



**Northern Ireland
Fire & Rescue Service**

PENSION ABATEMENT

Firefighters' Pension Schemes

Information Leaflet

Preparing for your future.

For more information connect
with us using the links below.

#STOPFire

The purpose of this leaflet is to give retired firefighters who return to employment with a UK Fire & Rescue Service a basic understanding of what abatement is, and how it is applied.

The statutory rules are the legal basis of the scheme. You should note that nothing in this leaflet can override the rules. In the event of any difference, the rules will apply.

We have tried to use as little jargon as possible. Where we have had to use technical terms, they appear in bold and are explained in the Glossary at the back of the leaflet.

What is abatement?

If you have a Firefighter pension and subsequently take a job with a UK Fire & Rescue Service (FRS), you may not earn more, by way of 're-employed' salary and pension, than you were earning before you retired. Where your new salary and pension exceed your previous salary within NIFRS, we deduct the excess from your pension. This is known as 'abatement'.

The rules vary from scheme to scheme.

Scheme	When does abatement apply?
FPS	Re-employment with a UK FRS in any capacity
FCS	Re-employment with a UK FRS as a firefighter
NFPS	Re-employment with a UK FRS as a firefighter
CARE	Abatement is not applied.

How is abatement worked out?

Step 1

We take the **salary of reference** that was used to work out your pension when you retired and apply cost of living increases¹ where appropriate.

Step 2

We add your new salary and your pension together.

Step 3

If the sum in Step 2 is greater than the sum in Step 1, we will reduce the pension by the difference.

If you are currently retired and are applying for work with a UK Fire & Rescue Service, you can contact HSC Pension Service for an estimate showing the potential effect of any abatement. You can then take this into account when deciding whether to accept the job.

What is the process for applying abatement to my pension?

If you are re-employed by NIFRS or any other UK Fire & Rescue Service, then you should notify HSC Pension Service.

The National Fraud Initiative monitors re-employment.

If abatement applies, we will reduce your pension from the start date of your new job. Please note that this can be earlier than the first available pay day on which we can actually apply abatement.

¹ Cost of living increases will be based on Pension Increases (PI) since retirement. In the case of a deferred pension being brought into payment, the final salary will be updated in line

Therefore, it can result in an overpayment of pension which you will have to pay back.

Is the amount of abatement fixed?

The level may alter if:

- you receive a pay rise
- you are promoted (whether temporarily or permanently)
- your working hours change
- you benefit from a retrospective pay rise that changes either the salary that was used to work out your pension before you retired, or changes the salary that was used in your new post when we initially worked out the abatement
- you become entitled to a new allowance (whether temporary or permanent)
- You divorce and a pension sharing order is implemented.

If any of the above apply to you it is important that you contact us as a revision of your abatement may be required.

We do not increase the level of abatement if you work overtime.

with the annual pay increases since the member left employment with a deferred entitlement.

Your questions answered about abatement and re-employment

What if I have receive a pension from more than one Firefighter Pension Scheme?

Where a member has both FPS/NFPS and CARE pension in payment and is re-employed, abatement will be calculated on the basis of:

salary of reference

vs

new salary + FPS/NFPS pension + CARE pension.

What if I commuted some or all of my pension into a lump sum, or lump sum into pension?

We will work out the abatement as if you had taken a standard lump sum. A standard lump sum is 25% of the amount built up in pension.

What if I am re-employed as an on-call firefighter and my new pay is variable?

On an annual basis, HSC Pension Service will inform you of a cap in terms of how much can be earned before abatement will apply. Abatement will be applied once this cap is reached.

Will abatement apply to the McCloud remedy?

Transitional members may become liable to abatement or increased abatement when their service for the remedy period (1 April 2015 to 31 March

2022) is converted from CARE to their legacy scheme. Members will be notified of this when they make a decision about whether they want their legacy scheme or the CARE scheme to apply to the remedy period.

I'm employed as both a wholetime and an on-call firefighter. Is abatement applied if I retire from one and continue in the other?

While the abatement test will be applied in these circumstances, it is very unlikely that abatement will apply as on retirement your combined earnings are unlikely to exceed the level of earnings you had before you retired i.e. when you were employed under both contracts.

Does abatement apply if I am re-employed by a UK FRS as an agency worker?

Employment as an agency worker falls within the scope of the definition of employment for abatement purposes under the FPS scheme only.

How often will the abatement calculation be reviewed?

The abatement calculation will be reviewed annually as well as when there is any material change to your circumstances. You can ask for your abatement calculation to be reviewed at any time.

Glossary

CARE The Firefighters' Pension Scheme Regulations (Northern Ireland) 2015

Commutated (commutation)
Members can give up pension in exchange for a lump sum payment.

FCS The Firefighters' Compensation Scheme Order (Northern Ireland) 2007

FPS The Firefighters' Pension Scheme Order (Northern Ireland) 2007

NFPS The New Firefighters' Pension Scheme Order (Northern Ireland) 2007

Salary of reference (wholetime) The substantive pay at the last day of service comprised of all permanent elements of pensionable pay, expressed as an annual rate.

Salary of reference (on-call)
The wholetime salary of reference apportioned for on-call service².

Transitional members
Members who transitioned from a final salary scheme to the CARE scheme

Contacting Us

For further information you can contact us at HSC Pension Service by a number of different methods;

Post:

HSC Pension Service
Waterside House
75 Duke Street
LONDONDERRY
BT47 6FP

Tel: 028 7131 9111

Email:

NIFRSQueries@hscni.net

www.hscpensions.hscni.net

² **Salary of reference (on-call) example:**

Competent on-call firefighter with 5 years pensionable retained service and 18 years actual (relevant) service

Wholetime salary of reference: £32,244 (Jul'21 rate)

On-call salary of reference = £32,244 * (5/18) = £8,957