



## **Guidance Notes for Retiring on the Grounds of Ill health and Early Retirement**

### **Introduction**

This Guidance Note provides 'key points' advice on the practicalities of ill-health retirement under the following pension schemes at St Mary's University,

- Local Government Pension Scheme (London Borough of Richmond upon Thames) Friends Life Pension Scheme
- Teachers' Pension Scheme

This Guide is particularly important in relation to employees on long term sick leave or where dismissal on health grounds is a significant possibility.

### **Scope**

This Guidance Note applies to St Mary's employees who are members of the Teachers' Pensions scheme, Friends Life scheme or LGPS pension scheme and who:

- are on long term sick leave and where dismissal on health grounds is a significant possibility;
- are in work although suffering with a long term underlying medical condition that is inhibiting their ability to provide efficient service and consistently attend work

Depending on the reasons for an employee's long term sickness, consideration for an ill-health retirement assessment may be appropriate.

### **When does ill health retirement apply?**

If an employee has health problems, in the first instance they should seek the necessary treatment. When appropriate St Mary's University will also arrange for occupational health support to look at ways to help employees remain in or return to work.

Before consideration for ill health retirement is given, other options will usually be considered first of all. Rehabilitation, re-deployment, workplace adjustments, flexible working or increased support are all measures that may be considered. However, when the disability caused by the ill health is likely to be enduring, and the above adjustments have been considered or tried and found unhelpful ill health retirement may be appropriate.

In order to qualify for ill health retirement, the employee must be a member of one of the aforementioned pension schemes and meet the eligibility criteria for ill-health retirement as set out by the relevant pension scheme.

## The Local Government Pension Scheme

### Qualifying for ill health retirement under the LGPS

To qualify for an ill-health pension under the LGPS the following conditions must be satisfied:

- the employee must be a member of the LGPS pension scheme
- the employee's employment must be terminated by St Mary's University on the grounds of ill health or infirmity of mind or body;
- at the date of termination the member must be under their Normal Pension Age
- at the date of termination the employee must have met the two year qualifying service criteria for entitlement to a benefit
- the employee must, as a result of ill health or infirmity of mind or body, be permanently incapable of discharging efficiently the duties of the employment the member was engaged in; and
- the employee, as a result of ill health or infirmity of mind or body, must not be immediately capable of undertaking any gainful employment (i.e. paid employment for not less than 30 hours in each week for a period of not less than 12 months).

Further information on ill health retirement and the different levels of benefits under the LGPS scheme is available from the LGPS Pensions Team.

**Ill-health retirement process under the LGPS scheme** It is St Mary's decision whether to request an assessment for ill health retirement under the LGPS. However, the University will be mindful of an employee's health situation and the severity of the illness. No assurances will be given to any employee about their eligibility for ill-health retirement.

Should an ill-health retirement assessment be appropriate then an Occupational Health appointment will be arranged. Occupational Health may approach the individual's GP or Consultant, as relevant, requesting a clinical history report and arrange for an ill-health retirement assessment.

An Independent Registered Medical Practitioner (IRMP) who is qualified in Occupational Health medicine and who is approved by the Pension Fund Administering Authority will then assess the evidence. The IRMP has to certify that, in their opinion, the member either does or does not meet the criteria for ill-health retirement by completing the relevant LGPS documentation.

Occupational Health will send the relevant documentation required by the LGPS Regulations and the Occupational Health report to back to St Mary's University. St Mary's University cannot agree to ill health retirement if the IRMP does not certify that the employee meets the criteria.

If the Occupational Health advice is that the employee is incapable of returning to work in the foreseeable future then St Mary's University will arrange a meeting with a view to ending their employment on the grounds of their capability due to ill health. St Mary's will then write to the employee to confirm the outcome of this meeting. A copy of this letter confirming the termination of their employment, along with the relevant LGPS documentation will then be sent to the Pensions Team at the London Borough of Richmond upon Thames (LBRUT).

The Pensions Team at LBRUT will then communicate directly with the member to arrangement the payment of benefits.

It is the University's (as the employer) decision whether to award ill-health retirement, having regard to all the relevant information including the IRMP opinion and if so, what level of benefits will be awarded. Employees have the right of appeal against St Mary's University's decision.

## **The Friends Life Pension Scheme**

### **Qualifying for ill health retirement under the Friends Life Pension Scheme**

To qualify for an ill-health pension under the Friends Life Pension Scheme the following conditions must be satisfied:

- The employee must be a member of the Friends Life Pension Scheme
- The member must be under the age of 55
- The member must not be able to return to their current profession due to ill health

They may also qualify for Serious Ill health retirement if, in addition to the above, they have a terminal illness with less than twelve months to live.

### **Ill-health retirement process under the Friends Life scheme**

#### ***Ill Health Retirement Procedure***

An employee who is member of Friends Life can be provided with an ill health retirement pack at any time if they have an illness that prevents them from returning to their current profession by contacting Friends Life directly.

A pack may also be requested by the scheme or by the member's Independent Financial Advisor if the member has one.

If an employee requests an ill health illustration, Friends Life will send them an 'Ill health' certificate along with the discharge forms that enable members to take an annuity with Friends Life, Open Market Option forms to take funds on the open market.

In order for the member to receive the annuity payment forms the member will have to complete the five important questions (ABI). These questions concern five different areas which the employee should consider when assessing what annuity options will suit them most. Further information on these five important questions is available from Friends Life.

The 'Ill health certificate' must be signed by the member's doctor, contain details about their illness and include the doctors 'GMC Number' in order to be eligible. The ill health certificate will also include wording from the doctor to state that the member is unable to return to work in their current profession due to ill health.

St Mary's University may also separately arrange for the member to see the Occupational Health Department. If the medical advice is that the employee is incapable of returning to work in the foreseeable future then St Mary's University will arrange a meeting with a view to ending their employment on the grounds of their capability due to ill health. St Mary's will then write to the employee to confirm the outcome of this meeting.

Upon receipt of the required forms, provided they have been fully completed, Friends Life will settle the member's retirement benefits in accordance to the members selected retirement options and send a confirmation letter to the members Independent Financial Advisor and scheme.

All payments will be made directly to the member and/or the receiving provider within 3-5 working days.

### **Serious Ill Health Retirement Procedure**

A serious ill health retirement pack can be requested at any age, but contacting Friends Life directly.

A pack can be requested by the member, the scheme or by the member's Independent Financial Adviser (IFA), if the member has one.

In order for a member to qualify for a Serious Ill Health quotation they must have a terminal illness with less than twelve months to live.

If a member requests a 'Serious Ill Health' retirement illustration it will include a Standard Lifetime Allowance, discharge form and a section for the member to fill out their bank details.

Friends Life also request a doctor's letter to confirm the member's illness. This must be on headed paper, contain specific details of the member's illness and confirm the member has less than twelve months to live in order to be eligible.

The member must sign the discharge form and input their bank details. The Standard Lifetime Allowance form is also included which also needs to be completed.

St Mary's University may also separately arrange for the member to see the Occupational Health Department. If the medical advice is that the employee is incapable of returning to work in the foreseeable future then St Mary's University will arrange a meeting with a view to ending their employment on the grounds of their capability due to ill health. St Mary's will then write to the employee to confirm the outcome of this meeting.

Upon receipt of the required forms Friends Life will settle the members retirement benefits in accordance to the members selected retirement options and send a confirmation letter to the member, IFA and scheme.

All payments will be made directly to the member within 3 – 5 working days.

## **The Teachers' Pensions Scheme**

### **Qualifying for ill health retirement under the Teachers' Pensions Scheme**

To qualify for an ill-health pension under the Teachers' Pensions Scheme the following conditions must be satisfied:

- The employee must be a member of the Teachers' Pension Scheme
- the member must be under their Normal Pension Age
- the member must have 2 years' pensionable employment
- The member suffers from a recognised medical condition
- The member has completed all reasonable treatment

- The medical condition renders them incapable of teaching either full or part-time or at another establishment
- The incapacity is on the balance of probability likely to continue until normal retirement age
- The member has not applied for premature retirement benefits in respect of the same period of employment

There is further information available on the [Teachers' Pensions website](#):

### **Ill-health retirement process under the Teachers Pensions scheme**

In order to apply for ill health retirement benefits under the Teachers' Pensions scheme an ill-health retirement form and a medical information form must be completed. The relevant forms and guidance notes on ill-health retirement are available to download on the Teachers' Pensions website.

Alternatively, members may call Teachers Pensions on 0845 6066166 quoting their teachers' pensions reference number or National Insurance number.

The process is as follows:

- the ill health retirement form must be completed by the member and St Mary's University HR Department;
- the medical information form must be completed by the member and either an Occupational Health Consultant, their GP or a consultant;
- the Ill Health Application Form, Ill Health Medical Form and any additional supporting evidence must then be sent to Teachers' Pensions.
- On receipt of the forms, Teachers' Pensions will review them and provided the application is complete and they do not require any additional information the application is then referred to the Department of Education medical advisors for review.
- Teachers' Pensions will advise members of the outcome in writing and next steps will be advised at this stage dependent upon the outcome of the application review.
- There is the right of appeal following an unsuccessful application

If the medical advice is that the employee is incapable of returning to work in the foreseeable future then St Mary's University will arrange a meeting with a view to ending their employment on the grounds of their capability due to ill health. St Mary's will then write to the employee to confirm the outcome of this meeting. The member's employment must be terminated and the termination date notified to Teachers' Pensions before any pension benefits are payable.

### **Early Retirement**

If an employee is interested in retiring before their Normal Pension Age and is not eligible for ill health retirement they should seek further advice from their Pension provider.

Should an employee seek to retire early they should note that it is likely their pension payments will be reduced. If they choose to go ahead with early retirement then this is something they choose to do independently of St Mary's University. St Mary's University are not liable for any additional pension fees or payments.

## Further Information and Contact Details

### Local Government Pension Scheme

Royal Borough of Richmond upon Thames  
Civic Centre  
44 York Street  
Twickenham  
London  
TW1 3BZ

0208 891 7262 [pensions@richmond.gov.uk](mailto:pensions@richmond.gov.uk)

[www.lgps.org.uk](http://www.lgps.org.uk)

### Friends Life

Customer Information Centre  
PO Box 1550  
Milford  
Salisbury  
Wiltshire  
SP1 2TW

0845 6029 221

[ngp.questions@friendslife.co.uk](mailto:ngp.questions@friendslife.co.uk)

[www.friendslife.co.uk](http://www.friendslife.co.uk)

### Teachers' Pension Scheme

Teachers' Pensions  
Mowden Hall  
Darlington  
DL3 9EE

0845 6066166 (BT local rate number)

[tpmail@teacherspensions.co.uk](mailto:tpmail@teacherspensions.co.uk)

[www.teacherspensions.co.uk/](http://www.teacherspensions.co.uk/)

### General Information about Pensions Saving