

WYFRA	PERSONNEL & TRAINING COMMITTEE	1 July 2011	ITEM No
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REPORT OF: Director of Human Resources

PURPOSE OF REPORT: To inform Members of the cessation of Protected pay for former Station Officers

RECOMMENDATION: That Members note the report

LOCAL GOVERNMENT (ACCESS TO INFORMATION) ACT DETAILS

EXEMPTION CATEGORY: None

ACCESS CONTACT OFFICER: Hilary Brown, Senior Human Resources Manager

BACKGROUND PAPERS OPEN TO INSPECTION:

SUMMARY

This report provides members with information regarding the status of protected pay for former Station Officers

1 BACKGROUND

- 1.1 The 2003 Pay and Conditions Agreement for those staff conditioned to the 'Grey Book' introduced a competency related pay structure. As a consequence it was necessary to transfer employees from the pre existing rank structure to a new role structure. Those at Station Officer level were to be assimilated into Watch Manager B roles.
- 1.2 In most cases the assimilation from one role to the other was straight forward. However, it did include protected pay points at Station Officer, Fire Control Officer and Principal Fire Control Officer levels. It was agreed in June 2007 that salary levels should not be affected for 2007 and that further discussion was required to conclude this matter. Agreement was finally reached in 2008.

2 INFORMATION

- 2.1 NJC Circular 07/10 (attached as Appendix1) sets out the 2008 agreement and provides information of the implementation of further pay awards.
- 2.2 Members will note that there is agreement as detailed in Paragraph 4 of the document that those employees who occupy Station Officer roles (those assimilated into Watch Manger B roles) should continue to receive protected pay in 2010 and a £700 lump sum in July 2011.
- 2.3 From 1st July 2011 they would be fully assimilated into a Watch Manager B role and lose their protected pay status.
- 2.4 The above affects a total of **17 employees** 2 of whom work in the Mobilising and Control centre.
- 2.5 The remainder of the circular refers to Group Manager B roles in Mobilising and Control. West Yorkshire Fire and Rescue Service has no employees in this category.
- 2.6 All those affected have been sent a letter confirming this position and are fully aware that their protected status is now terminated with effect from 1st July 2011.

3 FINANCIAL IMPLICATIONS

- 3.1 The cessation of the protected pay agreement will result in financial savings of £22,087 in 2011/12 and £45,275 from 1st April 2012 onwards.

4 EQUALITY & DIVERSITY IMPLICATIONS

- 4.1 All equality and diversity implications have been considered.

5 HEALTH & SAFETY IMPLICATIONS

- 5.1 There are none arising from this report.

6 RECOMMENDATION

6.1 That Members note the report

WYFRA	PERSONNEL & TRAINING COMMITTEE	1 July 2011	ITEM No
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REPORT OF: Director of Human Resources

PURPOSE OF REPORT: To inform Members of the recommendations of the Hutton report on public sector pensions

RECOMMENDATION: That members note the report

LOCAL GOVERNMENT (ACCESS TO INFORMATION) ACT DETAILS

EXEMPTION CATEGORY: None

ACCESS CONTACT OFFICER: Hilary Brown, Senior Human Resources Manager

BACKGROUND PAPERS OPEN TO INSPECTION:

SUMMARY

This report sets out the recommendations of the recent Hutton report on public sector pensions and provides an indication of the implications for West Yorkshire Fire and Rescue Service

1 BACKGROUND

- 1.1 Lord Hutton of Furness' final report on the future of public sector pensions was published on 10 March 2011. The report is 210 pages long and provides a description, analysis and explanation of the 27 recommendations contained therein.
- 1.2 Attached as Appendix 1, are the recommendations of the report which according to Lord Hutton could be introduced within the life of this Parliament even though consultation will be required.

2 INFORMATION

- 2.1 Although each of the recommendations are important and have an implication for West Yorkshire Fire Service and its employees the main implications are:
 - Accrued pension rights to be honoured in full and the final salary for past service to be maintained for current members
 - A tiered increase in the contributions of members to schemes
 - A new career average revalued earnings (CARE) scheme to be adopted for general use i.e. for new members only
 - Flexible retirement to be encouraged and abatement of pensions in its current form for those who return to work after drawing their pension to be eliminated
 - Increase the members Normal Pension Age (NPA) in new schemes to align with the State Pension Age
 - At the present time the report does not propose a single public service pension scheme but over time public service pensions should move towards a common framework. Currently firefighters and support staff are on different schemes this may change in the future although the report recognises that within the uniformed services there may need to be limited adaptations to the framework, perhaps transferring all Firefighters to the New Firefighters Pension scheme but protecting their accrued rights
 - Within the uniformed services the NPA should be set to reflect the unique characteristics of the work involved. It is recommended that consideration be given to setting the NPA at 60 years of age across this category of staff
 - Consultation on these recommendations should be conducted scheme by scheme involving employees and their representatives
 - It is recommended that even with the above consultation process new schemes could be introduced before the end of this Parliament.
- 2.2 Members will be aware that trade unions have been meeting to discuss the impact of these possible changes and are considering the possibility of industrial action. It is their belief that public sector pensions are being eroded.

- 2.3 In addition there is a fear that many people will opt out of public sector pension schemes due to the increase in contributions and the link to the consumer price index (CPI) rather than the retail price index (RPI)
- 2.4 Firefighters representatives have commented on the proposal that Firefighters will be expected to work until they are 60 years of age and whether or not that is a realistic expectation.
- 2.5 A further report to Members will be submitted as additional information is received and confirmed.

3 FINANCIAL IMPLICATIONS

- 3.1 There is little doubt that the Hutton Report will have some long term financial implications for the Authority although it is not possible to quantify them yet.
- 3.2 At present there are two firefighters pensions schemes, the old scheme based on a retirement age of 50 and the new firefighters pension scheme based on a retirement age of 60years. The respective employers' contribution rates for the two schemes are 21.3% for the old scheme and 11% for the new scheme a difference in cost of £3000 per year for a firefighter.
- 3.3 Over the last few years the Authority had seen a slight reduction in employers' pension contributions as recruits on the new scheme replaced leavers on the old scheme. Any future wholesale transfer to the new scheme irrespective of the protection is likely to see long term savings in employees' contributions.
- 3.4 In the short term however the Authority may suffer a significant increase in pension contributions following an actuarial review of the old scheme. The government completed the review in 2007 which identified a shortfall in funding requiring a 3% increase in employer contributions.
- 3.5 The Government postponed the implementation pending a further actuarial review which was completed in April 2011.
- 3.6 There have been indications from Government that this increase may be implemented with effect from 1 April 2012 at a cost of £1.3m per year for this Authority.

4 EQUALITY & DIVERSITY IMPLICATIONS

- 4.1 The recognition of the unique characteristics of the work involved for a firefighter has been acknowledged and the possible consideration of setting the NPA at 60 years of age may have implications for the national Fire Service.

5 HEALTH & SAFETY IMPLICATIONS

- 5.1 WYFRS currently has a robust process in place for assessing firefighter fitness to ensure they remain fit enough to perform their role safely. Research suggests that fitness can be maintained through training up to the

age of 50 years after which time it becomes more difficult. The proposed retirement age of 60 years may result in increased capability dismissals or ill health retirement which will need to be managed.

6 RECOMMENDATION

- 6.1 That Members note the report.

A.1 The Table A.1 lists the recommendations which the Commission is making to the Government.

Table A.1: Recommendations

Chapter 1: The case for reform revisited

No.	Recommendation	Page No.
1	The Government should make clear its assessment of the role of public service pension schemes . Based on its framework of principles, the Commission believes that the primary purpose is to ensure adequate levels of retirement income for public service pensioners.	8 35
2	Pensions will continue to be an important element of remuneration . The Commission recommends that public service employers take greater account of public service pensions when constructing remuneration packages and designing workforce strategies. The Government should make clear in its remits for pay review bodies that they should consider how public service pensions affect total reward when making pay recommendations.	8 36

Chapter 2: The deal

No.	Recommendation	Page No.
3	The Government should ensure that public service schemes, along with a full state pension, deliver at least adequate levels of income (as defined by the Turner Commission benchmark replacement rates) for scheme members who work full careers in public service. Employers should seek to maximise participation in the schemes where this is appropriate. Adequate incomes and good participation rates are particularly important below median income levels.	9 40
4	The Government must honour in full the pension promises that have been accrued by scheme members: their accrued rights . In doing so, the Commission recommends maintaining the final salary link for past service for current members.	9 156
5	As soon as practical, members of the current defined benefit public service pension schemes should be moved to the new schemes for future service , but the Government should continue to provide a form of defined benefit pension as the core design.	9 44 154
6	All public service pension schemes should regularly publish data which, as far as possible, is produced to common standards and methodologies and is then collated centrally . This information should be of a quality that allows simple comparisons to be made across Government, between schemes and between individual Local Government Pension Scheme (LGPS) Funds.	10 133

Chapter 3: The design

No.	Recommendation	Page No.
7	A new career average revalued earnings (CARE) scheme should be adopted for general use in the public service schemes.	10 58
8	Pension benefits should be uprated in line with average earnings during the accrual phase for active scheme members. Post-retirement, pensions in payment should be indexed in line with prices to maintain their purchasing power and adequacy during retirement.	11 66 71
9	A single benefit design should apply across the whole income range. The differing characteristics of higher and lower earners should be addressed through tiered contribution rates . The Government should consider the trade off between affordability and the impact of opt outs on adequacy when setting member contribution levels.	12 65 79 80
10	Members should have greater choice over when to start drawing their pension benefits, so they can choose to retire earlier or later than their Normal Pension Age and their pension would be adjusted accordingly on an actuarially fair basis. Flexible retirement should be encouraged and abatement of pensions in its current form for those who return to work after drawing their pensions should be eliminated. In addition, caps on pension accrual should be removed or significantly lifted.	12 83

Chapter 4: The controls

No.	Recommendation	Page No.
11	The Government should increase the member's Normal Pension Age in the new schemes so that it is in line with their State Pension Age . The link between the State Pension Age and Normal Pension Age should be regularly reviewed, to make sure it is still appropriate, with a preference for keeping the two pension ages linked.	13 94
12	The Government, on behalf of the taxpayer, should set out a fixed cost ceiling : the proportion of pensionable pay that they will contribute, on average, to employees' pensions over the long term. If this is exceeded then there should be a consultation process to bring costs back within the ceiling, with an automatic default change if agreement cannot be reached.	13 97

Chapter 5: Applying the design

No.	Recommendation	Page No.
13	The Commission is not proposing a single public service pension scheme , but over time public service pensions should move towards a common framework for scheme design as set out in this report. However, in some cases, for example, the uniformed services, there may need to be limited adaptations to this framework.	14 110
14	The key design features contained in this report should apply to all public service pension schemes. The exception is in the case of the uniformed services where the Normal Pension Age should be set to reflect the unique characteristics of the work involved. The Government should therefore consider setting a new Normal Pension Age of 60 across the uniformed services , where the Normal Pension Age is currently below this level in these schemes, and keep this under regular review .	14 112
15	The common design features laid out in this report should also apply to the LGPS . However, it remains appropriate for the Government to maintain the different financing arrangements for the LGPS in future, so the LGPS remains funded and the other major schemes remain unfunded.	15 114 115
16	It is in principle undesirable for future non-public service workers to have access to public service pension schemes , given the increased long-term risk this places on the Government and taxpayers.	15 119

Chapter 6: A transparent and effective system

No.	Recommendation	Page No.
17	Every public service pension scheme (and individual LGPS Fund) should have a properly constituted, trained and competent Pension Board, with member nominees, responsible for meeting good standards of governance including effective and efficient administration . There should also be a pension policy group for each scheme at national level for considering major changes to scheme rules.	16 126 130
18	All public service pension schemes should issue regular benefit statements to active scheme members, at least annually and without being requested and promote the use of information technology for providing information to members and employers.	16 132
19	Governance and the availability and transparency of information would be improved by government establishing a framework that ensures independent oversight of the governance, administration and data transparency of public service pension schemes . Government should consider which body or bodies, including, for example, The Pensions Regulator, is most suitable to undertake this role.	16 135
20	When assessing the long term sustainability of the public finances, the Office for Budget Responsibility should provide a regular published analysis of the long term fiscal impact of the main public service pension schemes (including the funded LGPS).	17 137

21	Centrally collated comprehensive data, covering all LGPS Funds, should be published including Fund comparisons , which, for example, clarify and compare key assumptions about investment growth and differences in deficit recovery plans.	17 140
22	Government should set what good standards of administration should consist of in the public service pension schemes based on independent expert advice . The Pensions Regulator might have a role, building on its objective to promote good administration. A benchmarking exercise should then be conducted across all the schemes to assist in the raising of standards where appropriate.	17 141
23	Central and local government should closely monitor the benefits associated with the current co-operative projects within the LGPS, with a view to encouraging the extension of this approach, if appropriate , across all local authorities. Government should also examine closely the potential for the unfunded public service schemes to realise greater efficiencies in the administration of pensions by sharing contracts and combining support services, including considering outsourcing.	17 143
24	The Government should introduce primary legislation to adopt a new common UK legal framework for public service schemes.	18 147

Chapter 7: Delivering the change

No.	Recommendation	Page No.
25	The consultation process itself should be centrally co-ordinated : to set the cost ceilings and timetables for consultation and overall implementation. However, the consultation on details should be conducted scheme by scheme involving employees and their representatives .	18 151
26	The Commission's view is that even allowing for the necessary processes it should be possible to introduce the new schemes before the end of this Parliament and we would encourage the Government to aim for implementation within this timeframe.	18 152
27	Best practice governance arrangements should be followed for both business as usual and the transformation process , for each scheme. And there will also need to be the right resource , on top of business as usual, to drive the reforms; particularly given the challenging timescale and scope of the reforms.	19 152 153

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REPORT OF: Director of Human Resources and
Director of Fire Safety

PURPOSE OF REPORT: To advise Personnel & Training Committee on the implications for WYFRS in relation to Safeguarding following the results of the review of the Vetting & Barring Scheme, and to inform which Authority posts have been agreed by Management Board to require an Enhanced CRB check.

RECOMMENDATION: That Personnel & Training Committee note the information contained within this report.

LOCAL GOVERNMENT (ACCESS TO INFORMATION) ACT DETAILS

EXEMPTION CATEGORY:

ACCESS CONTACT OFFICER: Christine Cooper, Human Resources Manager
01274 655741

Ruth Cornelissen, Assistant Senior Prevention
Manager 01274 473860

BACKGROUND PAPERS OPEN TO INSPECTION:

Vetting & Barring Scheme Remodelling Review – Report & Recommendations
February 2011 (DofEd / Dept of Health / Home Office)

Management Board April 2010 – Report on the new Government ISA Vetting & Barring
Scheme launched in October 2009

SUMMARY

This report provides an update on the current situation with regard to carrying out checks on employees to help safeguard children and vulnerable adults, and details those Authority posts which have been agreed by Management Board as requiring an Enhanced check in line with the Coalition Government's published findings of the review of the Vetting & Barring Scheme.

1 BACKGROUND

- 1.1 Back in October 2009 the Vetting and Barring Scheme was created in response to the Richard Inquiry as a result of the murders of Holly Wells and Jessica Chapman by Ian Huntley, which focussed on the vetting of people who work with children and vulnerable adults.
- 1.2 The way the Scheme was written in 2009 would have meant a significant rise in the number of employees who would be required to undergo an Independent Safeguarding (ISA) Check due to the interpretation of the definition of those working in 'Regulated activity' or 'Controlled activity'. This was a disproportionate response to the risk posed by a small minority of people who wished to commit harm on vulnerable people.
- 1.3 Consequently, the implementation of the Scheme was halted in June 2010 and a review of the Vetting and Barring Scheme (VBS) commenced. On February 11th 2011 the Coalition Government published it's finding of the review. The key recommendations from this review affecting WYFRS were:
- The merging of the Criminal Records Bureau (CRB) and the Independent Safeguarding Authority (ISA)
 - A large reduction of the number of positions requiring Enhanced checks to just those working regularly with children and vulnerable adults
 - Portability of criminal records checks between jobs through the introduction of a system of continuous updating (additional cost – see 1.4)
 - An end to the requirement for those volunteering with vulnerable groups to register with the VBS
 - It will continue to be an offence for a barred person to work with vulnerable groups in regulated activity roles. It will also be an offence for an employer or voluntary organisation to knowingly employ a barred person in a regulated activity role.
- 1.4 A key advantage of the new system will be the ability for people to benefit from a continuously updated criminal records disclosure service. This will mean that people who move jobs will not need to apply for, or pay for, numerous repeat criminal record checks, and employers will not have to apply the previous good practice guidance of renewing the checks every 3 years. However, this benefit will attract a small annual subscription fee (yet to be set), and the employer will then be able to immediately access up-to-date criminal record information, on-line in real time. The change to continuous updating will take place during 2012 and will require primary legislation.

2 INFORMATION

- 2.1 Until the outcome of the review of the Vetting and Barring Scheme in February the Authority was in limbo in relation to what checks and at what level we carried out on volunteers and our staff and for which posts, including who would pay for the checks. As a result of the report, recommendations can now be put in place.
- 2.2 Having previously reviewed all the posts in the Authority (Grey and Green), it is recommended that the following posts, including the Managers of those posts, require an Enhanced check due to the nature of the work where they will come into contact with either children and/or vulnerable adults on a regular basis and may be alone with these groups:

- Senior Prevention Manager – Grade E03+3%
- Assistant Senior Prevention Manager – Grade 14
- High Risk Manager – Grade 12
- High Risk Co-ordinators x4 – Grade 7
- High Risk Officers x5 – Grade 5
- Firesetters Officers x12 at present – Grade 3's and Grade 5's on District
- Safety Central Manager – Grade 12
- Young People's Fire Safety Co-ordinator x2 – Grade 8
- Youth Training Manager – WMA
- Deputy Youth Training Manager - FF
- Young Firefighter Instructors x138
- Safety Central Resources & Logistics Co-ordinator – Grade 8
- Safety Central Information & Events Manager – Grade 10
- Safety Central Road Safety Co-ordinator – Grade 9
- Safety Central Trainers x 2 – Grade 8
- Safety Central Community Outreach Officer – Grade 7
- Safety Central Support Officers x4 – Grade 5/6
- Safety Central Caretaker – Grade 5
- Prevention ADM x 5 – grey book

Other roles, such as Firefighters, which were previously identified as requiring an Enhanced check, will no longer require this as they will either not be working with children and/or vulnerable adults on a regular basis or will be supervised whilst working with the vulnerable group.

2.3 From the list of recommended posts in Point 2.2, Human Resources records show that only 13 members of staff in those posts have not already had an Enhanced CRB check.

2.4 In relation to other posts in the Authority which require a Standard CRB check, it is proposed that this remains unchanged and will include:

- All Firefighters who commenced employment after 2006. It is recommended that the Authority do not carry out a CRB check for Firefighters who commenced employment before this date due to additional costs and the fact that employees have a requirement to advise the Authority of any criminal conduct as part of their employment contract.
- All Prevention staff
- All Protection staff
- Some volunteers dependent upon the volunteer role they carry out

2.5 It is recommended that once the new portability system has been implemented (planned for 2012) all new employees into the organisation, and employees being promoted internally who require a CRB check, will pay for the check themselves before commencing in role.

2.6 Before the new disclosure and vetting service begins work (timetabled for 2013), legislation needs to be passed to put the system in place. If registration for the Vetting & Barring Scheme had not been halted in June 2010, the Government would already be receiving fee income which would cover the ongoing operational costs of the CRB and the ISA. To assist in covering the costs, the cost of the Enhanced CRB disclosure has recently been increased from £36 to £44 until the new service is established, when the fees will again be reviewed. The cost of a Standard CRB check is currently £26 and Volunteer checks are free. Under the original Vetting & Barring Scheme launched in

October 2009, the fee for the ISA check was to be £64, which included the fee for the Enhanced CRB.

3 FINANCIAL IMPLICATIONS

3.1 The costs will need to be managed within existing budgets.

4 EQUALITY & DIVERSITY IMPLICATIONS

4.1 All equality and diversity implications have been considered.

5 HEALTH & SAFETY IMPLICATIONS

5.1 The enhanced vetting arrangements introduced as part of the reviewed Vetting & Barring scheme should improve the safety of vulnerable adults and children who come into contact with WYFRS.

6 RECOMMENDATION

6.1 That Personnel and Training Committee note the contents of this report.

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REPORT OF: DIRECTOR OF HUMAN RESOURCES

PURPOSE OF REPORT: TO ADVISE OF PERSONNEL ACTIVITY
TO END MARCH 2011

RECOMMENDATION: THAT THE REPORT BE NOTED

LOCAL GOVERNMENT (ACCESS TO INFORMATION) ACT DETAILS

EXEMPTION CATEGORY: NONE

ACCESS CONTACT OFFICER: MARTYN REDFEARN (01274) 655703
HILARY BROWN (01274) 655709

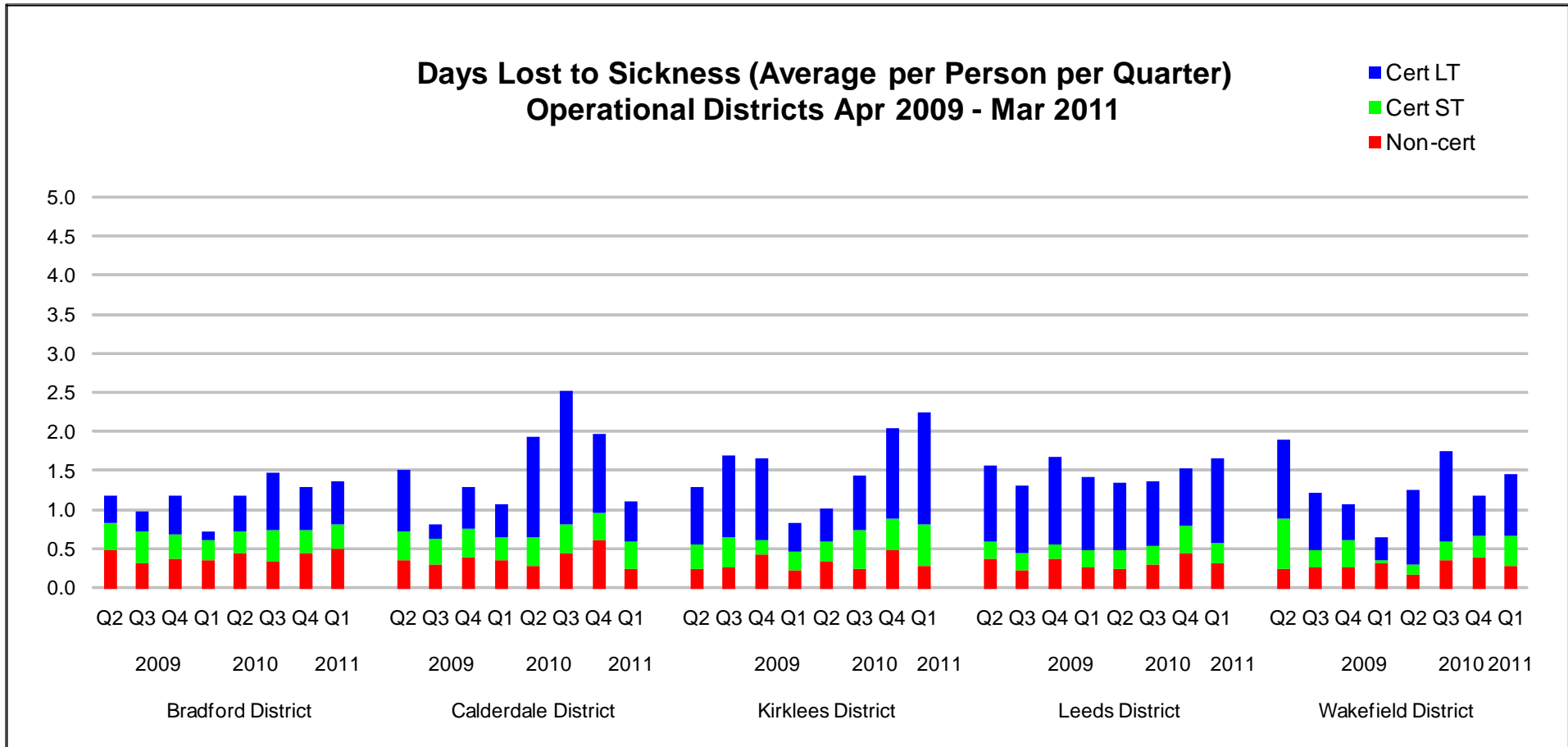
OPEN TO INSPECTION: NONE

Summary

This report informs Members of the Authority's key areas relating to Human Resources in the final quarter of the 2010 / 2011 fiscal year.

1. SICKNESS ABSENCE – WORKING DAYS LOST PER EMPLOYEE 1 APRIL 2009 – 31 MARCH 2011

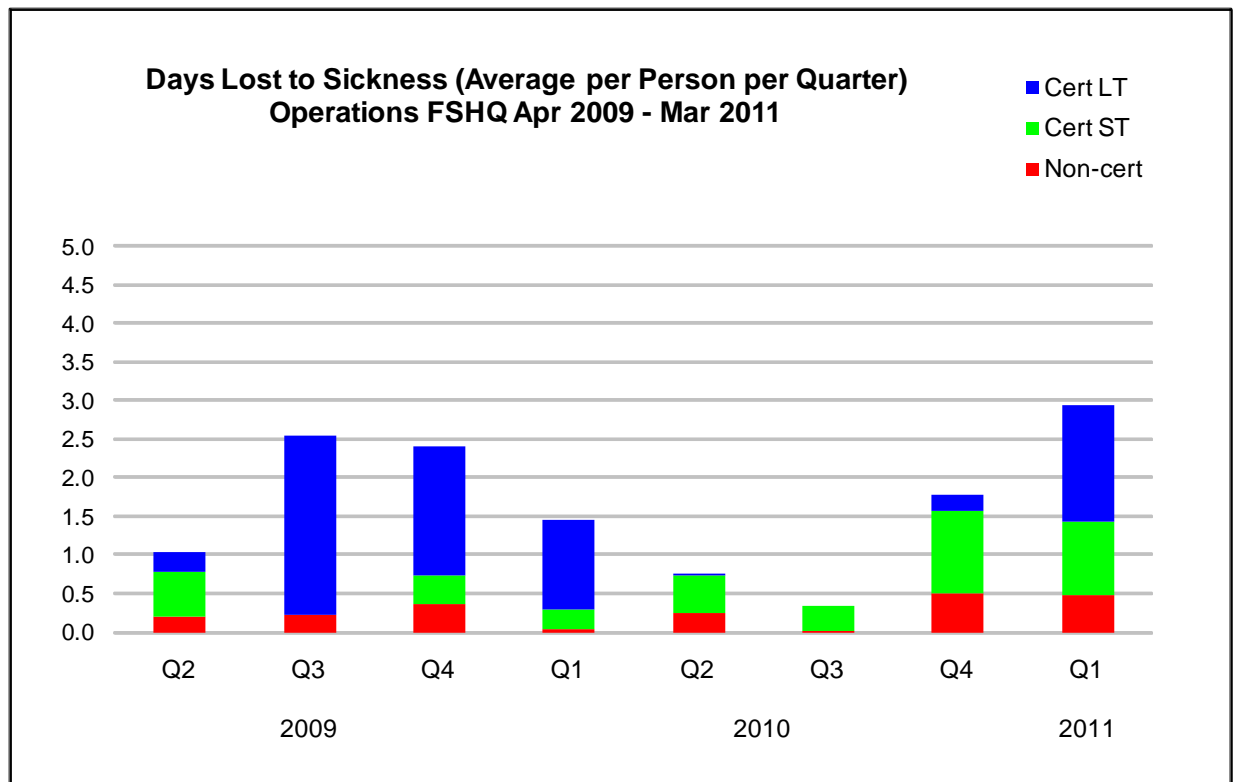
1.1 OPERATIONAL STAFF AT FIRE STATIONS



Numbers of employees as at 31 March 2011: Bradford 333; Calderdale 156; Kirklees 297; Leeds 452; Wakefield 212

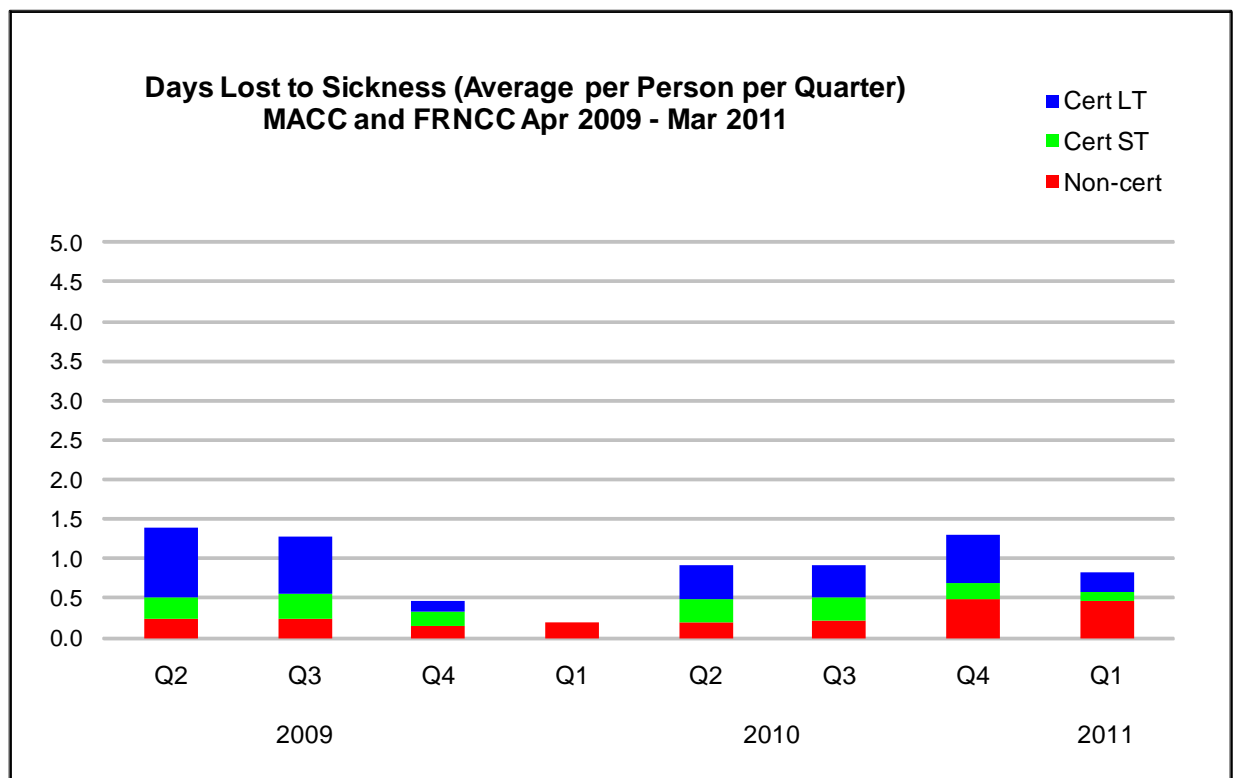
1.2 OPERATIONS – STAFF AT FSHQ

50 employees as at 31 March 2011



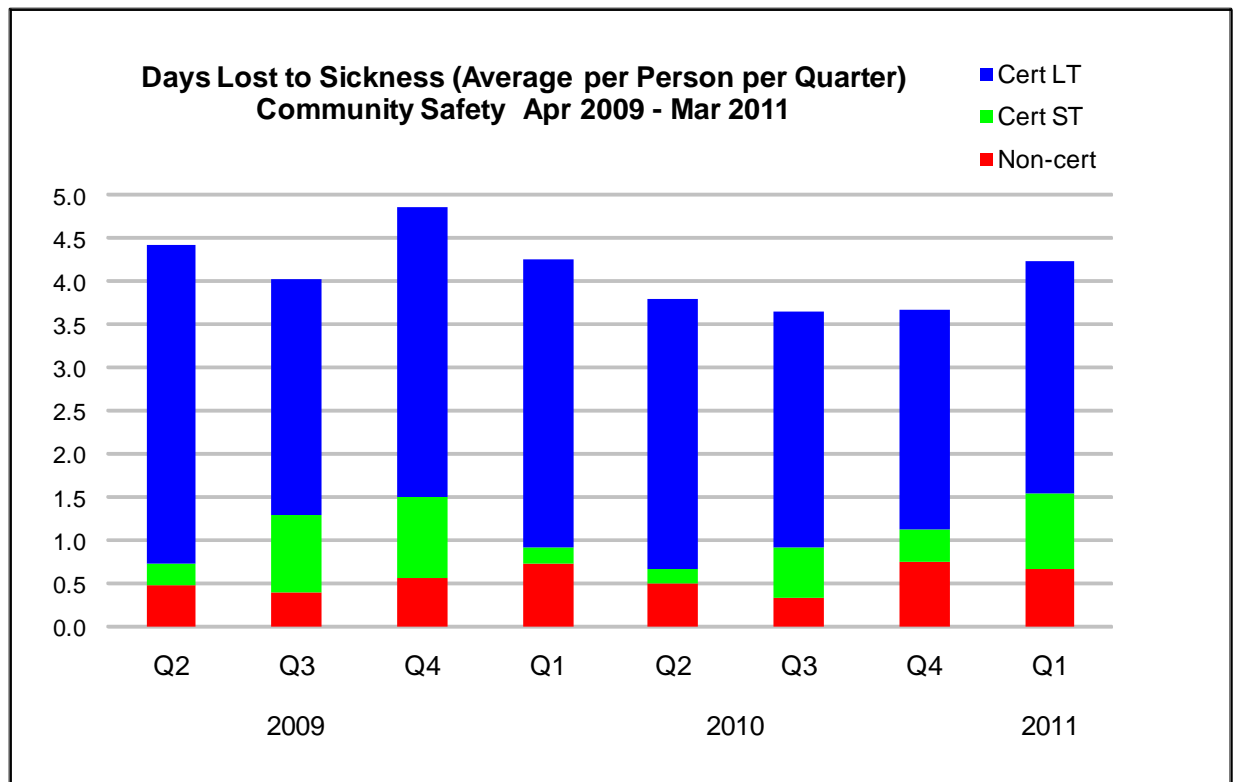
1.3 OPERATIONS – MACC AND FRNCC

101 employees as at 31 March 2011



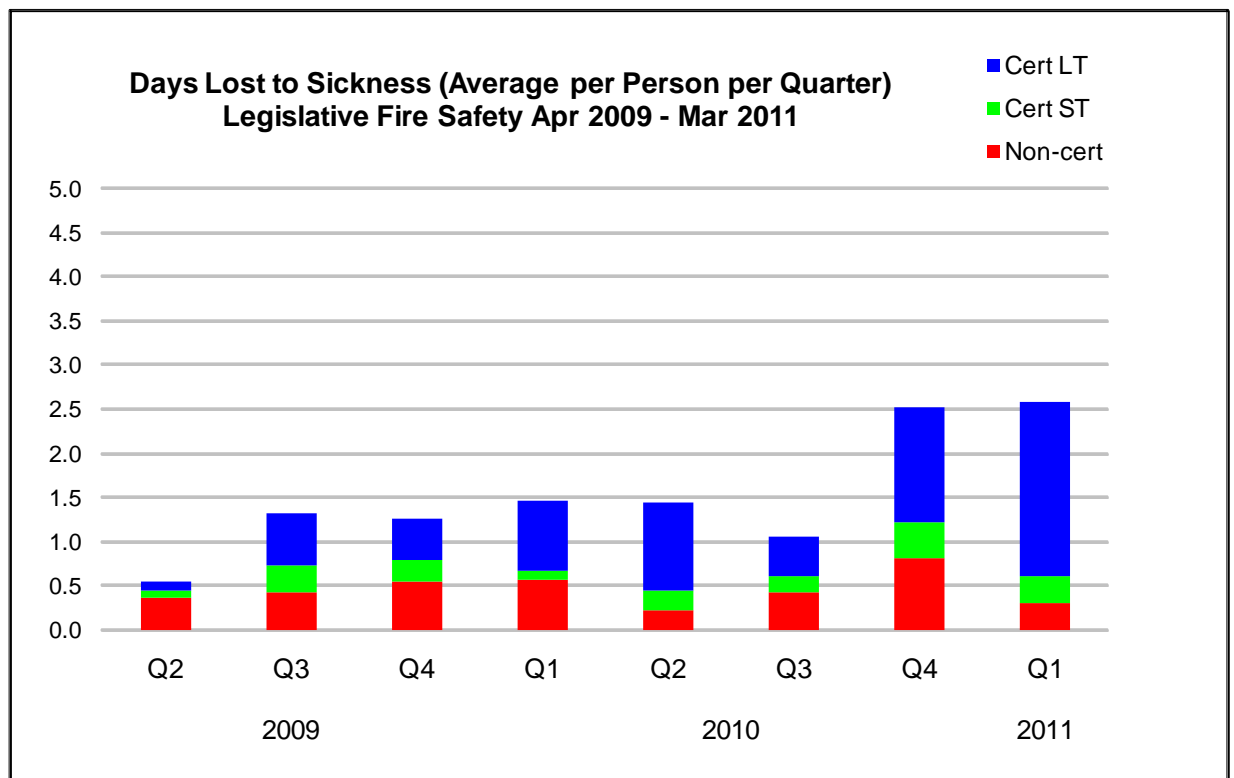
1.4 FS & CR – PREVENTION (COMMUNITY SAFETY)

87 employees as at 31 March 2011



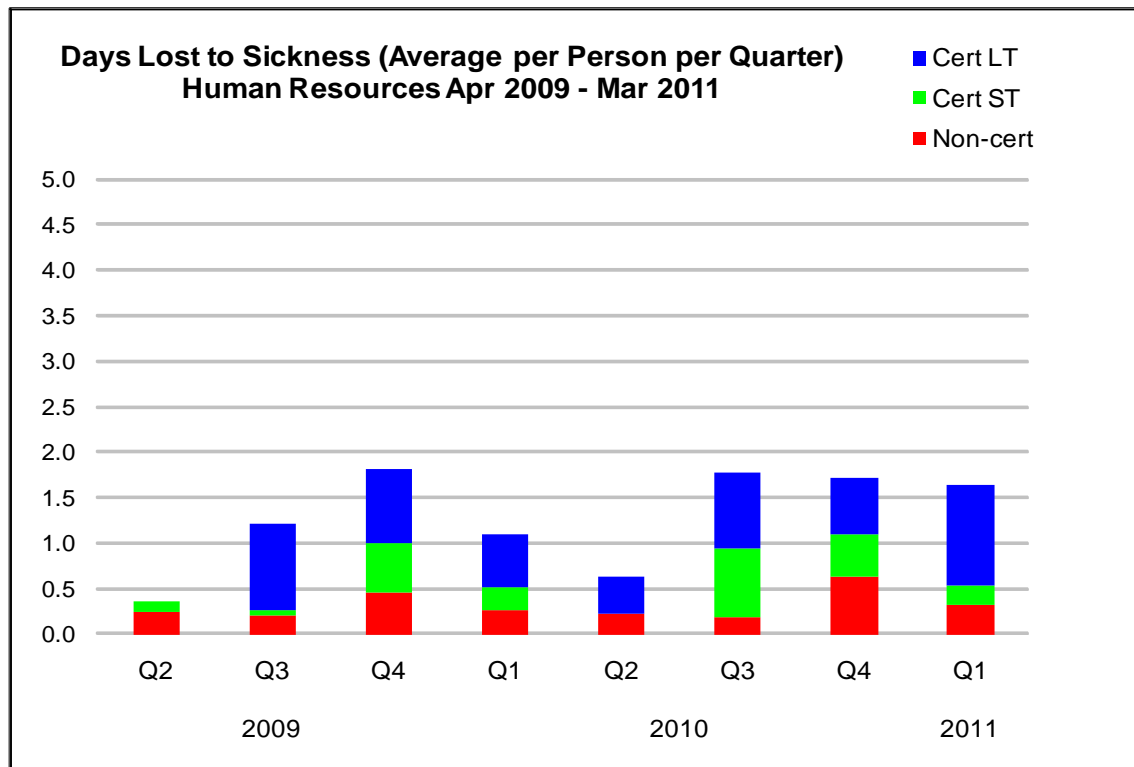
1.5 FS & CR – PROTECTION (LEGISLATIVE FIRE SAFETY)

81 employees as at 31 March 2011



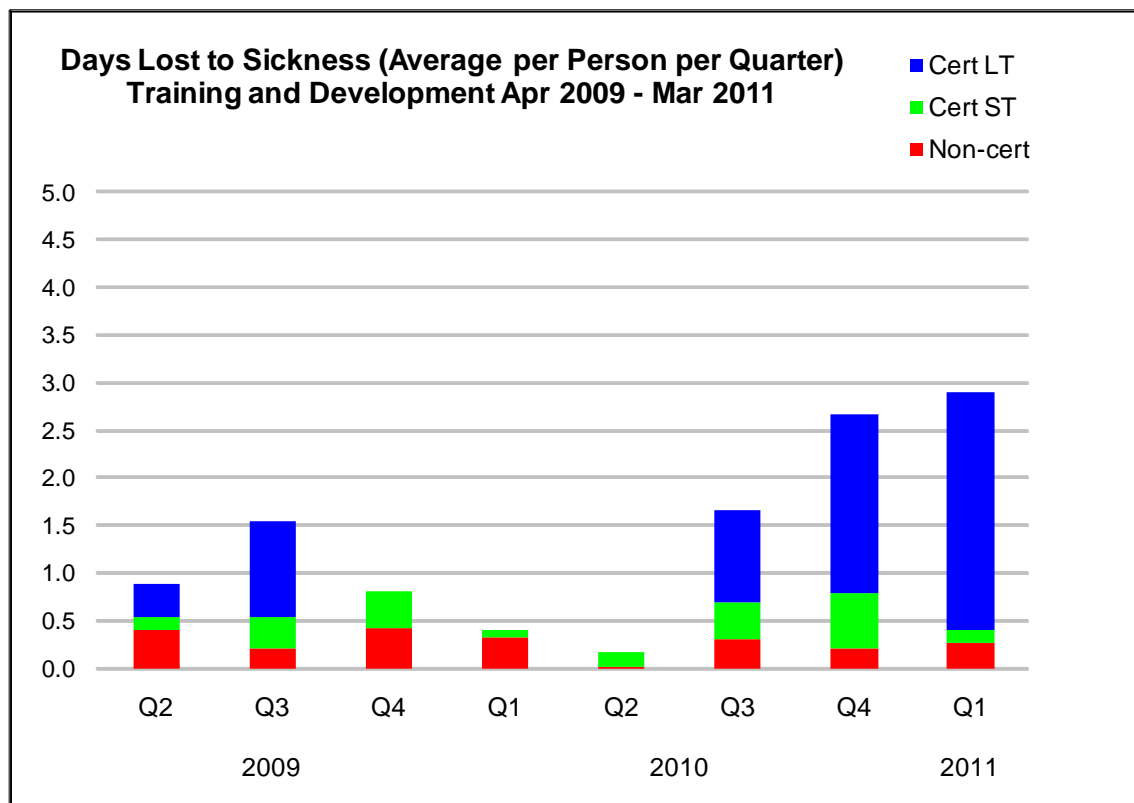
1.6 HUMAN RESOURCES – EMPLOYMENT SERVICES, OHSU AND ORP

100 employees as at 31 March 2011



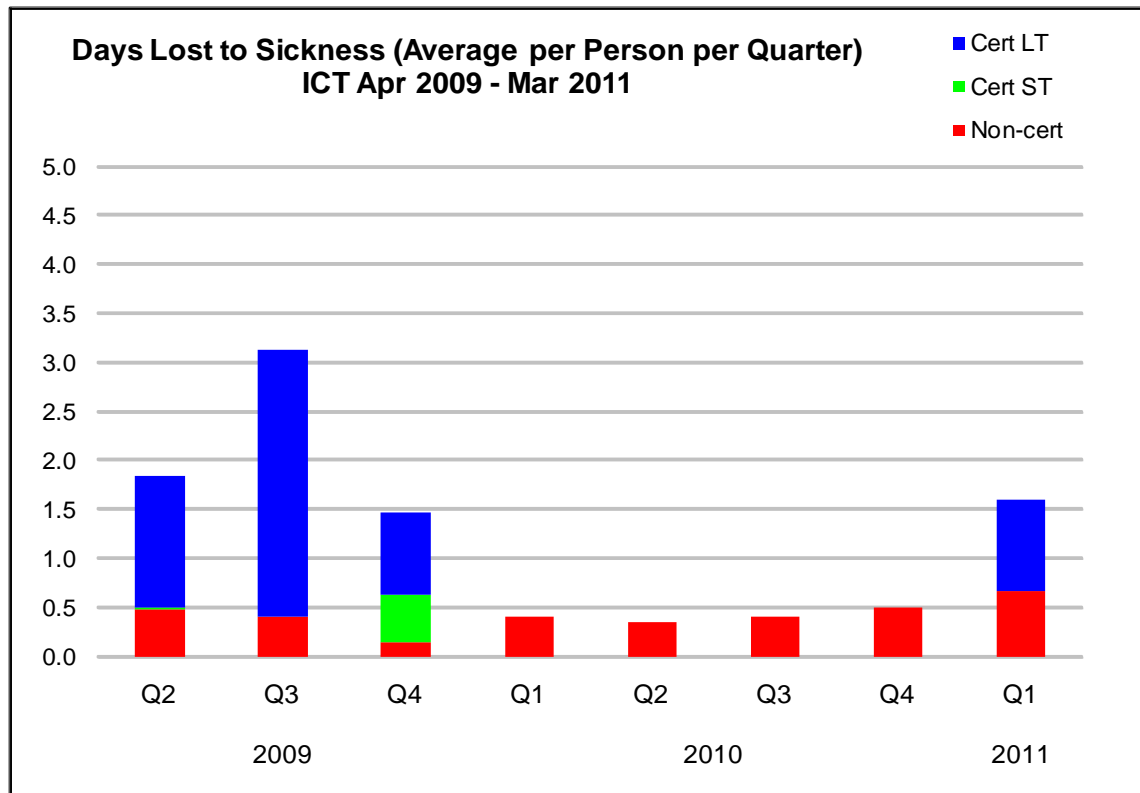
1.7 HUMAN RESOURCES – TRAINING AND DEVELOPMENT

66 employees as at 31 March 2011



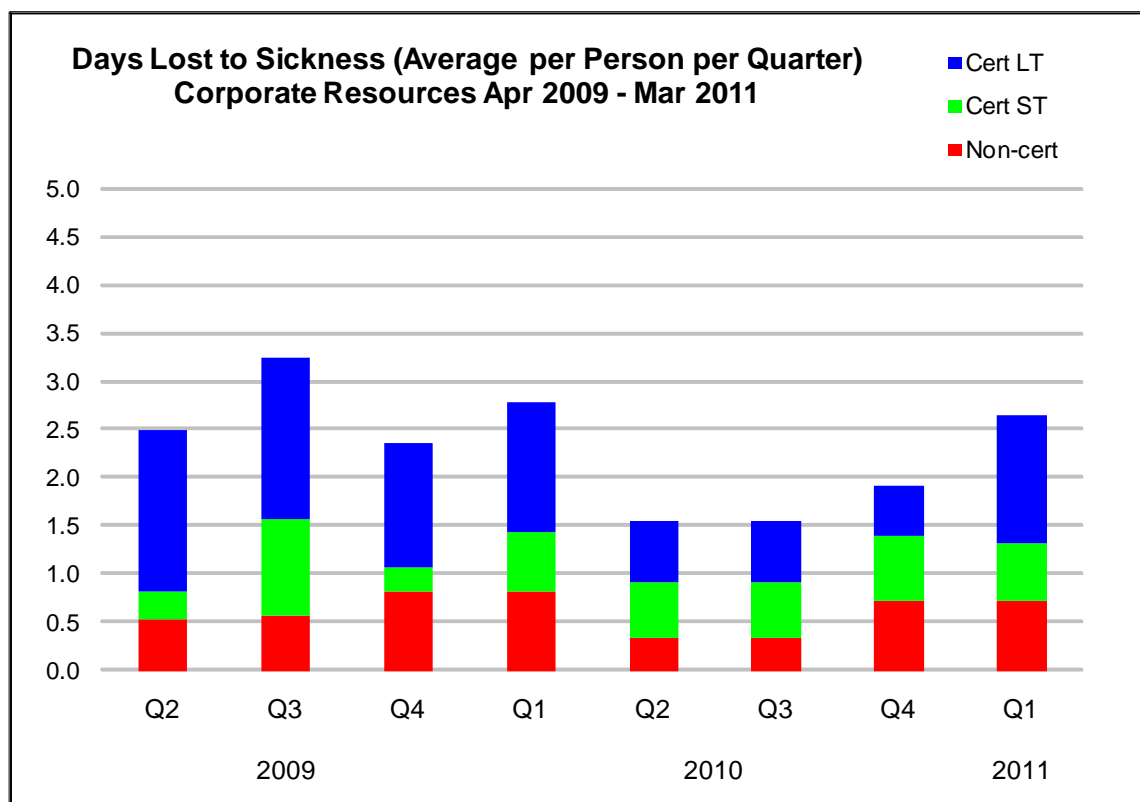
1.8 CORPORATE RESOURCES – ICT

33 employees as at 31 March 2011



1.9 CORPORATE RESOURCES – ALL OTHER DEPARTMENTS

88 employees as at 31 March 2011



2. NUMBER OF PERSONNEL EMPLOYED AS AT 30 APRIL 2011

Staff Group	Posts	Employed	Vacant Positions
Whole Time	1383	1396	nil
Retained	161	168 *	31
MACC (Mobilising and Communications Centre)	52	55 #	nil
Green Book (Non-Operational) Personnel	372	347 #	29

* Retained personnel may not declare themselves available for the full amount of hours required, hence the number of personnel employed will usually exceed the number of posts.

Green Book and MACC personnel include job-shares as well as staff in non-establishment positions. If there are no vacancies, the number employed will exceed the number of posts.

3. ENROLMENTS AND LEAVERS / RESIGNATIONS JAN – MAR 2011

Staff Group	Enrolments	Leavers and Retirees
Whole Time	Nil	21
Retained	Nil	4
MACC (Mobilising and Communications Centre)	Nil	Nil
Green Book (Non-Operational) Personnel	Nil	50

4. NUMBER OF ILL HEALTH RETIREMENTS JAN – MAR 2011

Five of the above retirements (four Wholetime, one Green Book) were due to medical reasons.

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REPORT OF: Martyn Redfearn
Director of Human Resources

PURPOSE OF REPORT: To request Members approval for the revised Flexible Retirement Policy (LGPS/FPS/NFPS)

RECOMMENDATION: That Members approve the revised 'Flexible Retirement Policy (LGPS/FPS/NFPS)'

LOCAL GOVERNMENT (ACCESS TO INFORMATION) ACT DETAILS

EXEMPTION CATEGORY: None

ACCESS CONTACT OFFICER: Martyn Redfearn
01274 655734
martyn.redfearn@westyorksfire.gov.uk

BACKGROUND PAPERS OPEN TO INSPECTION:

Flexible Retirement Policy (LGPS/FPS/NFPS)
(attached)

SUMMARY

The government encourages and supports employers in offering opportunities for flexible working. This revised policy extends the existing flexible retirement policy which was only applicable to non-operational staff, to all staff.

The policy increases the ability to provide cover for shortages of skills/experience in a cost effective way and offers a cost effective interim option should leavers exceed the planned interventions that are designed to reduce the establishment in line with the predicted retirement profile.

1. Background

- 1.1. The government encourages and supports employers in offering opportunities for flexible working. In addition, the Government have recognised that it is in the interests of both employers and pension schemes if employees can have early access to their retirement benefits but still be available to work.
- 1.2. This approach has a twofold benefit, the first to the employer in that they no longer pay pension contributions (or possibly pay lower contributions) but also can retain the skills and experience of an employee. The second is to the employee who can have access to their retirement benefits but also continue in employment.
- 1.3. In order to achieve this balance West Yorkshire Fire and Rescue Authority has already approved a scheme whereby Local Government Pension Scheme members can take advantage of the Flexible Retirement Policy.
- 1.4. Similarly therefore it is only equitable that the flexible retirement policy was extended to operational staff.
- 1.5. It is proposed that in the current financial climate, with recruitment restricted to internal staff, that the Authority takes advantage of this facility on a very limited and strictly controlled way for members of both the Firefighters Pensions Scheme and the New Firefighters Pensions Scheme.
- 1.6. The number of staff reengaged would be limited by the current policy on non-recruitment, the main plank of the budget reduction strategy, and the requirement for the Authority to financially benefit from the reengagement.
- 1.7. The Integrated Risk Management Plan is currently designed to provide interventions based on the predicted retirement profile and around a significant five year Capital investment programme that could not easily be speeded up. This policy provides an alternative option to staffing existing resources if there were a greater number of retirements over those predicted, particularly for specific skills.

2. Information

- 2.1. The revised policy, attached, allows 'Firefighters and New Firefighters Pensions Schemes' members to apply for flexible retirement, in that they can retire to pension taking their lump sum and then be reengaged on a fixed term contract. The revised policy has two alternative options: -
 - a) the Authority offer re-engagement as an option to fill specific posts(s) where there is a shortage of skills/experience in the remaining workforce, or
 - b) firefighters may make a generic application when approaching retirement.

In either case there is a requirement for a business case to be created which would require Management Board approval or in the case of a Principal Officer, Fire Authority approval.

2.2. There are a number of factors which affect individuals applying and that will determine if their application will be successful: -

- Must meet the minimum age and service requirements of the relevant Pension Scheme.
- There must be a clear financial benefit to the Authority.
- To meet taxation rules, they must take a break of at least one month between retirement and reengagement.
- Meet the criteria contained within the policy with regards to absence, disciplinary records and fitness.
- Provide a skill or experience that is required and short supply.
- Accept the abatement of pension where the total of pay and pension would exceed their previous salary.

2.3. Staff would be reengaged on fixed term contracts, maximum 24 months, based on the business case submitted around the organisational need. The break in service will ensure that there is no continuation of service, thereby removing associated risks, such as redundancy rights, allowing the Authority to utilise the ability with fixed term contract to terminate with the associated notice without additional cost.

3. Financial Implications

3.1. There are financial benefits to both the employer and the employee arising from retirement and reemployment.

3.2. Employer: -

- In terms of the employer the major saving is in employers' pension contributions which are 21.3% for the fire-fighters pension scheme and 13.2% for the APT&C pension scheme. In addition if the employee were to reduce their hours there would be an equivalent salary saving.
- In terms of abatement it is the pension that is reduced not gross pay which means that saving would accrue to the pension scheme not the Authority.

3.3. Employee

- The impact of the current pay freeze will have a significant impact on employees retirement plans. From the date of retirement pensions become index linked to the Consumer Price Index and consequently any decision to delay retirement will have a long term impact on future pension entitlements, which is particularly relevant during periods of pay restraint.
- In common with the employer the employee will no longer pay pension contributions currently 11% for firefighters pension scheme and between 5% and 10% in the LGPS scheme. In addition the employee would not pay national insurance contributions on his/her pension.

4. Equality and Diversity Implications

- 4.1. Whilst this revised policy has a positive impact on flexible working it may have a negative impact on recruitment and progression opportunities of underrepresented groups, it should be noted that external recruitment is currently suspended.

5. Health and Safety Implications

- 5.1. None arising directly from this policy.

6. Conclusions

- 6.1. This policy offer a move towards equity for staff in the 2 Firefighters Pensions Scheme with those on the Local Government Pensions Scheme who have had the opportunity to apply for flexible retirement since the original policy was introduced.
- 6.2. This policy will increase the Authority's ability to provide staff where there are shortages of skills in cost effective ways without exposing the Authority to long term financial burdens.
- 6.3. Should retirements exceed our predictions this policy provides an ideal interim solution until the Integrated Risk Management Plan interventions take place to reduce the workforce.