

**MERSEYSIDE FIRE & RESCUE AUTHORITY**  
**RETIREMENT POLICY & RE-ENGAGEMENT POLICY**

**PART 1**

**1 Firefighting Personnel**

1.1 This part of the policy applies to employees who are appointed on terms under which they are, or may be, required to engage in firefighting duties ("firefighters").

1.2 In this part of the policy :-

"FPS" means the Firefighters' Pension Scheme Order 1992 (as amended). The FPS applies to firefighters who were members of the FPS/appointed to the Authority before 6.4.2006.

"NFPS" means the Firefighters' Pension Scheme (England) Order 2006. The NFPS applies to firefighters who were not a member of the FPS/ appointed by the Authority before 6<sup>th</sup> April, 2006, or where but have opted to join the NFPS.

**Authority initiated retirements**

***Efficiency/Redundancy***

**FPS**

1.3 Firefighters who are :-

- members of the FPS;
- aged 50 or over, and
- have completed 25 years service;

may be required by the Authority to retire on the grounds that their retention in the Service would not be in the interests of efficiency.

**NFPS**

1.4 Firefighters who are :-

- members of the NFPS;
- aged 55 or over, but less than 60

may be required by the Authority to retire having regard to the economical, effective and efficient management of their functions, and the costs likely to be incurred in the particular case.

1.5 If either of the above positions arise in the context of a redundancy situation, then before making a decision on this ground, the Authority will offer redeployment to any suitable vacancies which exist ( or are likely to arise in the near future).

### **III Health**

#### FPS

- 1.6 Firefighters who are members of the FPS may be required to retire at any time, if :-
- they are disabled for duty at the time the question arises, and that disablement is likely to continue to the employee's normal pension age of 55, and
  - the disablement constitutes incapacity, occasioned by infirmity of mind or body for duty.

#### NFPS

- 1.7 Firefighters who are members of the NFPS may be required to retire at any time if :-
- they are disabled for duty at the question arises, and regard has been given as to whether disablement will continue until the employee's normal pension age of 60, and
  - the disablement constitutes incapacity occasioned by infirmity of mind or body as makes them unable to perform any duties of the role in which they were last employed.
- 1.8 The definition of "disablement" above, is in both cases, different from the definition of disability under the Disability Discrimination Act 1995.
- 1.9 Where an issue arises as to the medical capability of a firefighter to undertake firefighting duties because of a disability (as defined in the Disability Discrimination Act 1995), the Authority will consider (taking into account appropriate medical opinion):-
- (a) Whether any reasonable adjustments can be made to the *equipment* provided to or used by the Firefighter in their firefighting role to enable them to continue in their firefighting role without unduly compromising health and safety. (if so, then the Authority will make those adjustments with a view to retaining the firefighter in employment as a firefighter).
  - (b) Whether any reasonable adjustments can be made to the *job* that the employee can be required to do as a firefighter to enable them to continue in their firefighting role without unduly compromising health and safety. (If so, the Authority will make those adjustments with a view to retaining the firefighter in employment as a firefighter).
  - (c) Whether any appropriate retraining could be offered to the firefighter, to enable them to undertake other roles, and if so will offer that facility to the firefighter.
- 1.10 Where an issue arises as to whether a firefighter is permanently disabled for duty, as defined in paragraph 1.6 or 1.7 as appropriate, then the Authority will see the medical opinion of an independent qualified medical practitioner in respect of such issues. If the firefighter is permanently disabled for duty, then before taking a decision to retire an employee on the grounds of permanent incapacity, the Authority will consider :-

- (a) Whether the firefighter is capable of performing non firefighting duties appropriate to their role as a firefighter and if so, whether any vacancy or organisational need exists for such roles as the employee is capable of performing. If the Firefighter is capable of performing such duties, and a vacancy or organisational need exists for such roles as the firefighter is capable of performing, then the Authority will offer such role to the Firefighter, who may choose to accept such role).
- (b) If not, whether there are any other non-firefighting roles which the Firefighter is capable of performing, and if so, whether there are (or are in the near future likely to be), any vacancies in those roles to which the employee could effectively be offered redeployment. If the Firefighter is capable of performing such other non-firefighting roles, and there are any vacancies in those roles, then the Authority will offer such roles to the Firefighter, who may choose to accept such role). Such roles could be at lower rates of pay on Green Book terms and conditions, but the Firefighter concerned would not be required to accept such offers if they did not wish to.

Example 1

A Firefighter has hearing difficulties. The Service accordingly provides appropriate hearing aids and any consequent changes required to operational equipment and practices to enable the Firefighter to continue in their firefighting role.

Example 2

A Firefighter suffers kidney problems requiring regular dialysis, but can perform their duties with appropriate medication. The Service provides appropriate changes to working patterns to ensure they are able to attend for dialysis when required, and continue in their firefighting role.

Example 3

A Firefighter is permanently disabled from engaging in firefighting, but can perform the other roles of a Firefighter. There is a vacancy in the Community Fire Safety department for a Fire Safety Officer position, which the employee is capable and competent to undertake. The Firefighter is offered redeployment to that role.

However, the employee concerned does not wish to take up that role, and wishes to retire from the Service. The Service retires the Firefighter on Ill Health grounds, and the employee becomes entitled to an Ill Health pension.

Example 4

A Firefighter is permanently disabled from engaging in firefighting, and the other roles of a Firefighter because of a leg injury, but there is a vacancy in the HR Department for a general administrative post (albeit at a lower pay rate on Green Book terms), and the employee is capable and competent to undertake the duties of the post. The Firefighter is offered and accepts the position. They receive the contractual pay for that position, together with their lump sum and ongoing ill health pension payable under the Firefighters' Pension Scheme.

**Example 5**

A Firefighter is permanently disabled from engaging in firefighting and the other roles of a Firefighter, because of a degenerative back condition. There is a vacancy in the Strategy and Member Development department for a part time clerical post (at a lower rate of pay and on Green Book terms), which the employee is capable of performing).

They are offered the post, but do not wish to accept the position, and wish to be retired from the Service.

The Firefighter is accordingly retired from the Service and becomes entitled to an Ill Health Pension.

**Age**

- 1.11 The default retirement age of Firefighters (as for all employees) is 65.
- 1.12 The Authority will give Firefighters between 6 months and 1 year's notice of their intention to retire a Firefighter on that retirement date, and of their right to make a request to continue working after 65.
- 1.13 The Firefighter may give a written request to the Authority not to retire on their 65<sup>th</sup> birthday, and if so must propose that their employment should continue:-
  - (a) Indefinitely
  - (b) For a stated period, or
  - (c) Until a stated date.
- 1.14 Where a Firefighter makes such a request, the Assistant Chief Fire Officer (or their nominee) shall hold a meeting with the Firefighter to consider the request within a reasonable period of receiving it, and shall give the Firefighter a notice of its decision as soon as reasonably practicable.
- 1.15 The Firefighter is entitled to appeal against a decision to refuse the request or to grant the request for a shorter period than that requested.
- 1.16 The Chief Fire Officer (or their nominee) will hold a meeting with the Firefighter to discuss any appeal within a reasonable period, and will give the Firefighter notice of its decision as soon as is reasonably practicable.
- 1.17 The Authority will permit the Firefighter to be accompanied at the above meetings by a companion chosen by the employee who is also a worker employed by the Authority.
- 1.18 In reaching a decision in respect of a Firefighter's, request to continue working after age 65 the Authority will treat each case on its merits, taking into account matters including :-
  - (a) The fitness and health of the Firefighter;
  - (b) The absence record of the Firefighter to date;
  - (c) The disciplinary record of the Firefighter;

- (d) The skills of the Firefighter;
- (e) The staffing requirements of the Authority;
- (f) Whether, having due regard to the age profile of the current workforce, the Authority would prefer to meet any staffing need through an open recruitment process.

**Example 6**

A Firefighter aged 64 receives a notice from the Service that it intends to retire them on their 65<sup>th</sup> birthday.

The Firefighter wishes to continue in employment as a Firefighter and requests that they continue to be employed for a further 2 years (which will be in line with the retirement date of their partner).

The Service arranges a medical examination for the employee (at no cost to the employee), which establishes that they are fit to continue after 65 as a Firefighter.

The Service also establishes that the employee has a good employment record, and that there is a staffing need to justify the continued employment.

The Service accordingly agrees to extend the Firefighters' employment to their 67<sup>th</sup> birthday, subject to passing 6 monthly fitness tests and notifying the Service immediately of any issue that would impact upon their medical fitness.

**Employee Initiated retirements**

***Age/service***

**FPS**

- 1.19 Firefighters who are members of the FPS may give contractual notice of their retirement to the Authority where :-
- They are aged 50 or over, and
  - Are entitled to 25 years pensionable service,
- in which case they will become entitled upon retirement to an ordinary pension.
- 1.20 Notice of retirement by a Chief Fire Officer who is aged between 50 and 55 must be given with the permission of the Authority. In this respect, in the interests of equality and fairness, it is the policy of the Authority to grant such permission, where they have 25 years pensionable service.
- 1.21 Firefighters who are members of FPS may give contractual notice of their retirement to the Authority where they are aged 55 or over, (irrespective of length of service), in which case they will become entitled upon retirement to an ordinary pension.

NFPS

1.22 Firefighters who are members of the NFPS may :-

- give contractual notice of their retirement to the Authority where they are aged 55 or over, but less than 65, and
- by written notice, request early payment of their deferred pension (which would otherwise be payable at age 65), in which case they will then become entitled to their deferred pension.

1.23 Firefighters who are members of the NFPS may give contractual notice of their retirement to the Authority where they are aged 60 or more, in which case they will become entitled to an ordinary pension.

**Retirement & Re-engagement of a Firefighter (“Stepping Down”)**FPS

1.24 The Authority will consider requests by Firefighters for retirement and re-engagement, either in a firefighter role or some other role, on their merits, taking into account matters such as :-

- (a) The staffing requirements of the Authority;
- (b) The fitness and health of the Firefighter;
- (c) The absence record of the Firefighter to date;
- (d) The disciplinary record of the Firefighter;
- (e) The skills of the employee.
- (f) Whether, having due regard to the above, the Authority would wish to meet any staffing need through an open recruitment process (for which the firefighter wishing to be retired and reengaged could also apply);

1.25 Where Firefighters are re-engaged following retirement, then it is the policy of the Authority:-

- (a) That Firefighters will be re-engaged at the same rates of pay as other employees of the Authority employed at the role re-engaged; and
- (b) That the Authority will, in considering its discretion as to abatement of ongoing pension payments, treat each case on its merits and having regard to DCLG’s guidance that the employee’s ongoing pension payments will be abated where they are re-engaged in the role of a regular Firefighter on the principle that the annual rate of pay on re-engagement plus the annual rate of pension payable under the FPS should not exceed the annual rate of pay they received in their firefighting role, immediately prior to retirement.

1.26 Firefighters who are employed at a higher role than Firefighter (e.g. Station Manager) may apply for re-engagement at that role or any lower role (e.g. Firefighter). The Authority will apply the criteria set out above to such applications.

- 1.27 Firefighters may also apply for re-engagement at the same or lower role on reduced or flexible hours, or for a fixed term. The criteria above will apply to such applications.

NFPS

- 1.28 A firefighter who is a member of the NFPS who takes up a different role within the Authority (e.g. from Watch Manager to Firefighter) or becoming entitled to a different rate of pay in their existing role, suffers a reduction in the amount of pensionable pay, is entitled to have their pension split into two parts :-

- (a) The first calculated on the basis of length of service and pensionable pay up to the date of reduction; and
- (b) The second calculated on the basis of length of service and pensionable pay at the new lower rate from the date of reduction.

However, if the above total is less than the pensionable pay for one of the last 3 years of service, then that level of pay can be treated as the level of pensionable pay.

- 1.29 This will enable employees to take a reduction in role/pay close to the end of their career without any significant adverse impact on their pensionable pay.
- 1.30 Firefighter members of the NFPS may retire under the provisions of the NFPS, and seek re-engagement either in a firefighter role, or some other role. If they do so, then the Authority will consider such requirements on their merits taking into account the factors set out in paragraph 1.22 above.
- 1.31 Where firefighter members of the NFPS are re-engaged following retirement, then the policy as set out in paragraph 1.23 applies, irrespective as to whether re-engagement is in a firefighter role or some other role.
- 1.32 Firefighters may also apply for re-engagement at the same or lower role, on reduced hours, or for a fixed term. The criteria above will apply to such application.

Example 7

A Firefighter aged 53 with 26 ½ years experience, wishes to receive their pension, but carry on in work.

They have a good attendance and discipline record and skill level and the Service would continue to benefit from their services.

The Service agrees to allow them to retire and be re-engaged at the same Firefighter position.

They receive their lump sum pension payment, and salary as a Firefighter following re-engagement. Their ongoing pension payments are abated whilst they continue in employment as a Firefighter, but on retirement from their re-engaged post, revert to full entitlement.

They also choose to opt in to the New Firefighters' Pension Scheme in respect of their re-engaged position.

Example 8

A Watch Manager aged 55 wishes to carry on working after 55, but with less responsibility and reduced working hours.

The Authority has vacancies for Retained Firefighter positions on an LLAR station. The Watch Manager has a good attendance and discipline record, and a good level of skill and experience.

The Service agrees for the Watch Manager to retire from their current role, and re-engages them as a Retained Firefighter on an LLAR station.

The Watch Manager receives their pension lump sum, the salary payable for a Retained Firefighter and their ongoing pension payments. As the total of pension payments and Retained Firefighter salary does not exceed their previous pay as a Watch Manager, then no abatement of pension is made.

## **PART 2**

### **2 Non Firefighting Personnel**

This part of the policy applies to all non firefighting personnel (i.e. employees not conditioned to the Grey Book or Gold Book Conditions of Service) (“staff”).

#### **Authority initiated retirements**

##### ***Redundancy/efficiency***

2.1. Staff who are :-

- Members of the Local Government Pension Scheme (“LGPS”), and
- Over 50
- and where the Authority certifies that the reason for the retirement is redundancy/efficiency

are entitled to a pension and retirement grant.

2.2. Before making a decision to retire an employee on this ground, the Authority will offer redeployment to any suitable vacancies which exist (or are likely to arise in the near future).

#### **Example 9**

The Service restructures its call handling and mobilisation centre, which results in a reduction in the number of staff required.

The Service seeks to identify opportunities for redeployment to other suitable roles but non exist.

The Service then seeks expressions of interest in voluntary redundancies and employees who are over 50 apply.

The Service agrees to the appropriate voluntary redundancies and the employees concerned on retiring become entitled to immediate payment of their pension.

#### ***III Health***

2.3. Where an issue arises as to the medical capability of a member of staff to undertake the duties of their role because of a disability (as defined in the Disability Discrimination Act 1995) then the Authority will consider (taking into account appropriate medical opinion), those matters set out in paragraph 1.9 above in the context of the equipment used by and the job of the member of staff.

2.4. Staff who are members of the LGPS may be required to retire at any time, if they are permanently incapable of discharging efficiently the duties of that employment or any other comparable employment with the Authority because of ill-health or infirmity of mind or body.

- 2.5. Before making a decision to retire an employee on this ground, the Authority will consider (taking into account appropriate medical opinion), whether there are any other roles which the employee is capable of performing, and if so, whether there are (or are in the near future likely to be) any vacancies in those roles to which the employee could effectively be offered redeployment. (If so, then the Authority will offer such roles to the employee who may choose to accept such role). Such roles could be at lower rates of pay but the member of staff concerned would not be required to accept such offers if they do not wish to.

### **Age**

- 2.6. The default retirement age for staff (as for firefighters and all other employees) is 65.
- 2.7. The procedure set out in paragraphs 1.11 – 1.18 above will apply in respect of staff in the same way as it applies to Firefighters.

### **Employee Initiated retirement**

#### **Age/Service**

- 2.8. Staff who are members of the LGPS may give contractual notice of their retirement to the Authority :-
- On their 65<sup>th</sup> birthday; or
  - On their 60<sup>th</sup> birthday or over, if they have 25 years pensionable service,
- in which case they will become entitled to a pension and retirement grant.

#### **Age & consent of Authority**

- 2.9. Staff who are members of the LGPS, who are aged 50 or over and retire, may elect to receive payment of retirement benefits. However, an election by a member of staff aged less than 60 is ineffective without the consent of the Authority.
- 2.10. The Authority will consider each request for consent on its merits, and in doing so will take into account matters including :-
- The costs of such arrangements to the Authority
  - The benefits to the Authority in agreeing to such arrangements (e.g. efficiencies, ability to reorganise and restructure).
- 2.11. If the employee's age and total membership is less than 85, then (unless in a transitionally protected group) their retirement pension and grant must be reduced by the amounts shown as appropriate in guidance issued by the Government Actuary. However, the Authority may determine on compassionate grounds that no such reductions are made. Each request will be considered on its merits.

**Example 10**

An employee aged 54 in the IT Department wishes to retire, but can only afford to do so if they receive some pension income.

They accordingly approach management, as to whether the Authority would be prepared to consent to early retirement. Management considers scope for a restructuring of the work/post that could result in some work being reallocated to other staff, and the remainder of the work being done on a part time basis or outsourced in a way that would result in efficiency benefits over a 3 year period.

The Authority accordingly reaches agreement with the employee, and other staff affected as to the proposals, and allows the employee to retire aged 54 with immediate pension benefits.

**Flexible Retirement of Staff ("Stepping Down")**

- 2.12. Staff who are members of the LGPS, have at least 3 months membership (or have transferred other pension rights into the LGPS) and who are aged 50 or above can ask for flexible retirement entailing a reduction of hours and/or an alternative job on a lower grade. They should put their request in writing to their manager and send a copy to HR. The employee concerned can only draw their accrued pension rights on flexible retirement if the Authority agrees to both the reduced hours and/or grade and to the release of the accrued pension benefits from the date of reduction in hours/grade.

Their relevant manager will consider the request, after discussions with HR, and will notify the applicant of their decision, which will be final.

- 2.13. The Authority, when applying its discretion, will take into account the following matters :-

- (a) the Authority must agree that the requested reduction in hours in the employees' existing post does not have a detrimental effect on service delivery,
- (b) if the employee is standing down, drawing their pension, and appointed to a different post, it must be at a lower grade, and therefore rate of pay, and not have any conflict of interest with their current post;
- (c) whether there is a risk that the pension will later have to be increased to the guaranteed minimum pension level (from age 60 in the case of women, or 65 in the case of men) , which is a cost that would ultimately have to be borne by the Authority at the triennial valuation of the pension fund
- (d) any appointment to a lower graded post will be subject to normal recruitment arrangements applying i.e advertisement, interview and selection based on merit.
- (e) An employee who stands down prior to age 65 will have their pension actuarially reduced unless this is waived on compassionate grounds (e.g. ill health albeit not sufficient to warrant ill health retirement, carer responsibilities for an elderly parent, partner or child, or exceptional personal hardship). This actuarial reduction provision does not apply to employees who are covered by the LGPS Rule of 85 protection arrangements until 2013 (or such other date as specified in the LGP Scheme Regulations).

- (f) Any additional costs (e.g. waiver of actuarial reduction or additional recruitment costs) must be capable of being met, and must if the application is approved, be met from the budget of the department concerned or from future efficiencies, in circumstances where the Pension Manager confirms that there are potential costs arising from employees drawing their pension early.
- (g) The Authority has the discretion to waive any actuarial reduction, which might have been applied to the relevant pension. The Authority may waive in whole or in part any actuarial reduction that would have been applied to the early payment of retirement benefits if there were exceptional circumstances (for example personal hardship, carer responsibilities for a partner, elderly parent or disabled child). The Policy & Finance Committee will make any decision in respect of a waiver of actuarial reduction.

Example 11

An employee aged 56 employed in the Community Safety Department at Scale 6 wishes to “step down” to a lower grade with reduced hours. They approach management, who are able to identify a vacant part-time Scale 2 post in the department, and the employee is appointed to this post.

The employee receives their pension on “retirement” from their Scale 6 post, (reduced on an actuarial basis) and pay for the part time Scale 2 post.

### **PART 3**

#### **3 Working Flexible Hours in the Run up to Retirement**

Any employee, whether a firefighter or other member of staff, may reduce their hours in the run up to their retirement by using the Work-Life Balance Policy. That policy enables a range of flexible working arrangements, for which employees may wish to apply. These include working reduced hours or job-sharing. All options require managerial approval. The following factors will be taken into account when considering requests under this policy:

- Ability to continue to provide level of service to service users
- Ability to re-organise work amongst existing staff
- Impact on quality of work produced
- Impact on performance
- Volume of work during period in which employee proposes to work
- Planned structural changes
- Additional costs involved

If a request for flexible working is not approved, the Work-Life Balance Policy appeals procedure can be used.

#### **Example 12**

A firefighter aged 55 wishes to retire in 2 years time, but during that time wishes to reduce their hours to a part-time basis.

The Service is able to accommodate the part-time service with another firefighter, who wishes to work on the same basis between them making up the hours of a whole-time firefighter.

The firefighter reduces his working week to a part-time basis for 2 years (on a pro-rata salary) and then retires with payment of pension based on the best of the last 3 years pay, which was the annual salary he received when employed as a whole-time Firefighter.

#### **4 General**

- 4.1 References in this policy to “the Authority”, include references to relevant officers of the Authority who have delegated powers to act on behalf of the Authority.

#### **5 Effective Date**

- 5.1 This policy applies from \_\_\_\_\_
- 5.2 This policy will be subject to review, in particular upon the implementation of any new Local Government Pension Scheme or changes to the existing pension schemes.