

Scottish Teachers' Superannuation Scheme **Circular 4/2008**

The Secretary General, Convention of Scottish Local Authorities

The Director of Education, Director of Finance & Human Resources Manager, Scottish Local Authorities

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Dear Sirs

TEACHERS' SUPERANNUATION (SCOTLAND) REGULATIONS 2005 (as amended)

CHANGES TO

- **APPLICATIONS FOR ILL HEALTH RETIREMENT**
- **INTERNAL DISPUTE RESOLUTION PROCEDURES (IDRP)**

The purpose of this circular is to notify employers of changes to both the handling of applications for ill-health retirements and to our Internal Dispute Resolution Procedures.

From 1 October 2008, SPPA will introduce revised arrangements for the handling of applications for Ill-health benefits. Existing arrangements allow for most members seeking retirement on health grounds to be seen by our medical adviser who, in turn, makes a recommendation to SPPA. From 1 October 2008, the medical adviser will make a recommendation to SPPA **solely on the basis of the evidence** provided by the member/employer and there will be no option for the members to be seen by the medical adviser. Our reasons for making this change are:-

- a) applications will be processed in about 30% of the time compared to the present
- b) members will not face the ordeal of travelling to examinations
- c) criticism from members/employers/staff sides levelled at SPPA medical advisers in respect of examination procedures will be significantly reduced
- d) the changes will bring SPPA into line with other NHS/STSS schemes throughout the UK
- e) it will be easier for SPPA to procure medical advisers because the provision of medical advice can be carried-out from one location, instead of throughout Scotland
- f) costs for medical advice are met directly by the public purse and face to face is an expensive option for little benefit [based on results elsewhere where advice is evidence based]

Ill health retirement should be a last resort and all other options such as redeployment should be considered before submitting an ill health application. On 1 April 2007 a 2 tiered ill health arrangement was introduced. Partial Incapacity Benefit (PIB) – which is granted where the member is permanently unable of teaching but can undertake other employment and Total Incapacity Benefit (TIB)– which is granted where the member meets the PIB criteria and their ability to carry out any work is impaired by 90% and is likely permanently to be so. Permanency will be considered on the balance of probabilities.



Greater emphasis will be placed on the member and/or employer to ensure that any medical evidence clearly justifies ill-health retirement and all medical information available in support of the application should be submitted. SPPA are in the process of reviewing member and employer guides and leaflets before the changes are introduced. It should be noted that applications received before 1 October 2008 will be processed under existing procedures.

Also, from 1 October 2008, SPPA will introduce revised arrangements for the formal handling of reviews/appeals from members. The IDRP arrangements allow members to challenge decisions on the basis that (a) new information which should have been presented at the original application has come to light and (b) regulations have not been applied correctly. In line with Pension Ombudsman determinations, all pension events requiring a decision are covered by IDRP procedures, which in effect means that there is no difference in procedure between ill-health and non ill-health events.

Currently, the IDRP arrangements operated by SPPA, allows for (a) two reviews plus appeal in non health cases and (b) indefinite reviews plus appeal in health cases. However, the regulations (Occupational Pensions Schemes (IDRP) Regulation 1996 now superseded by The Occupational Pension Schemes (Internal Dispute Resolution Procedures Consequential and Miscellaneous Amendments) Regulations 2008) require that schemes only provide a **maximum** of a two stage process. SPPA are therefore currently acting out-with the scope of the regulations currently and must make appropriate changes.

The changes that we will be introducing are (a) IDRP stage 1 – the review and (b) IDRP stage 2 – the appeal (which has to be made within 6 months of the IDRP 1 decision).

All member requests, both health and non health, for a review or appeal, will be handled in the same way. It is important to stress that the purpose of the IDRP process is to challenge the original decision and not to allow members the opportunity to introduce new facts at a much later stage. Only information which could and should have been presented at the original application, had it been available, and which was relevant at that time should be presented during IDRP. In stating the foregoing, SPPA are not aiming to refuse to consider new information, for example where a consultants report not available at the original decision is received during the IDRP process, but merely clarifying the intent of an IDRP procedure. This has particular relevance to ill-health cases where currently members can seek a review many months, even years after the original application, because their condition has deteriorated since the original decision was made. Clearly the point of an IDRP process is to allow decisions to be challenged within reasonable timescales [we would suggest six months in most cases although this is not prescriptive]; and to bring matters to a conclusion quickly; and at the same time bringing only appropriate and relevant information forward for consideration. Where deterioration applies [that means where the member's health has become worse following the original consideration] the member should be making a new application from a current date.

A revised IDRP booklet will be available from SPPA in October and this will also be published on-line at that time.

All enquiries about this circular should be addressed to Christine.ross@scotland.gsi.gov.uk

Yours faithfully



IAN CLAPPERTON
Director of Operations

