



Department for  
Communities and  
Local Government

To: LGPS Pension Managers  
- England and Wales – by email

Our Ref:  
Your Ref:

17 September 2014

Dear Colleague

**LOCAL GOVERNMENT PENSION SCHEME (LGPS): STATUTORY GUIDANCE ON  
THE APPLICATION OF THE LGPS ILL HEALTH RETIREMENT REGULATIONS: 2008  
AND 2014 SCHEMES**

As you know the new 2014 Scheme which came into force on 1 April 2014 requires the preparation and publication of Statutory Guidance to accompany the ill health retirement regime. This is in accordance with Regulation 36(4) of Statutory Instrument 2013/2356.

**Guidance to accompany the 2014 Scheme**

As a consequence, Statutory Ill Health Retirement Guidance has now been produced to reflect the continuing three tiers of ill health retirement benefits in the new 2014 Scheme. It has not changed substantially from previous guidance, but has been refined, at the request of occupational health professionals, to make it clear that their role is purely to assess incapacity against a member's likelihood of being capable of undertaking gainful employment rather than the member's ability to obtain employment which earlier regulations asked. The rest of the text deals with the updating of legal references and the inclusion of a new section regarding "assumed pensionable pay and ill health retirement" so that where enhanced benefits are awarded, they are credited to a member's pension account in line with the career average pension arrangements under the 2014 Scheme. The Guidance is now **attached**.

## **Guidance to accompany the former 2008 Scheme**

In respect of the former 2008 Scheme, the existing Statutory Ill Health Guidance has been retained and updated to reflect the amendments in the Local Government Pension Scheme (Miscellaneous) Regulations 2012, and to make it clear that members who became deferred and deferred pensioner members prior to 1 April 2014 and who make an application for ill health retirement benefits, would need to do so under the 2008 Scheme. Additionally, the Guidance also makes it clear that where a member who was in receipt of Tier 3 benefits on or before 31 March 2014, Regulation 20(6) to (11) of the Benefit Regulations 2007 (as amended) continues to have effect in relation to those benefits. This is set out in Regulation 12 of the Scheme's 2014 transitional provisions. This updated Guidance is also **attached** and replaces the earlier version of June 2011.

I should, therefore, be grateful if you would please alert your LGPS employers and independent registered medical practitioners within your Fund to both sets of updated Guidance as appropriate.

### **Publication Details**

Both sets of Guidance are due to be published on the Local Government Employers' and the LGPS Regulations websites shortly. The links to those sites are as follows:-

#### **2014 Scheme Guidance:**

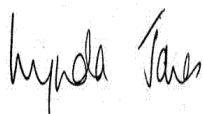
<http://www.lgpsregs.org/index.php/dclg-publications/dclg-stat-guidance>.

#### **2008 Scheme Guidance:**

<http://timeline.lge.gov.uk/Statutory%20Guidance%20and%20circulars/statguide.htm>.

I trust that you find these documents self explanatory but should you have any queries, then do please email my colleague, Nicola Rochester – [Nicola.rochester@communities.gsi.gov.uk](mailto:Nicola.rochester@communities.gsi.gov.uk) if necessary.

Yours sincerely



**Lynda Jones**  
**Workforce, Pay & Pensions**