

Employees Guide on Pension Implications of Secondary Employment and Additional Duties

Purpose

This document is intended for employees' general guidance on the potential pension implications when DFRS employees undertake secondary operational employment or additional activities within their primary operational role.

The pension implications referred to in this document relate to the New Firefighter Pension Scheme 2006 and the Firefighter Pension Scheme 1992, referred to for ease as the N/FPS. There may be similar facilities in relation to employees whose main role qualifies for membership of Local Government Pension Scheme (LGPS).

Pension regulations are very complex and this guide should be regarded as being for basic information, non-definitive and sign-posting purposes only. Employees wishing to seek specific advice on their individual circumstances should contact the N/FPS pensions team at Leicestershire County Council on 0116 305 8183.

Undertaking a fire-fighting role carries a risk, a fact that all operational employees fully appreciate. Employees who undertake additional duties or secondary roles that might expose them to more operational incidents will of course increase this risk – simply put the more fires you attend the greater risk of injury.

The pension regulations have been designed in a way that ensures employees undertaking secondary employment or additional duties have an appropriate level of financial cover for this increased risk.

What is Secondary Employment?

For the purposes of this document, “secondary employment” relates to a DFRS employee who has 2 contracts of employment to undertake 2 distinct roles, one of which is operational.

The most common form of secondary employment is where an operational employee on the Wholetime Duty System (WDS) agrees to undertake a secondary role on the Retained Duty System (RDS). Another example would be where a Support or Control employee has a second contract to undertake RDS duties.

What are Additional Activities?

For the purposes of this guide, “additional activities” relate to a DFRS employee who has 1 contract of employment to undertake an operational role and as an addition to the “standard” activities within that role, the employee undertakes additional tasks.

The most common form of additional activities might include YES Instructor; Cadet Instructor; Positive Action Volunteer; Firesafe Counsellor etc.

Pension Awards

Within the N/FPS, there are 3 main forms of pension award:

- **Age-related Retirement:** This is the “normal” pension award. The employee works in their operational role(s) until they reach the age they are entitled to claim a pension and then opts to retire. To claim this, you have to be a member of the N/FPS.
- **Ill Health Award:** The employee meets the medical qualifying criteria to claim an early release of their pension. The medical condition does not have to relate to an injury suffered on DFRS duty. To claim this, you have to be a member of N/FPS.
- **Injury Award:** The employee meets the medical qualifying criteria to claim an early release of their pension with an injury enhancement as it is accepted that the medical disablement was caused by an injury on operational duty. To claim this, you do not have to be a member of N/FPS.

It is an over-simplification but generally speaking, if an operational employee only undertakes one operational role and meets the qualifying criteria, they are allowed to retire early with either a Pension Award or an enhanced Injury Award depending on whether the medical condition relates to an on-duty injury.

But what are the implications if the employee has 2 roles and qualifies for a Pension Award?

What if the medical condition relates to an injury suffered in one of the roles but not both or pays into N/FPS within their WDS role but not their secondary RDS role?

These and other scenarios are explained in the next section.

Potential Implications on Pension Awards

As detailed above when an early release of pension is approved due to a qualifying medical condition, what type of award might be due becomes more complex if the employee is undertaking more than 1 role or additional activities.

Detailed guidance is provided in the attached Fire Pension Scheme Circular 6/2007. Whilst pension regulations and case law may have evolved since its publication, this remains the most definitive guidance document on this subject.

For employees requiring a less formal, basic understanding prior to studying the attached circular, the following scenarios may prove helpful:

Scenario Group 1

WDS with a secondary contract as RDS. Pays into N/FPS on WDS contract but not on RDS contract. Has a medical condition that qualifies for a Pension Award.

- Will receive a pension award based on the **WDS service** and earnings
- Won't receive an Injury Award enhancement as the medical condition doesn't relate to an injury on duty

Scenario Group 2

Control/Support/WDS with a secondary contract as RDS. Pays into the relevant pension scheme for their primary role **and** NFPS for the RDS role. Has a medical condition that qualifies for a pension award.

- Will receive a pension award based on **Control/Support/WDS service** and earnings
- Will **also** receive a pension award based on RDS service and earnings as employee has been paying into **both** schemes

Scenario Group 3

WDS with a secondary contract as RDS. Pays into N/FPS on WDS contract. Has an **injury on duty on the RDS fireground.**

- Will receive a pension award based on the **WDS service** and earnings
- Will also receive an Injury award based on **RDS service**

Scenario Group 4

WDS and undertaking additional activities as YES Instructor / Cadet Instructor / Firesafe Counsellor. Has a qualifying **injury on duty** during the **additional activity.**

- Will receive a pension award with an **enhanced** injury award element
- This is because the **additional duties** are being undertaken **within the WDS contract** and the duties are within the operational role map, thus qualifying as an on-duty injury.

NB an injury when not on duty is unlikely to qualify for the injury enhancement eg attending the station gym or charity car wash on a rota day; driving to/from the workplace before/after duty etc.