HUMBERSIDE FIRE AND RESCUE SERVICE

Finance and Procurement

Pensions – Abatement Policy

Owner	**Executive Director of Finance/S.151 Officer**
Responsible Person	**Head of Finance**
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CONTENTS

1. Introduction
    - Code of Ethics
    - National Guidance
2. Equality, Diversity and Inclusion
3. Aim and Objectives
4. Associated Documents
5. Application of Abatement
6. Implementation
7. Measuring Performance
8. Audit and Performance Review
9. Glossary

1. INTRODUCTION

Government policy, set by HM Treasury, requires public sector pensions to be abated in certain circumstances when a public sector employee is re-employed following retirement.

The principle behind abatement is to protect the public purse from paying both pension and salary to the same individual.

There are two forms of abatement:

In-service abatement occurs where a retired employee is re-employed into a post covered by the same pension scheme which is paying the individual's pension.

Inter-service abatement occurs where a retired public sector employee is re-employed to any employing public sector organisation without going through an open competition.

This policy applies to employees of Humberside Fire & Rescue Service (HFRS) only, who are members of The Firefighters' Schemes.

HFRS is statutorily obliged to apply abatement when it occurs in accordance with the regulations of the Firefighters' Schemes.

This policy does not apply to the Firefighters' Pension Scheme 2015.

Core Code of Ethics

HFRS has adopted the Core Code of Ethics for Fire and Rescue Services. The Service is committed to the ethical principles of the Code and strives to apply them in all we do, therefore, those principles are reflected in this Policy.

National Guidance

Any National Guidance which has been adopted by HFRS, will be reflected in this Policy.

2. EQUALITY, DIVERSITY AND INCLUSION

HFRS has a legal responsibility under the Equality Act 2010, and a commitment, to ensure it does not discriminate either directly or indirectly in any of its functions and services or in its treatment of staff, in relation to race, sex, disability, sexual orientation, age, pregnancy and maternity, religion and belief, gender reassignment or marriage and civil partnership. It also has a duty to make reasonable adjustments for disabled applicants, employees and service users.

3. AIM AND OBJECTIVES

The aim and objectives of this policy are to provide information to employees contemplating retiring, accessing their lump sum and pension and being re-employed by HFRS.

4. ASSOCIATED DOCUMENTS

- Equality Impact Assessment
- Legal Reference
  There are no specific legal references relating to this policy
- National Guidance
  There is no specific national guidance relating to this policy

5. APPLICATION OF ABATEMENT

Abatement applies where an employee retires with a pension from one of the Firefighters' Schemes and is subsequently re-employed.

On re-employment, the re-employed salary and the pension in payment (plus inflation) cannot be more than the salary on retirement.

If there is an excess, then the pension in payment will be reduced to bring the level back in line with the salary on retirement.

If the application of abatement results in the pension in payment being abated in full, any further excess will not be applied to the re-employed salary.

There is no age limit on abatement.

Abatement continues for the full period of re-employment, or until the re-employed salary and the pension in payment (plus inflation) amounts to less than the salary on retirement.

When re-employment ends, or when the re-employed salary and the pension in payment (plus inflation) amounts to less than the salary on retirement, the pension in payment will be reinstated to the full amount.

The application of abatement under the Firefighters' Scheme rules is discretionary. Where abatement is not applied, the fire and rescue authority must make a payment equal to the amount that could have been abated into the pension fund account.

Each re-employment will be considered on its own merits and HFRS will apply abatement unless exceptional circumstances apply.

6. IMPLEMENTATION

An employee who retires from HFRS with a pension from one of the Firefighters' Schemes and is re-employed, will need to declare this to HFRS.

An employee who takes up new employment with HFRS and has previously retired from another Fire and Rescue Authority with a pension from one of the Firefighters' Schemes, will need to declare their new employment with HFRS to their previous Fire and Rescue Authority.

Overpayments will be recovered by HFRS, so it is in the member's interests to declare re-employment as soon as possible to avoid having to repay amounts to the Firefighters' Schemes.

Contact Pensions on 01482 567410 or e-mail at pensions@humbersidefire.gov.uk

7. MEASURING PERFORMANCE

Abatement cases may be monitored on a quarterly basis by HFRS if it is required.

8. AUDIT AND PERFORMANCE REVIEW

This policy will be reviewed every 2 years, or as and when amendment regulations are laid.

9. GLOSSARY

Firefighters' Schemes	Collective term for the Firefighters' Pension Scheme 1992, the New Firefighters' Pension Scheme 2006, and the Firefighters' Retained Modified Pension Settlement.
Re-employment	A new contract of employment with HFRS in any capacity, or a new contract of employment with any Sponsoring Employer (not including continuation of an existing contract of employment in a separate post with HFRS or any Sponsoring Employer).
Re-employed Salary	Employee's pensionable salary for re-employment (not including any salary earned as the result of continuation of an existing contract of employment in a separate post with HFRS or any Sponsoring Employer).
Salary on Retirement	Employee's pensionable salary (plus inflation) for the contract of employment from which they have retired with a pension from one of the Firefighters' Schemes (not including any salary earned as the result of continuation of an existing contract of employment in a separate post with HFRS or any Sponsoring Employer).
Sponsoring Employer	An employer who participates in, or employs members of, an occupational pension scheme,

such as a Local Authority council or another Fire and Rescue Authority.

If anyone requires any further guidance / information relating to this document, please contact the Finance Section.