

**Ill Health Retirement from the Local Government Pension Scheme – Employee Guidance (Schools)**

**Issued by the KCC Human Resources Team**

This guidance will explain the Ill Health Retirement process and inform you of the actions you need to take in the process.

# **What is Ill Health Retirement?**

An Ill Health Retirement is retirement before *normal pension age*, on the grounds of ill-health or infirmity of mind or body.

*‘Normal pension age’* is your state pension age. You can find out your state pension age here: [Check your State Pension age - GOV.UK (www.gov.uk)](https://www.gov.uk/state-pension-age)

**Who can apply for Ill Health Retirement?**

If you have been paying into the Local Government Pension Scheme (LGPS) for more than 2 years you are able to apply for Ill Health Retirement.

**When is it appropriate to apply for Ill Health Retirement?**

Ill Health Retirement should be considered when all reasonable adjustments have been explored and tried (where appropriate) and it becomes clear that you may meet the criteria of being *permanently incapable* of your current role and immediately incapable of any *gainful employment*.

In most circumstances you will have seen Occupational Health (OH) and they will have made a recommendation that you submit an Ill health retirement referral. Where someone becomes suddenly or gravely unwell, the referral may be made without a prior Occupational Health appointment.

**How will my case be assessed?**

The school, as your employer will make the decision whether you are eligible for Ill Health Retirement. The Local Government Pension Scheme Regulations state that the school must seek the opinion of an ‘*Independent Registered Medical Practitioner (IRMP)’* when considering your case. The Independent Registered Medical Practitioner (IRMP) will provide an Ill Health Retirement declaration that gives information on whether, in their opinion, you meet the criteria for Ill Health Retirement.

*‘Independent Registered Medical Practitioner (IRMP)’ -* This is a practitioner who is approved by the Kent Pension Fund to carry out medical assessments for pension purposes, and to provide the necessary Ill Health Retirement declaration. The Independent Registered Medical Practitioner (IRMP) must be suitably qualified in Occupational Health, be registered with the General Medical Council, and have an understanding of the Ill Health regulations in the Local Government Pension Scheme. The Independent Registered Medical Practitioner (IRMP) must not have previously advised, or given an opinion on, or had any previous involvement in your particular case.

Once the Ill Health Retirement report and declaration is received from an Independent Registered Medical Practitioner (IRMP), the school, as your employer, make the decision whether to release your pension benefits on the grounds of Ill Health having taken all relevant evidence into consideration.

**What are the criteria for Ill Health Retirement?**

For Ill Health Retirement to be awarded, the Local Government Pension Scheme Regulations 2013 set out specific criteria that must be met. The main two conditions that must be satisfied are that you are:

1. *Permanently incapable* of doing your current job, and
2. You are not immediately capable of carrying out any type of *gainful employment*.

*‘Permanently incapable’*, is until your normal pension age. *‘Normal pension age’* is your state pension age. You can find out your state pension age here: [Check your State Pension age - GOV.UK (www.gov.uk)](https://www.gov.uk/state-pension-age)

*‘Gainful employment’* means any paid employment for not less than 30 hours in each week for a period of not less than 12 months. It does not have to be employment that is equivalent in terms of pay and conditions with your Local Government Pension Scheme employment.

The assessment of whether you are ‘*permanently incapable’* is made on the ‘*balance of probabilities’* i.e. is it more likely than not you will be incapable of undertaking the duties of your role right up to your normal pension age? To take a simple example, if there were 100 similar people in the same job as you, with the same medical condition/s, the Independent Registered Medical Practitioner (IRMP) will only certify permanent incapability if more than 50 of these would not recover enough to do their job by their normal pension age. If more people would recover than would remain ill, you would not meet these criteria.

This could be relevant if you are waiting for further tests or treatments or are only part way through treatment for your illness. It might not be clear at the time of the assessment if you are likely to be in the group of people who will recover. If your condition means that most people do recover, then the Independent Registered Medical Practitioner (IRMP) would give the opinion that you do not meet the criteria for Ill Health Retirement. As your treatment progresses it may become clearer if you will be one of the people who will recover or not. The Independent Registered Medical Practitioner (IRMP) will consider whether you would be capable following further treatment, (including whether it is readily available/appropriate for you) and whether, with treatment, you are likely to become capable before your normal pension age. You choosing not to accept such treatment is not a relevant factor when they form their opinion.

**What is the difference between an ill-health dismissal and an Ill-Health Retirement?**

You can be dismissed from your role on the grounds of ill health but this does not automatically entitle you to Ill Health Retirement. If your ill health means that you will not be able to return to work within a reasonable timescale you may be dismissed on the grounds of ill health. You will only be eligible for Ill Health Retirement if you will be incapable of undertaking your current role right up to your *normal pension age*.

**What happens if I have more than one assignment/contract with the school?**

If you have multiple assignments/contracts, a separate referral will need to be submitted for each role you hold. For example, someone who has a 0.5fte contract as an Administrator but also has a 0.2fte lunch time Supervisor contract would need 2 ill health retirement referrals and the Independent Registered Medical Practitioner (IRMP) would consider the two roles separately. It is possible that you could be permanently incapable of one role but not the other depending on your medical condition/s and the requirements of the roles.

**What are the three tiers of Ill Health Retirement?**

If it is decided that you are *permanently incapable* of your current role and you are immediately incapable of any *gainful employment*, you will be awarded one of the following 3 tiers of Ill Health Retirement:

Tier 1:

You are unlikely to be capable of carrying out *gainful employment* before your normal pension age.

Level of benefits: Enhancement based on 100% of the annual pension that would have been achieved between leaving and *normal pension age.*

Payment period: Permanent - paid for your lifetime.

Tier 2:

You are unlikely to be capable of carrying out any *gainful employment* within 3 years of leaving, but it is likely you will be capable of undertaking *gainful employment* at some point before your normal pension age.

Level of benefits: Enhancement based on 25% of the further annual pension that would have been achieved between leaving and *normal pension age.*

Payment period: Permanent - paid for your lifetime.

Tier 3:

You are likely to be capable of carrying out gainful employment within three years of leaving, or before your normal pension age if sooner.

Level of benefits: No enhancement. Payment is based upon actual pension built up.

Payment period: Immediate but temporary payment of retirement benefits, which must be reviewed by the school. If you have a lump sum, this is yours to keep, but the pension will normally be stopped after 3 years.

It will stop before then if:

* You are in gainful employment, or
* A medical review after 18 months decides you are capable of carrying out any gainful employment

If it becomes clear that you will not be capable of gainful employment within 3 years during the time you are receiving a Tier 3 pension, your benefits can be uplifted to Tier 2. This will require an Independent Registered Medical Practitioner (IRMP) opinion and employer decision from the school.

If the payment is stopped it will normally become payable again from your normal pension age but there are provisions to allow it to be paid earlier. If this applies to you details will be provided at the time.

Note: there are restrictions if you have previously retired on permanent ill health grounds since 31 March 2008.

**What information and evidence will I need to provide?**

The school will need to provide the Independent Registered Medical Practitioner (IRMP) with information about your job and your medical condition/s.

Your line manager will be asked to provide your current job description and details of your job.

The job description provides the Independent Registered Medical Practitioner (IRMP) with the information they need to assess the impact of your medical condition/s on the duties, responsibilities and requirements of your role.

Once your manager has made the Ill Health Retirement referral to their Occupational Health provider, they will contact you and will request your written consent to obtain medical information from your GP and/or Consultants. You will have the opportunity to provide any relevant documents you hold in relation to your medical condition/s. Occupational Health will be particularly interested in any up to date reports from your GP and/or treating Specialists that contain information on your diagnosis, prognosis, treatments received (and their effectiveness) and treatments that you are yet to try (and their likely effectiveness). Please note these documents will be requested by Occupational Health and should not be sent to the school unless specifically requested.

It is in your interest to help the Independent Registered Medical Practitioner (IRMP) understand your medical condition as fully as possible. We recommend that you are fully involved in gathering together the information about your case. If you do not consent or do not provide contact details for your GP and/or consultant/s or provide relevant medical evidence, this will affect the Independent Registered Medical Practitioner (IRMP)’s understanding of your medical condition/s and is likely to result in them giving the opinion that you do not meet the criteria for an ill health pension as they will have insufficient evidence.

**Will I need to be seen by the Independent Registered Medical Practitioner (IRMP)?**

Under the Local Government Pension Scheme rules, the Independent Registered Medical Practitioner (IRMP) is allowed to carry out a paper review of your case, rather than seeing you in person (this is called a file opinion). This is why it is important to obtain relevant medical information from you and your GP and/or Consultant/s.

It is important to remember that the Independent Registered Medical Practitioner (IRMP) is not basing their opinion on how your medical conditions affect you today. What they need to determine is how, on the balance of probabilities, your medical condition/s will be affecting you right up to your normal pension age.

**How long will the process take?**

The time it takes will vary depending on how quickly you return your written consent and/or provide medical evidence, and the length of time it takes for your GP and/or Consultants to return the medical information to Occupational Health.

Obtaining medical reports and records can be a lengthy process and will usually take at least**,** 6-8 weeks but often takes 12 weeks or longer. If you can contact the treating specialists outlined in your consent forms to let them know they will be contacted this can sometimes be helpful to speed up the process.

**What do I do if I don’t agree with the Independent Registered Medical Practitioner (IRMP) opinion?**

If you feel the Independent Registered Medical Practitioner (IRMP) report has not considered all of the evidence you requested in your consent forms or you have questions about the report, you should raise these with Occupational Health within 5 working days with your concerns.

The Independent Registered Medical Practitioner (IRMP)opinion is not the final decision in your case. The school will make the final decision on whether you meet the criteria for Ill Health Retirement.

**How will I be told the outcome?**

The school will invite you to meet with them to discuss the outcome and also write to you directly with their decision and explain the reason for this. If you meet the criteria, they will also inform the Kent Pension Fund and they will arrange payment of your benefits.

**Can I appeal if you do not grant Ill Health Retirement?**

While you are still a scheme member of the Local Government Pension Scheme LGPS (ie you are still in employment and paying in to the LGPS), any appeal against the decision not to award Ill Health Retirement would be to the school.

Once you leave the Local Government Pension Scheme (LGPS) and pension benefits have been awarded (you will be awarded deferred benefits or receive voluntary retirement benefits upon leaving if Ill Health Retirement is not granted), in the first instance, you should contact Kent County Council as the Administering Authority of the Kent Pension Scheme at [pensionappeals@kent.gov.uk](mailto:pensionappeals@kent.gov.uk) outlining the issues. There is also a two-stage formal appeal process under the Internal Dispute Resolution Procedure. Details of the procedure and an application form can be found at [www.kentpensionfund.co.uk/idrp](http://www.kentpensionfund.co.uk/idrp). All appeals must be within 6 months.

Example:

Following the Independent Registered Medical Practitioner (IRMP)opinion, the employer decides not to grant Ill Health Retirement. The employee does not agree with the decision and contacts the school outlining their concerns with the process. The case is reviewed by the school and they confirm the decision has been made correctly and Ill Health Retirement is not granted. There is no further right of appeal whilst the employee is still a Local Government Pension Scheme (LGPS) scheme member.

The employee is then dismissed on the grounds of ill health. Once the employee has left the Local Government Pension Scheme (LGPS) ie following the end of their employment, they can raise an IDRP appeal on the grounds that they believe their pension benefits should have been brought into payment on the grounds of ill health and not on a deferred basis.

**Can I appeal if I do not agree with the Tier of Ill Health Retirement that has been awarded?**

Yes. If you disagree with the way that the decision has been made, it is recommended that you initially contact Kent County Council as the Administering Authority of the Kent Pension Scheme on an informal basis at [pensionappeals@kent.gov.uk](mailto:pensionappeals@kent.gov.uk).

If this does not resolve the matter to your satisfaction, there is a two-stage formal appeal process under the Internal Dispute Resolution Procedure. Details of the procedure and an application form can be found at [www.kentpensionfund.co.uk/idrp](http://www.kentpensionfund.co.uk/idrp). The completed application form should be sent to Pensions@kent.gov.uk, within 6 months of the date of your decision letter.

**What should I do if I want to be considered for Ill Health Retirement?**

If you believe you meet the criteria for Ill Health Retirement you should contact your line manager in the first instance.

**What happens if I have a current employment with the school, but I also have a deferred Local Government Pension Scheme (LGPS) pension?**

If you have a deferred Local Government Pension Scheme (LGPS) pension, you can make a separate application for early access to deferred benefits on the grounds of ill health alongside your ill health retirement application. You can find more information on this on the [Kent Pension Fund Website](https://www.kentpensionfund.co.uk/). If you wish to make an application for early access to deferred benefits on the grounds of ill health, please inform your line manager and HR. You will also need to complete the “request for early payment of deferred benefits” form found on the Kent Pension Fund website.

If you are unsure if you have a deferred Local Government Pension Scheme (LGPS) Pension you can register or log in to ‘My Pension Online’ on the website or check your annual benefits illustrations.

**Can I apply for Ill Health Retirement more than once?**

Yes, if there has been a decline in your medical condition/s, and/or you have exhausted all treatments and/or new medical evidence has become available you can make a new application for Ill Health Retirement while you are an active member of the Local Government Pension Scheme (LGPS).

If you have left the Local Government Pension Scheme (LGPS), you can apply for early release of deferred benefits on the grounds of ill health at any time. This is done by completing the online form available on the [Kent Pension Fund website](https://www.kentpensionfund.co.uk/home).

**Alternative Formats**

**This document is available in other formats. Call 03000 421553 or email** [**alternativeformats@kent.gov.uk**](mailto:alternativeformats@kent.gov.uk)

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