STSS:INC

NOTES FOR INCAPACITY APPLICATIONS

Please read these notes before completing the Incapacity Retirement application.
PLEASE DETACH AND KEEP FOR YOUR REFERENCE

1. Completion of the attached form does not imply that your application for Incapacity Benefits will be accepted.

2. Alternatives to ill-health retirement, such as re-deployment or rehabilitation, should have been considered by your employer before completing this application form.

3. SPPA must be satisfied that you have become **permanently** incapable of teaching until normal pension age. Our Medical Advisers (MA) consider the medical evidence submitted and make a recommendation to Scottish Ministers.

4. SPPA will not seek further medical evidence on your behalf nor make any payment towards obtaining this. If there is insufficient evidence to allow the MA to make a recommendation the application is unlikely to succeed.

5. You must be under normal pension age, have completed a qualifying period and have not applied for other retirement benefits in respect of the same period of employment. Benefits can only be awarded after normal pension age if permanent incapacity was established before normal pension age and pensionable service accrued since then was due to paid sick leave.

6. If you are in receipt of an STSS pension and have subsequent pensionable service and then suffer a breakdown in health you may apply for ill-health benefits in respect of that period of employment only.

7. To qualify for retirement benefits under the STSS Regulations you will need to have at least 5 years qualifying service if all of your pensionable employment is prior to 6 April 1988, or at least 2 years qualifying service if you were in pensionable employment on or after 6 April 1988.

8. If you are in or left pensionable employment less than 24 months ago due to an illness that relates to this application for ill health, please complete PART 1 and send the application to your current or previous employer to complete PART 2. You should arrange for the medical information form STSS: (MED) 1 to be completed and once all parts are ready they should be sent to SPPA along with all other supporting medical evidence.

9. If you left pensionable employment more than 24 months ago please complete PART 1 and arrange for STSS: (MED) 1 to be completed by a medical professional. This can be your GP and/or your consultant if you have been referred. Both forms and all supporting medical evidence should be sent to SPPA.

10. If you are under 70, have become permanently incapacitated, do not qualify for benefits and have at least one year of pensionable employment, a one off payment called an Incapacity Grant may be paid. An application must be made within 24 months of leaving pensionable employment.

11. Ill health benefits are not payable where the member has ceased to be in pensionable employment on or after 1 April 1997 as a result of dismissal on the grounds of misconduct.

12. There is a 2 tiered ill health arrangement. Partial Incapacity Benefit (PIB) is granted where you are not capable of teaching but can undertake other employment. Total Incapacity Benefit (TIB) is granted where you meet PIB criteria **and** your ability to carry out any work is impaired by more than 90 % and is likely permanently to be so. Permanency will be considered on the balance of probabilities.

13. If you are awarded TIB a enhanced pension will be paid based on half of your service from the date you ceased employment to the later of 65 or your state pension age.

14. If you have been in pensionable employment for more than 24 months, your application will be assessed using the criteria for TIB but you will not receive service enhancement.

15. You will be entitled to benefits from:
    1) For preserved members of the STSS (Final Salary Schemes) and/or the STPS (CARE) pension scheme, benefits could be paid from the date of receipt of your application form.
    2) For active members of the STSS (Final Salary Schemes) and STPS (CARE) pension scheme, benefits can only be paid from the date of termination of your employment(s)

16. If your life expectancy is less than 12 months you may request that your ill health pension is commuted to a one off payment, however you must be under your scheme's normal pension age, for Final Salary members this could be 60 or 65 and for CARE members this will be the later of 65 or state pension age.

17. Once you have been granted ill health retirement you must arrange for active teaching to cease immediately. All teaching employments should be terminated at the earliest possible date. When notification of your retirement date and your salary details is received from your employer your benefits will be processed.

18. If you were a member of the scheme prior to 1 April 2007 the method of calculating benefits, which will consist of an annual pension and a lump sum based on reckonable service and pensionable salary, is as follows:

$$\text{Pension} = \frac{\text{Service x Pensionable Salary}}{80}$$

The lump sum is three times the pension.

If you became a member of the scheme on or after 1 April 2007 your benefits will consist of an annual pension based on reckonable service and pensionable salary. It will be:

$$\text{Pension} = \frac{\text{Service x Pensionable Salary}}{60}$$

Under the Pensions (Increase) Acts pensions are increased automatically in April each year, to maintain the link with movements in the cost of living.

19. If you were a member of the scheme before 1 April 2007 and were in pensionable employment on or after 1 April 2007 you can convert, 'commute', part of your pension to receive a lump sum up to 25% of your fund value. The formula for calculating the maximum amount of lump sum that can be paid is as follows:

$$\frac{(\text{Pension} \times 20) + (\text{Lump Sum} \times 20/12)}{4.6667}$$

If you joined the scheme on or after 1 April 2007 the formula for calculating the maximum amount of lump sum benefits that can be paid is as follows:

$$\frac{\text{Pension} \times 20}{4.6667}$$

The resulting figure represents 25% of the fund value and is the maximum lump sum you may take. To determine the additional lump sum you may have you must deduct your actual lump sum from this figure. For each £1 of pension commuted there will be £12 of lump sum paid. Calculations can be undertaken on the website www.pensions.gov.scot

From 1 April 2022, all members began to accrue benefits in the CARE scheme.

If you are a member of the CARE scheme, the method of calculating your benefits which will consist of an annual pension calculated based on 1/57th of your annual earnings revalued each year by CPI + 1.6%.

Likewise in the CARE scheme you have the option to commute part of your pension to receive a lump sum. The formula for calculating the maximum amount of lump sum benefits that can be paid is as follows:

$$\frac{\text{Pension} \times 20}{4.6667}$$

The resulting figure represents 25% of the fund value and is the maximum lump sum you may take. To determine the additional lump sum you may have you must deduct your actual lump sum from this figure. For each £1 of pension commuted there will be £12 of lump sum paid.

20. If you have a pension sharing or earmarking order or agreement made by a court against your pension entitlement your benefits will be reduced in line with that order or agreement.

21. If you are paying for past added years or additional pension and you declared at the time of the election that you were in good health you may be excused of any payments due up to normal pension age. You will be credited with the corresponding additional service or additional pension.

22. Any return to teaching will result in an immediate loss of your pension. Pension entitlement will cease immediately if you take up teaching employment (whether or not you rejoin the pension scheme) and will not automatically be restored if the employment ceases. Any pension overpaid will be recovered. If you intend to return to work, employers must satisfy themselves about your medical fitness. You must inform SPPA if you undertake any employment and should contact SPPA before the start date. If you are in receipt of TIB and take up any employment your TIB pension may cease. You must inform SPPA if you are considering or start any employment.

23. **Lump sum Allowance (LSA)**

As of 6 April 2024, members have a Lump Sum Allowance (LSA).

Whenever a RBCE occurs this must be tested against the member's LSA.

A relevant lump sum for the purposes of the LSA is:

- A Pension Commencement Lump Sum (PCLS);
- An Uncrystallised Funds Pension Lump Sum (UFPLS); or
- A Stand-Alone Lump Sum (SALS).

SPPA only pay Pension Commencement Lump Sums (PCLS). This is £268,275 unless the member holds a valid HMRC protection.

If a member has had a BCE prior to 6 April 2024, these need to be reflected with calculating the member's remaining lump sum allowance availability.

Lump Sum Allowance Death Benefit Allowance (LSDBA)

As of 6 April 2024, members have a Lump Sum and Death Benefit Allowance (LSDBA) of £1,073,100 (unless they have a valid HMRC protection).

Whenever a RBCE occurs this must be tested against the member's LSDBA.

A relevant lump sum for the purposes of the LSDBA is:

- A Pension Commencement Lump Sum (PCLS);
- An Uncrystallised Funds Pension Lump Sum (UFPLS);
- A Stand-Alone Lump Sum (SALS); or
- A Serious ill-health Lump Sum (SIHLS) under 75; or
- A relevant Lump Sum Death Benefit (LSDB).

SPPA do not administer uncrystallised funds pension lump sums (UFPLS) or stand-alone lump sums (SALS).

Trivial commutation lump sum death benefits (TCLSDB) are not classed as a relevant payment for this purpose.

If a member has had a BCE prior to 6 April 2024, these need to be reflected with calculating the member's remaining lump sum allowance availability. These values may change so always check the government website.

24. For further information about the STSS and STPS scheme you can visit our website www.pensions.gov.scot

25. Please ensure that you have completed all relevant parts of the form before signing the declaration. Without your signature and the date, the application is invalid and we cannot proceed with your claim.

26. When all relevant information in support of your application has been received it will be submitted to our medical advisers for advice. You will be notified by letter of our decision and what you should do next.

27. Data Protection Act 1998

SPPA will use any information you provide in connection with the STSS for the purpose of administering and operating the scheme and paying benefits under it. This may include passing details to third parties that are involved in the administration and operation of the scheme. SPPA may also use your data for administrative purposes in line with its data protection notification. In order to fulfil its duty to protect public funds, SPPA may use information it holds to prevent and detect fraud. SPPA may also share such information, for the same purpose, with other organisations that handle public funds.

Where there is any difference between the legislation governing the STSS and the information in these notes, the legislation will apply.

28. National Fraud Initiative

SPPA is under a duty to protect the public funds it administers, and will use the information you have provided on this form for the prevention and detection of fraud. It will also share this information with other bodies responsible for auditing or administering public funds for these purposes.

For further information on National Fraud Initiative please visit our website www.pensions.gov.scot

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APPLICATION FOR TEACHER'S INCAPACITY BENEFITS

INCAPACITY RETIREMENT

PART 1 TO BE COMPLETED BY THE RETIRING TEACHER

SECTION 1 – Personal details

Teacher's superannuation number

Surname

Former Surname (s) (if applicable)

Forenames (in full)

Title

Mr Mrs Miss Other

If other, please specify

Date of birth (e.g. 15/04/1963)

National Insurance number

Contact address

Post Code

Home telephone number (including STD code)

Mobile telephone number

Personal E-mail address

Last date of STPS employment/proposed retirement date

Job Title

SECTION 2 – Payment Details

Branch sort code

Your bank/building society account number

Building society Roll Number

Name of account holder

Name of bank/building society

If your bank is outside the UK, please indicate which country your pension will be paid to:

Branch

Branch Address

SECTION 3 – Family and survivor details

What is your status?

Single ☐ Married ☐ Civil Partner ☐

Partner ☐ Divorced ☐ Partnership dissolved ☐

Widowed ☐

If married, or in a civil partnership, please give date of registration

☐☐ ☐☐ ☐☐☐☐

If appropriate, please give spouse/partner's surname

please give spouse/partner's forename(s)

please give spouse/partner's former surname (if any)

please give spouse/partner's date of birth

☐☐ ☐☐ ☐☐☐☐

If divorced/partnership dissolved, has a court order against part of your pension/lump sum been made?

Yes ☐ No ☐

If yes, is this order for earmarking ☐ Or Pension sharing ☐

SECTION 4 – AVC's with Prudential

Do you have an in-house AVC with the Prudential? Yes ☐ No ☐

If you have ticked Yes we will be in contact with the Prudential on your behalf.

If you have ticked No and have a Free Standing AVC please send your provider a copy of your Benefit Crystallisation Certificate which will be sent to you on completion of your Benefit Calculations.

IF YOU ARE NOT CURRENTLY AN ACTIVE MEMBER OF THE STSS AND HAD YOUR BENEFITS PRESERVED IN THE SCHEME BEFORE 1 APRIL 2007 PLEASE GO TO SECTION 7

SECTION 5 – Past Added Years/Additional Pension Benefits (if preserved before 1 April 2007 go to section 7)

Are you currently purchasing Past Added Years?	Yes ☐	No ☐
The outstanding contributions (up to normal pension age) will be waived if your application for ill health retirement is approved and the service to NPA credited. If you have outstanding contributions beyond NPA do you wish to pay the outstanding balance?	Yes ☐	No ☐
Are you currently paying for Additional Pension Benefits?	Yes ☐	No ☐
The additional pension will be paid immediately without reduction provided you were in good health when you made the election and you became incapacitated after one year of the date of the election.	Yes ☐	No ☐

SECTION 6 – LUMP SUM CHOICE (PENSION COMMUTATION)

Please read Section 6 of the guidance notes carefully before making your choice

An administrative charge will apply if you change your lump sum choice prior to receiving any of your benefits. Details of this charge can be found on our website: www.pensions.gov.scot/charges

You cannot change your lump sum choice once pension benefits are in payment. If you wish to receive the largest possible lump sum, please tick 'Maximum Lump Sum'.

If you are a member of the NPA 60 scheme before 1 April 2007 and have no pensionable service on or after this date you will receive a lump sum of three times your pension only. You do not have the option to convert part of your pension to increase your lump sum.

For NPA 65 and 2015 CARE Scheme members there is no automatic lump sum associated with your pensions.

Please select a lump sum option below for all relevant schemes.

If you are unsure, we can provide a commutation quote. If so, please choose the 'Quotation Required' box under the relevant scheme to you.

NPA 60 Scheme			
Maximum Lump Sum	☐	No Commutation	☐
Specific Amount		Quotation Required	☐
NPA 65 Scheme			
Maximum Lump Sum	☐	No Commutation	☐
Specific Amount		Quotation Required	☐
2015 CARE Scheme (all active members are in this Scheme)			
Maximum Lump Sum	☐	No Commutation	☐
Specific Amount		Quotation Required	☐

SECTION 7 – Terminal Illness

If your life expectancy is less than 12 months your Annual Pension may be paid in a manner better suited to your circumstances. If so, you may apply to have your Annual Pension converted into a Lump Sum payment. This would be paid in addition to any Lump Sum retiring amount.

If you wish to apply for a commuted Annual Pension please tick this box. ☐

SECTION 8 – HM REVENUE AND CUSTOMS (HMRC) INFORMATION

This section must be completed or your application may be rejected.

From April 2011, the Government introduced changes to the amount you can build up towards your pension benefits for tax relief. It is possible that these changes may affect some members.
See the taxation section on our website www.pensions.gov.scot/pensions-taxation

To comply with HMRC legislation please answer the following questions

1. Have you any retirement arrangements outside the Teachers' Pension scheme, whether in payment or not? This includes money purchase AVCs and any lump sum payments, but excludes the state retirement pension or any survivor or dependants benefits you are being paid	Yes	☐	Please continue
	No	☐	Go to question 4
2. Excluding your main Teachers' Pension scheme benefits, have you taken any pension on or after 6 April 2006?	Yes	☐	Please continue
	No	☐	Go to question 4

a) Please give the lump sum amount of all your separate pension benefits in payment on or after 6 April 2006 **and enclose photocopies of relevant certificates** £

b) Total amount of tax free lump sum received £

c) Date of first Benefit Crystallisation Event (i.e when you received payment of benefits) ☐☐ / ☐☐ / ☐☐☐☐

3. Excluding your main Teachers' Pension scheme benefits were any of your separate benefits in payment before 6 April 2006?	Yes	☐	Please continue
	No	☐	Go to question 4

a) Give the annual rate of pension in payment on today's date £

4. Do you have a valid Fixed, Enhanced, Individual or Primary protection certificate from HMRC?	Yes	☐
	No	☐

If so, **please enclose a photocopy of your certificate** with your completed application. Please do not send the original

If individual or fixed protection 2016, please supply the reference number ☐

SECTION 9 – Disbarment – MEMBER'S DECLARATION

With effect from 1st April 1997, incapacity benefits cannot be paid to a teacher who:

(a) is registered with the General Teaching Council for Scotland and who has had his/her name removed from the Council's register or is under investigation which might result in such removal.

OR

(b) is not registered with the General Teaching Council for Scotland and who has ceased to be in pensionable employment as a result of dismissal on grounds of misconduct.

Please indicate if either of the above is applicable to you by placing a tick in the appropriate box.

a ☐ b ☐ N/A ☐

SECTION 10 – LUMP SUM RECYCLING

If you intend to use any part of your lump sum to fund additional pension contributions to any other pension arrangements, please state the following:

Do all of the retirement lump sums received from all schemes in the last 12 months exceed 1% of the current HMRC Lifetime Allowance? Yes ☐ No ☐

Does the amount you are investing exceed 30% of your retirement lump sum? Yes ☐ No ☐

RETIREMENT DECLARATION

I hereby apply for retirement benefits under the regulations governing the Scottish Teachers' Superannuation Scheme and grant permission to the Medical Adviser, acting on behalf of Scottish Ministers, to view all details including evidence from my medical practitioner, employing authority or any hospital consultant or physician I have seen to assist in determining my case.

I will inform the Agency if there is a change in my retirement date or any other information I have provided.

I agree to inform the Agency if I begin employment in teaching within the UK at any time during my retirement, regardless of whether or not I rejoin the scheme and that any overpayment of benefits not due to me will be repaid by me and recovered by SPPA. Information may be exchanged with the General Teaching Council.

I understand that if my benefits existing and benefits from the Scottish Teachers' Superannuation Scheme at retirement exceed the Lump Sum Allowance or Lump Sum Death Benefit Allowance at retirement, and I have no transitional protection certificate, any charges will be paid and my benefits reduced accordingly.

All the information I have given on this form is true to the best of my knowledge and belief.

Signed		Date	

If you are an active member or have left pensionable employment within the last 2 years due to ill health please return this form, MED 1 and evidence to your employer who will then forward it to the SPPA. If you are a member with preserved benefits please return form to:

SPPA,
7 Tweedside Park,
Tweedbank,
Galashiels,
TD1 3TE

PART 2 TO BE COMPLETED BY THE EMPLOYER

Teacher's Forename	
Teacher's Surname	
Teachers Superannuation No.	
Date of Birth	

SECTION 11 – Details of Pensionable Salary and Employment

Name of Employer	
Job Title	
Start Date	

Payroll Reference		Date Contract Began	

Period used for return date needs to be for the financial year preceding date of retirement.

Return Date	3	1	0	3		

Salary Rate		
Full Time	Number of **Days** Worked	
Part Time / Supply	Number of **Hours** Worked	
Full Time Equivalent Hours e.g. 1365 or 1820		
CARE Pensionable Pay (Including Overtime)		
Overtime Earnings		

To date of leaving

Leaving Date						

Salary Rate		
Full Time	Number of **Days** Worked	
Part Time / Supply	Number of **Hours** Worked	
Part Time / Supply	Part time %	
Full Time Equivalent Hours e.g. 1365 or 1820		
SNCT Leaver Adjustment (If Applicable)		
CARE Pensionable Pay (Including Overtime & SNCT)		
Overtime Earnings		

Additional Notes:

Is pay to date of leaving provisional or final? Provisional ☐ Final ☐

PLEASE ENSURE ALL STRIKE DAYS AND ABSENCES ARE INCLUDED

Last 365 Day Period

Start Date						End Date						Salary Rate

Strike Days (In Last 10 Years)

Start date						End date					
Day		Month		Year		Day		Month		Year	

Start date						End date					
Day		Month		Year		Day		Month		Year	

Acting Up (In Last 10 Years)

Start date						End date						Salary Rate	Full Time	Part Time	
Day		Month		Year		Day		Month		Year			Days	Hours	FTE Hours e.g 1365

Periods of Absence (In Last 10 Years)

Start date						End date						Salary Rate	Half Pay (Y/N)	Nil Pay (Y/N)	Reason
Day		Month		Year		Day		Month		Year					

SECTION 12 – Teacher's sick leave record. IMPORTANT - this must be completed in full to assist the medical adviser

Please enter details of teacher's sick record (please attach an additional sheet if required)	
Period's of sick leave during last 5 years of reckonable service	Nature of illness or incapacity

SECTION 13 – Job description and details

Please provide full details of the job being undertaken by the member. This job description must state the nature of duties including the physical requirements and the proportion of time spent on each.
You may, alternatively, attach a detailed description, providing it covers all of the points stated above.

SECTION 14 - Job classification code

Please provide the employee's job classification role (see below for codes)	☐
1. Teacher/Chartered Teacher (main grade, nursery, special, primary or secondary) and Lecturer	
2. Principal/Head of Dept	
3. Deputy Head/Vice Principal of Indep school	
4. Head Teacher/Principal of Indep school	
5. Supply Teacher	
6. Other	

SECTION 15 – Disbarment – EMPLOYER'S DECLARATION

With effect from 1st April 1997, incapacity benefits cannot be paid to a teacher who:

(a) is registered with the General Teaching Council for Scotland and who has had his/her name removed from the Council's register or is under investigation which might result in such removal.

OR

(b) is not registered with the General Teaching Council for Scotland and who has ceased to be in pensionable employment as a result of dismissal on grounds of misconduct.

Please indicate if either of the above is applicable by placing a tick in the appropriate box.

a ☐ b ☐ N/A ☐

APPLICATION FOR TEACHER'S INCAPACITY BENEFITS

SECTION 16 – Certificate by Employer

I certify that

i. The particulars given under sections 11 to 15 are correct and all parts are completed fully.

ii. All contributions properly payable under the regulations governing the Scottish Teachers' Superannuation Scheme have been or will be deducted from salary

iii. Form STSS:(MED) is enclosed with the attached form.

iv I confirm that re-deployment and other measures have been considered (such as reasonable adjustment under the Disability Discrimination Act 1995).

Name of Employer

Signature

Name *(in block capitals)*

Date

Telephone No.

Official Stamp

Payroll Email Address Contact

HR Email Address Contact

Please send the completed form to:
Scottish Public Pensions Agency,
7 Tweedside Park,
Tweedbank,
TD1 3TE

APPLICATION FOR TEACHER'S INCAPACITY BENEFITS

EMPLOYER CHECKLIST

1. Sick leave details (including reasons for absence) ☐
2. Full job Description ☐
3. Completed Job Classification number ☐
4. Rehabilitation/re-deployment has been considered ☐
5. STSS: (MED) 1 ☐
6. STSS: (MED) 1 consent form ☐
7. Medical evidence in support of application ☐