February 2007 as originally envisaged.

##### 3. REPORT

3.1 The Policy "Re-engagement on Retirement" is attached as Appendix A with examples as Appendix B, and has formed the basis of consultation through the Joint Negotiating and Consultation Panel. The Service has responded to issues raised by the representative bodies in respect of the application of the policy, in particular in respect of abatement, and now considers the consultation process to be complete.

3.2 The main features of the policy are summarised below:

- Applicants must have reached the minimum retirement age (50) and have 30 years' pensionable service or have reached their normal retirement age (age 55 or over), and have signified their intention to retire;
- There is no automatic right to re-engagement, a decision will be reached on the basis of organisational need at the time of the application;
- Decisions on re-engagement will be made by an Area Manager, advised by the Head of Human Resources as appropriate;

- Factors such as the applicant's past work performance, skills, attendance record, conduct, current disciplinary or capability issues will be taken into account when considering the application. Due consideration will be given to any periods of disability related absence;
- Any agreement will be conditional upon medical fitness;
- Individuals who are retired from service on the grounds of ill health or with an injury award cannot be considered for operational roles;
- Re-engagement shall be on the basis of a fixed term contract of periods of no less than 12 months and not less than 6 months, and shall be reviewed annually by application. The total period of re-engagement, including all extensions, shall not exceed a maximum period of 3 years and 11 months;
- The individual has the benefit of immediate access to their commuted lump sum and that proportion of their pension as abated. They will, if eligible to join the New Firefighter Pension Scheme, be able to accrue pension at a lower contributory rate (8.5%)
- An appeal mechanism will apply where an application has been refused.

#### **4. RISK MANAGEMENT IMPLICATIONS**

There are no significant risks to the organisation associated with the adoption of this policy. The criteria by which each application will be assessed on an individual basis will provide a screening process to mitigate risk associated with absence, conduct, ill health and fitness issues. This will be supported by the policy of appointment on a fixed term basis.

#### **5. FINANCIAL IMPLICATIONS**

There are no additional costs to the Fire and Rescue Authority. Commuted lump sum and pension would have been payable in any case and there is no enhancement to pension. Employers contribution to the new scheme are lower than those in the FPS resulting in some savings in the pensions budget.

#### **6. PERSONNEL IMPLICATIONS**

Personnel implications are contained within the body of the report.

#### **7. EQUALITY IMPACT ASSESSMENT**

An initial Equality Impact Assessment has been undertaken and no differential impacts have been identified on the grounds of race, gender, disability, religion or belief, or sexuality. It has been recognised and accepted that the policy does differentiate in term of age, in that only those employees over 50 can apply, however this is justified by the application of Firefighter Pension Scheme regulations relating to the early payment of benefits.

#### **8. RECOMMENDATIONS**

- 8.1 That the draft policy on "re-engagement on retirement" be formally adopted by the Fire and Rescue Authority.

8.2 That the monitoring of this policy and its impact be delegated to the Human Resources Committee.

**9. BACKGROUND PAPERS FOR INSPECTION (OTHER THAN PUBLISHED DOCUMENTS)**

None.

Frank Swann  
**CHIEF FIRE OFFICER**



**NOTTINGHAMSHIRE**  
**Fire & Rescue Service**  
*Creating Safer Communities*

<p>POL. NO. POL 1016</p>
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# RE-ENGAGEMENT ON RETIREMENT POLICY

## Scope:

This policy is mandatory.

## Summary:

This policy explains the process for uniformed staff, who are members of the Firefighter Pension Scheme, to apply for re-engagement on retirement.

This policy also explains the criteria, which will be applied to applications and the terms and conditions on which re-engagements may be offered.

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Approval Date		

## Review Date:

**Originator**  
HR Manager

**Date**  
March 2007

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## **1 Definition**

- 1.1 Nottinghamshire Fire & Rescue Service (NFRS) recognises that there may be occasions when it would be in the interests of efficiency to re-engage a uniformed employee who wishes to retire from the Fire & Rescue Authority on completion of 30 years' service or on reaching their 'normal retirement age'. Instances when it may be in NFRS's interest may include where staff possess skills, knowledge or experience that are unique or in limited supply, and where NFRS requires these skills, knowledge or experience in order to deliver e.g. projects or outcomes in the short-term, or where there are short-term recruitment problems. In these circumstances NFRS may wish to retain the services of these employees for specific/defined periods.

## **2 General Principles**

- 2.1 The Policy applies to employees who are members of the Firefighter Pension Scheme.
- 2.2 The Policy complies with the provisions of the Firefighter Pension Scheme 1992 and New Firefighter Pension Scheme 2006, in that a pension scheme member must have reached the age of 50 (1992 scheme) and have completed at least 25 years reckonable pensionable service, or reached the age of 55 (2006 scheme), or have reached the normal retirement age of 55 (1992 scheme) or 60 (2006 scheme), to qualify for payment of pension benefits.
- 2.3 An employee must have retired from Service for at least one month before re-engagement.
- 2.4 An employee must be over aged 50 and have 30 years' reckonable service to apply for re-engagement (1992 scheme members) or over 55 (2006 scheme members).
- 2.5 Under Rule K4 of the Firefighters Pension Scheme, the Authority exercises its right to abate any pension payment such that the salary and pension paid on re-engagement does not exceed the contractual salary earned before retirement.
- 2.6 It should be understood that the requirements of the organisation and any changes to the organisational structure will always take priority in determining whether a vacancy is to be filled or not.

## **3 Application**

- 3.1 The following criteria will normally be applied for the consideration of approval of re-engagement in line with those provisions established under Para 2.
- 3.2 There is no automatic right to re-engagement, the decision will be made based on:
- a) Organisational need at the time of application (which may include short-term recruitment and retention difficulties for a particular role);
  - b) Whether the individual possesses particular skills, knowledge or expertise that NFRS would find difficult to replace in the short term;

- c) Whether the individual is involved in for example a time-bound project and whether NFRS considers it would be detrimental to the NFRS's efficiency for the individual to retire during the course of the project;
- d) The individual's past work performance and conduct. Any outstanding disciplinary proceedings or disciplinary sanctions still valid will normally disqualify an application;
- e) The individual's health:
  - Subject to any disability related or due to injury at work related absence, the individual's past level of attendance must be acceptable to NFRS. Any formal or informal action under the Managing Attendance policy in the previous three years will normally disqualify an application.
  - The individual must be found medically fit to continue in the role as determined by the Occupational Health Adviser.
  - Individual's retiring on the grounds of ill health, or with an injury award cannot be considered for operational roles.

3.3 Applications should be made in writing to the relevant Group Manager (or immediate line manager for station manager and higher roles) after the individual has given notice of their intention to retire, but no later than 4 weeks before the date of the proposed retirement date.

3.4 The application must be supported by a Group Manager (or relevant line manager for roles above Station Manager level), making a time-bound business case for the re-engagement, ordinarily this will be no more than 12 months, and focussing on the completion of a piece of work or delivery of an output, or the training/up-skilling of other staff to take the employee's place, or to take into account recruitment and retention difficulties in a particular role. A report will be submitted to a relevant Area Manager for consideration.

3.4 Where the Area Manager approves the re-engagement in principle, this agreement will be subject to the individual being certified fit to undertake the role by the Occupational Health Adviser.

3.5 An applicant, whose written application has been refused, may appeal to a relevant ACO for a review of the decision. The individual will be invited to a meeting with the ACO (who should not have been materially involved in the previous decision) as soon as is expedient, with the right to be accompanied by a trade union representative or work colleague.

## **DECISION MAKING PROCESS**

3.6 Requests will be considered initially by a relevant group manager. Consideration will be given to whether, having regard to the criteria set out in paragraph 3.2, there is a special case and it would be in the interests of efficiency of NFRS that the individual be re-engaged.

- 3.7 Having considered the request for re-engagement, the line manager will provide a report to the Area Manager making a recommendation, with reasons, to either grant re-engagement (and if so, the length of the period of re-engagement) or to decline the individual's request)..
- 3.8 The report must be submitted as soon as is reasonably practicable, following receipt of the written request from the individual. This will normally be within 10 working days of receipt of the application and a copy of the report should be copied to the individual.
- 3.9 The Area Manager will give consideration to the factors outlined in paragraph 3.2, and may meet with the employee to clarify any aspect of the application, and provide a decision in writing, with reasons for the decision outlined to the individual and copied to the line manager. This will normally be provided within 10 working days of receipt of the report from the line manager.
- 3.10 The decision will be communicated to the individual in writing within 5 working days of the appeal hearing and will be final

## **TERMS AND CONDITIONS**

- 3.11 An individual who is offered re-engagement must have at least a four-week (28 day) break in service between leaving and re-joining Nottinghamshire Fire & Rescue. Previous service will not count towards continuous service for statutory or contractual purposes.
- 3.12 An individual will normally be re-engaged in a similar role as they hold on leaving and at the level of pay appropriate to that substantive role. However there can be no guarantee that this will be the case. They will not, however, remain on flexi-duty unless it is a specific requirement of the role or where resilience of cover across the County is an issue.
- 3.13 An individual who is re-engaged will be expected to serve at any suitable location appropriate to their role, skills, expertise and knowledge. This may not be the location at which they have served previously. The decision as to the location at which they will be re-employed will be based upon organisational needs.
- 3.14 The individual, who leaves and is subsequently re-engaged, will by virtue of terminating their membership of FPS be entitled to receive any commutation element of their pension. They will also be able to draw their accrued pension entitlement. This pension will, however, be subject to Rule K4 of the FPS which makes provision for the abatement of a pension payable under the FPS for any period during which a person in receipt of a pension is employed as a regular firefighter with NFRS. This means that the annual rate of pay of a firefighter following re-engagement plus the annual rate of FPS pension should not exceed the annual rate of pay as a firefighter received immediately prior to retirement.
- 3.15 On re-engagement, the individual may opt to enter the new Firefighter Pension Scheme subject to eligibility for membership i.e. the role includes a requirement to engage in firefighting or attendance at other emergencies covered by sections 8 and 9 of the Fire & Rescue Services Act 2004. Otherwise consideration would need to be given on whether the person was eligible to join LGPS.

- 3.16 Any uniformed personnel re-engaged under this policy will be able to apply for promotion through normal procedures. However, it should be noted that if they are promoted during the period of re-engagement their pension will not increase to take account of this promotion.
- 3.17 Re-engagements shall be on the basis of a fixed term contract of periods of no less than 6 months. Renewal will not be automatic and will be subject to the process and criteria set out above, except that application to renew should be made not more than 90 days and not less than 30 days before the termination of the fixed term contract. In total, re-engagement shall not exceed 3 years and 11 months in total, inclusive of all extension periods.
- 3.18 Both parties must agree to the renewing of the contract. There is no entitlement to a renewal of contract.

#### **4 Role & Responsibilities**

- 4.1 A relevant Group Manager will consider the initial application, ensure that the applicant meets the application criteria (including consideration of service record) and submit a written report and recommendation to an Area Manager for a decision. There is an expectation that such a report should be submitted within 10 days of receipt of the application. A copy of the report will be copied to the applicant.
- 4.2 An Area Manager will decide whether re-engagement should be supported on the basis of business need, and with reference to the report referred to in 4.1, and confirm the decision to the applicant. This will normally be within ten days of the report being received from the Group Manager.
- 4.3 An ACO, not previously involved in the decision-making process in relation to the original request, will consider any appeal and determine a final outcome.
- 4.4 The Personnel section will deal with the issue of any subsequent contract of employment, review (where relevant) and will co-ordinate the appeals process. All paperwork relating to the application will be retained by the Personnel section under confidential cover.

#### **5 Monitoring - Audit & Review**

- 5.1 The Personnel section will maintain and monitor decisions regarding re-employment on the basis of gender, race and disability and this will form part of the monitoring information considered by Equalities Panel on a half yearly basis.
- 5.2 The Policy will be reviewed on an annual basis or as legislation or pension scheme changes affect the application of the Policy.



### EXAMPLES OF RETIREMENT UNDER THE RE-ENGAGEMENT ON RETIREMENT POLICY

CASE	ROLE	AGE	SERVICE	Final pensionable service	SALARY (competent pay)	PENSION LUMP SUM (25% commutation)	ANNUAL PENSION	NEW SALARY	PENSION ABATEMENT
1	FIREFIGHTER	51	30	40	27185	67963	13593	27185	100%
2	CREW MANAGER	52	32	40	30139	74845	15070	27185	80.30%
3	WATCH MANAGER A	50	30	40	31647	79118	15824	22605	57.20%
4	STATION MANAGER A	54	31	40	36109	88166	18055	15823	0.00%

Calculations are based upon the provisions of the Firefighter Pension Scheme 1992 and assumes retirees are male.

Example 1 assumes a Firefighter returns to a full-time Firefighter role

Example 2 assumes a former Crew Manager returns to a Firefighter role on a full-time basis

Example 3 is assumes a Watch Manager returns on part-time basis on 30hrs per week

Example 4 assumes a Station Manager returns to a Watch manager role on 21 hrs per week