

**EAST SUSSEX FIRE AND RESCUE SERVICE**

**FIREFIGHTERS' PENSION SCHEME 2015**

The Firefighters' Pension Scheme

Ill-Health Pensions

## **ILL-HEALTH PENSIONS**

As a member of the Firefighters' Pension Scheme 2015 ("FPS 2015") you are covered by the Scheme's ill-health retirement provisions. These notes explain how they work.

### **Who is eligible for an ill-health pension?**

To be eligible for an ill-health pension you must-

- have been a member of the FPS 2015 for at least 3 months (or, if less, be entitled to an award under the Compensation Scheme) and be a member at the date of leaving the Fire and Rescue Service, and
- be retired by your Fire and Rescue Authority ("the Authority"), on the grounds that you are permanently disabled, because of infirmity of mind or body, for the performance of the duties of your role.

### **What is meant by "permanently disabled"?**

The permanence of a disablement is tested by whether or not, at the time the question arises, the disablement is likely to continue to normal pension age (age 60). If it is, the disablement is considered permanent. However, as explained later in these notes, if an ill-health pension is paid it will be subject to review and may cease if the recipient is considered no longer to be permanently disabled.

### **Would I receive payment of an ill-health pension as soon as I retire?**

If the Authority award you an ill-health pension on leaving the Fire and Rescue Service it is payable from your first day of retirement.

### **How much would I get?**

This will depend upon -

- your length of pensionable service at the last day of service,
- your average pensionable pay over (normally) the last year of service, and
- Whether you are entitled to a lower tier ill-health pension only, or to the addition of a higher tier ill-health pension

## What are these two tiers of pension?

For a Lower Tier III Health Pension you must:

- have a minimum of 3 months qualifying service
- be incapable of performing any of the duties of the role in which you were last employed, because of incapacity of mind or body which will continue until normal pension age (60)

For a Higher Tier III Health Pension you must:

- have a minimum of 5 years qualifying service
- be entitled to a Lower Tier III Health Pension
- also, because of incapacity of mind or body which will continue until normal pension age, be incapable of undertaking regular employment\*.

"Regular employment" means employment for at least 30 hours a week on average over a period of not less than 12 consecutive months, beginning with the date on which the issue of the person's capacity for employment arises.

## How is the lower tier ill-health pension calculated?

A Lower Tier III Health Pension is payable immediately, with no reductions and will be based on the pension that you have accrued in your pension account. This pension has no enhancements.

### Example 1

Earned pension before commutation = £10,000

Pension after commutation = £8,000

Annual pension payable = £8,000

If you retire with a lower tier ill-health pension, you would be entitled to:

the earned pension after commutation + the added pension after commutation i.e.  
£8,000 + £800 = £8,800 a year

## How is the higher tier ill-health pension calculated?

A Higher Tier III Health Pension is payable immediately, with no reductions and will be based on the Lower Tier III Health Pension plus an enhancement of 2% of the gross Lower Tier III Health Pension before any commutation multiplied by your assumed period of pensionable service from date of retirement to normal pension age.

### Example 1

Earned pension before commutation = £10,000

Pension after commutation = £8,000

Annual pension payable = £8,000

Period of assumed pensionable service from date of retirement to age 60 = 20 years

The Higher Tier III Health Pension element is calculated as:

Lower Tier III Health Pension + 2% x earned pension before commutation x period of assumed pensionable service

= Lower Tier III Health Pension + 2% x £10,000 x 20

= £8,000 + £4,000

Total gross pension payable = £12,000

### **If the lower tier pension is deducted, would I be paid both parts?**

Yes, you would be paid both parts together but the assessment has to identify how much is to be paid to you as a lower-tier pension and how much as a higher tier pension. This is because they have to be recorded separately by your Authority for review purposes

### **What if I have worked part-time?**

As with other types of benefit payable under the FPS 2015, both the lower and higher tier ill-health pensions would first be calculated on the assumption that you had worked whole - time throughout your career. Then they would be scaled down to reflect your part-time service as a proportion of whole-time service.

### **How are ill-health pensions reviewed?**

If an ill-health pension is awarded, for so long as the recipient has been receiving the award for less than 10 years and is under deferred pension age (State pension age or 65 if higher) the authority must review the person's entitlement to continue receiving the award.

Where a lower tier ill-health pension is in payment, the Authority will consider whether the person has become capable of carrying out any duty appropriate to the role held immediately before retirement.

Where a higher tier ill-health pension is in payment the Authority will consider not only capability for the duties of the former role in respect of the lower tier ill-health pension but also whether the person is capable of undertaking any regular employment, to test continued eligibility for the higher tier ill-health pension.

In other words the test of disablement on review is similar to that applied on retirement.

### **What happens following the review of a higher tier ill-health pension?**

A higher tier ill-health pension will continue in payment if the Authority decide that a person is still incapable of undertaking any regular employment. However, if the Authority are satisfied that, at the time of review, the person would be capable of regular employment, the higher-tier pension will cease immediately. But a lower tier ill-health pension would continue in payment unless that must cease, too.

## **What happens following the review of a lower tier ill-health pension?**

Continuing entitlement to a lower tier ill-health pension takes into account whether or not the recipient is considered to have become capable of performing the duties of the role from which they retired on grounds of ill-health. If it is considered that they have not, then the pension will continue in payment.

If it is considered that they have, then the authority must next consider whether or not to offer the person re-employment in the same role from which they retired. Then:

- should no offer be made, the lower tier ill-health pension will continue in payment
- should an offer be made, payment of the lower tier ill-health pension will cease, even if the person does not take up the offer of re-employment.

If the person declines the offer, the authority would create a deferred member's account and credit it with an amount equal to the annual lower-tier ill-health pension immediately before it ceased. The deferred pension would come into payment at deferred pension age (State pension age or 65 if higher).

## **If I accept re-employment, can I re-join the FPS 2015?**

Yes.

## **How does an Authority make a decision on medical issues?**

The rules of the FPS require that where an Authority have to make certain decisions they must seek the opinion of an independent qualified medical practitioner ("IQMP"), i.e., a medical practitioner who has a certain level of occupational health qualification and who has to certify that he/she –

- has not previously been involved in the case, and
- is not acting as the representative of any party to the case.

The Authority will seek an opinion of an IQMP when deciding if a member of the FPS 2015 is entitled to an ill-health pension. They will also seek an IQMP's opinion when reviewing an ill-health pension.

## **Is my pension lost if it is decided it should stop?**

A higher tier ill-health pension would not be re-instated at any time

A lower tier ill-health pension which is terminated takes on the identity of a "deferred" pension. It would be put into payment again at age 65.

## **What if my health deteriorates?**

A higher tier pension cannot resume. Nor can a higher-tier pension commence to be paid at some time in the future if your health deteriorates to the level at which you would have been considered for such an award if you had that level of disability at the time you retired.

The lower-tier award which is terminated becomes a deferred pension and there is a provision for a deferred pension to be paid before age 65 if the person becomes permanently disabled for engaging in firefighting or performing any other duties appropriate to his/her former role. It would be the Authority that would decide whether the deferred pension would come into early payment. Again they would have to seek the opinion of an IQMP before making their decision.

## **Could I commute an ill-health pension to provide a lump sum?**

If you are entitled to a lower tier ill-health pension you can choose to commute a portion for a lump sum or allocate a portion for a dependant, the appropriate reduction would be made. But there would be no reduction for early retirement.

You cannot commute any part of a higher tier ill- health pension.

## **Will an ill-health pension be "inflation-protected"?**

Both the lower and higher tier ill-health pensions would be increased, normally annually, in line with Pensions Increase Acts or Orders. Pensions Increase does not normally apply until a person reaches age 55 but if a person retires on health grounds the increases apply, regardless of age, from the first Increase date following retirement.

## **If I disagree with the Authority's decision do I have a right of appeal?**

If the Authority make a decision you disagree with, or if they fail to make a decision, you have a right of appeal.

## **This applies at the time of retirement and at the time of any review.**

If you disagree with the decision of the Authority and you believe the problem lies in the medical opinion, you can appeal against that medical opinion. Your appeal would be heard by a Board of Medical Referees.

If you disagree with a non-medical aspect of the Authority's decision, you can ask the Authority to reconsider and, failing satisfaction, can take your appeal to Crown Court.

Your Authority can give you more information about appeal provisions.

## Further information

Further information about how pensions are determined, how ill-health pensions are assessed, and rights of appeal, can be obtained from the Scheme Administrator:

West Yorkshire Pension Fund  
P.O. Box 67  
Bradford  
BD1 1UP

Telephone: 01274 434999  
Email: [pensions@wypf.org.uk](mailto:pensions@wypf.org.uk)