

## Additional pension information for those in receipt of a Civil or Public Service Ill-health Retirement (IHR) Pension who wish to apply for a position in the Civil Service

### 1.1 Appointment Post Appointment Post Ill-health retirement from Civil Service

The below information relates to those individuals who retired from the Civil Service on medical grounds, and are in receipt of an IHR pension, and are considering applying or have applied for positions in the Civil Service through open competition.

- All applicants will be required to attend the Chief Medical Officer (CMO) to assess their ability to provide regular and effective service in the role for which they have applied taking into account the medical reason for the previous granting of ill health retirement (IHR).
- If an applicant is deemed fit, by the CMO, to provide regular and effective service and is subsequently appointed, there can be no return to the IHR status should the applicant resign from their position or fail to complete the probation period. If an applicant is deemed fit to take up the position applied for they can no longer, by definition, fulfil the necessary medical criteria for IHR and therefore no longer qualify for the associated benefits.

#### Pension implications if appointed

##### ***a) If their ill-health pension was under a pre-existing civil service pension scheme (i.e. not the Single Scheme)***

- The civil service ill-health pension entitlement ceases.
- They retain an entitlement to a pension under this pre-existing civil service scheme with respect to their previous actual years' service only (i.e. not including the notional ill-health added years) and this is preserved until their eventual retirement from the civil service. However this is reckoned with their new service if they become entitled to a civil service pension as a result of their new appointment rather than having two separate pensions (see ii. below)
- If they:
  - i. Have a greater than 26 week break since their last civil or public service pensionable employment, they become a member of the Single Scheme. No refund of their ill-health lump sum gratuity with respect to their earlier ill-health retirement is required.
  - ii. Have a 26 week or less break since their last civil or public service pensionable employment, they (re)join a pre-existing civil service scheme. If they become entitled to a civil service pension as a result of their new appointment, they will reckon their earlier actual years' service under the pre-existing civil service scheme with their new service as part of their new pension entitlement at retirement, while ceasing entitlement to an annual pension based solely on their earlier actual service. However the amount of their new annual pension shall not be less than the previous ill-health pension would have been had

it continued to be payable from the date of their ill-health retirement.. The number of years used to calculate their new lump sum entitlement, which will be based on the number of earlier actual years' service and the number of new years of service, will be reduced by the years used in the calculation of their previous ill-health lump sum (actual and notional ill-health years) that they received.

***(b) If their ill-health pension was under the Single Scheme***

- Their Single Scheme ill-health pension entitlement ceases
- They have the option to repay the lump sum amount previously received, adjusted for applicable compound interest and subject to full repayment of the required amount, the pension and lump sum referable amounts at the original date of retirement or discharge on medical grounds will be adjusted for CPI movements and included in the referable amounts used in future benefit calculations under the Single Scheme. The amounts restored shall be limited to the value of the referable amounts at the time of original retirement or discharge, as adjusted for applicable CPI increases. For the avoidance of doubt, any referable amounts added in the context of an enhancement paid at the time of retirement will not be restored.
- The relevant authority concerned may at its discretion agree to accept payment of the amount concerned in more than one payment (e.g. by instalments) and the appropriate rate of compound interest shall be applied over the agreed period of repayment.
- Where repayment over a time period has been agreed, but subsequent circumstances prevent its completion, then the individual has the option of repaying the amount outstanding in one lump sum, or the amount outstanding should be deducted from any future Single Scheme retirement lump sum or pension payments before any such amounts are payable to the Scheme member. Compound interest will apply to the amount outstanding until full payment is received.
- Where an individual member chooses not to repay the lump sum and applicable compound interest upon re-entering the public service, having previously retired on medical grounds or been retired or discharged on medical grounds, then the referable amounts on which the pension and lump sum previously paid were based will not be restored to the Scheme member. In effect this means that any subsequent pension and lump sum to be paid to the individual will be based solely on the referable amounts accrued in the subsequent period of employment as a Single Scheme member.

**1.2 Appointment Post Ill-health retirement from Public Service**

The below information relates to those individuals who retired on medical grounds, and are in receipt of an IHR pension, and are considering applying or have applied for positions in the Civil Service through open competition.

- If successful in their application through the competition, on appointment the applicant will be required to declare whether they are in receipt of a public service pension (ill-health or otherwise) and their public service pension will be subject to abatement if appropriate (Section 52(1) Public Service Pensions (Single Scheme and Other Provisions) Act 2012)
- All applicants will be required to attend the Chief Medical Officer (CMO) to assess their ability to provide regular and effective service in the role for which they have applied taking into account the medical reason for the previous granting of ill health retirement (IHR).

## Pension Implications

### ***a) If their ill-health pension was under a pre-existing public service pension scheme (i.e. not the Single Scheme)***

Where an individual has retired from a public service body on ill-health grounds under the terms of the relevant public service scheme, his/her pension from that employment may be subject to review in accordance with the rules of ill-health retirement under that scheme.

### ***b) If their ill-health pension was under the Single Scheme***

- Their Single Scheme ill-health pension entitlement ceases.
- They have the option to repay the lump sum amount previously received, adjusted for applicable compound interest and subject to full repayment of the required amount, the pension and lump sum referable amounts at the original date of retirement or discharge on medical grounds will be adjusted for CPI movements and included in the referable amounts used in future benefit calculations under the Single Scheme. The amounts restored shall be limited to the value of the referable amounts at the time of original retirement or discharge, as adjusted for applicable CPI increases. For the avoidance of doubt, any referable amounts added in the context of an enhancement paid at the time of retirement will not be restored.
- The relevant authority concerned may at its discretion agree to accept payment of the amount concerned in more than one payment (e.g. by instalments) and the appropriate rate of compound interest shall be applied over the agreed period of repayment.
- Where repayment over a time period has been agreed, but subsequent circumstances prevent its completion, then the individual has the option of repaying the amount outstanding in one lump sum, or the amount outstanding should be deducted from any future Single Scheme retirement lump sum or pension payments before any such amounts are payable to the individual. Compound interest will apply to the amount outstanding until full payment is received.
- Where the individual chooses not to repay the lump sum and applicable compound interest upon entering the civil service, having previously retired on medical grounds or been retired or discharged on medical grounds, then the referable amounts on which the pension and lump sum previously paid were based will not be restored to the Scheme member. In effect

this means that any subsequent pension and lump sum to be paid to the Scheme member will be based solely on the referable amounts accrued in the subsequent period of employment as a Single Scheme member