

FIREFIGHTERS' PENSION COMMITTEE

NEW FIREFIGHTERS' PENSION SCHEME

RDS (RETAINED) FIREFIGHTERS : PENSIONABLE PAY

Issue:

Pensionable pay of Retained Duty System (RDS) firefighters.

Consideration:

1. We are proposing to define pensionable pay for regular firefighters as:
 - the pay determined by the employee's role or, in the case of a Principal Fire Officer, the salary appropriate to the overall responsibilities of the post; and
 - as core pay and all permanent emoluments, including any retaining allowance paid to a scheme member on a retained duty contract.
2. Temporary emoluments, including payments for acting up and temporary promotion, and emoluments such as overtime, pay in lieu of notice or untaken annual leave or any allowance subject to review on performance will not be pensionable.
3. There are a number of variations to how the pay of RDS firefighters is being calculated. This creates problems as we need to ensure that there is equal treatment between regular and RDS firefighters and between different groups of RDS firefighters.
4. The position we have taken so far has been that where a RDS firefighter is paid an annual salary, as in South Wales, the payment should be pensionable. However, whilst this may be the most straightforward approach, the payment is not necessarily related to the amount of work activity but a combination reflecting the whole range of payments which may be made to RDS firefighters, including compensation payments, e.g. for loss of primary employment earnings for absence due to an injury on duty.
5. In other cases, we have taken the view that the Grey Book payments for work activity (see paragraphs 9-12 and 14 of Section 4, Part B of the Grey Book) should be pensionable: i.e.
 - disturbance payment (attendance fee);
 - payment for work activity (turnout fee);
 - attendance at training centres and other training in addition to that carried out under paragraph 16 of Section 4, Part A of the Grey Book); plus
 - annual retainer (paragraphs 5-8).

6. This would exclude the following:

- compensation for loss of primary employment earnings for absence due to an injury on duty (paragraph 17, Section 5, Part B of the Grey Book);
- compensation for loss of earnings for retention on duty (paragraph 13, Section 4, Part A of the Grey Book);
- bounties (as this is a payment to compensate for absence of a pension, we would assume that this will be abolished in the case of members of the pension scheme) (paragraph 7 of Appendix B of the Grey Book).

7. In addition, some FRAs are paying RDS firefighters for carrying out other duties including:

- station administration,
- attendance at medicals,
- attendance at meetings (including union meetings only when meeting with management),
- community fire safety activities, and
- cleaning.

We assume that these are paid at the hourly rate for work activity in which event they will be covered by this category.

8. In addition, some FRAs have consolidated the payment of holiday pay into a set monthly payment (paragraph 6, Section 4, Part C of the Grey Book). We would take the view that these should be pensionable.

9. There appears to be no easy solution to defining pensionable pay for RDS firefighters; but clearly what is required is a definition which is clear and unambiguous; which treats RDS firefighters on an equivalent basis to regular firefighters; and is straightforward for the purposes of administration.

10. The RFU have suggested that the easiest option would be to agree that all RDS payments subject to National Insurance deductions should be deemed to be pensionable pay. We do not think that this is a reasonable solution as NI is paid on benefits which would not normally be regarded as pensionable.

Day Crewing (paragraph 8 of Section 4, Part A of the Grey Book)

11. At present, the retained element of the pay of a firefighter who is employed on a day crewing contract is not pensionable. When RDS firefighters become entitled to membership of the NFPS, there is no reason why a firefighter on a day crewing contract should not be a member of the NFPS in respect of the retained element of his/her pay.

12. This should cause no problems for a person joining the FRS after April 2006, since both parts of their contract would entitle them to membership of the NFPS. For an existing firefighter, who remains a member of the FPS in respect of their regular duties, it would mean that the retained element would be as a member of the NFPS.

Whilst this may cause some initial problems for FRAs who would need to establish appropriate procedures for recording the NFPS entitlement, these should not be insurmountable; and no more than the FRA would experience with a firefighter employed by them on both a regular and a retained contract.

13. The retained element of the day crew member would be pensionable on the same basis as any RDS member of the NFPS; i.e. payments under paragraph 9-12 of Section 4, Part B of the Grey Book).

Injury Benefits

14. Injury awards will not be part of the pension arrangements from April 2006, and are subject to separate discussions. However, it may be helpful to set out the following in clarification:

- an RDS firefighter who is employed by an FRA before 6 April and does not opt to join the NFPS will remain entitled to benefits under Rule J4, if injured on duty;
- an RDS firefighter, who is employed by an FRA before 6 April and opts to join the NFPS will be entitled to an award on the same basis as a part-time regular firefighter, except that for the purpose of determining the award regard will be had to the service before 6 April 2006. We will need to determine how the award is calculated. For example, whether pre-April 2006 service is calculated separately and whether any award should be capped by the amount the person would have been awarded if they had not joined the NFPS.

15. Any new entrant RDS firefighter after April 2006 would be treated on the same basis as a regular firefighter for the purposes of determining an injury award. This would mean that the award would be pro-rated in the same way as a part-time regular firefighter.

Conclusion:

16. We would propose that in the case of retained firefighters the following elements of pay should be regarded as pensionable:

- annual retainer (paragraphs 5-8 of Section 4, Part B of the Grey Book);
- payment for work activity (paragraphs 9-12);
- attendance at training centres (paragraph 14);
- annual leave payments (paragraph 6, Section 4, Part C of the Grey Book).

17. In the case of retained firefighters who receive an annual salary, this should be treated as pensionable pay in the same way as the pensionable pay of a regular firefighter.

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