

APPENDIX 3

Taking Benefits and Remaining Employed as a Firefighter

The new pension tax regime introduced on 6 April 2006 aimed to simplify the complex tax rules thereby reducing inflexibility that discouraged people from saving. The 15% contribution limits for tax relief has been replaced by the Single Lifetime Allowance of total fund value (initially set at 1.5m), whilst members are now free to contribute to as many pension arrangements at the same time as they wish. The introduction of flexible retirement also removed tax regime restrictions in respect of receiving some or all benefits whilst continuing to work, thus being able to accrue further benefits from same employer.

Subject to the rules on minimum pension age and normal pension age being satisfied, a firefighter may now retire and draw pension and any lump sum, and be re-employed by the Service. However, provision is made within the terms of the Firefighters' Pension Scheme for the abatement of a Pension payable, for any period during which the pensioner is employed as a regular Firefighter.

For an individual to be considered for re-employment, the following criteria must be satisfied:-

- Any individual who has achieved, or is about to achieve 30 or more years' service with the Fire and Rescue Service, and who has reached the minimum or normal pension age as detailed in the Firefighters Pension Scheme
- The individual must be intending to retire within six weeks of application for re-employment, with a normal retirement Pension.
- The individual must be medically fit to continue in role.
- The individual's performance and conduct will also be considered, including any current disciplinary awards.
- The individual must possess particular skills, knowledge, or experience that the NWFRS would find difficult to replace in the short term.
- Individuals retiring on the grounds of ill-health, regardless of whether a lower tier or higher tier award, and individuals retiring with an injury award will not be considered

Recommendations

That the Executive Panel:

delegate to the Chief Fire Officer the responsibility to formulate a policy taking into account the legislative changes to the pension scheme, to include the re-employment of staff following retirement.