

A guide for members applying for incapacity benefits

Your questions answered

Q What does 'incapacity' mean in the Scheme's rules?

A The rules are part of the legal documents which govern the Scheme so the Trustee Company must stick to them. In the Railways Pension Scheme rules, 'incapacity' is defined as "bodily or mental incapacity or physical infirmity which, in the opinion of the Trustee Company on such evidence as it may require, shall prevent, otherwise than temporarily, the member carrying out their duties, or any other duties which in the opinion of the Trustee Company are suitable for them."

Q So who decides whether my condition meets the criteria of the rules?

A The Trustee Company does this through a Pensions Committee which will consider all the information available when making a decision.

Q Can you explain what things the Pensions Committee will consider in making its decision?

A To award an incapacity pension the Pensions Committee must be satisfied that you are incapacitated and that is why you left your employment. Also, it must be satisfied that your incapacity is:

- more than a temporary condition;

- sufficient to prevent you from carrying out your duties; and
- sufficient to prevent you from carrying out any other duties that the Pensions Committee believes are suitable for you (such duties not being confined to railway duties).

The Pensions Committee will review the medical evidence and reports from the Medical Examiner and its Medical Adviser to help make this decision.

Q Can anyone apply for incapacity benefits?

A To apply you must be under age 60**, have at least five years' Scheme membership in your current section and have left employment with ill health. If you have transferred benefits from another scheme or another section of the Railways Pension Scheme, the membership, or transferred railway pensionable service, for these benefits also counts.

Q How do I apply for incapacity benefits?

A You need an 'Ill-health request' form which you should complete. You can get one from your employer or www.railwayspensions.co.uk.

Your employer will also need to complete a form.

Q Will I have to have a medical examination?

A Yes. This will be done by your employer's Medical Examiner. Further specialist advice may be sought which can take considerable time in some cases.

Q Will my application be accepted automatically?

A The Pensions Committee is responsible for deciding if you meet the criteria set out in the rules. Incapacity pension applications can only be accepted if you meet those criteria. If they are not met, the Pensions Committee will be unable to approve your application.

Q What happens if a decision can't be made immediately?

A The Pensions Committee may be unable to make a decision based on the medical report provided. If this happens then we will pass your application to the Pensions Committee's Medical Adviser and write to you. It may take some months before the Medical Adviser is able to provide a report as he or she may need to obtain further reports from your own doctor or your specialist, or refer you for a specialist's opinion. The Medical Adviser may also need to examine you. When the Medical Adviser replies, the Pensions Committee will consider your application again.

Q It sounds as if it could be a very long time before I find out if my application has been accepted. Will anyone tell me about the progress?

A If a decision on your application cannot be made quickly we will write to you about this. We will keep you advised on the progress of your application and you should contact us with any queries. You should expect to hear about the progress of your application about one month

after your employer's Medical Examiner sees you.

Q When a decision has been made, how will I find out?

A We will write to you soon after the decision has been made.

Q If my application is accepted, is there anything else I have to do?

A You need to complete an 'Application for payment of benefits' form to receive payment of your benefits from the date of leaving your employment. Your employer will arrange this at the appropriate time. We recommend that this is done at the same time as your incapacity application so that payment of benefits is not delayed.

Q If my application is accepted, how are my incapacity benefits worked out?

A Please refer to your Scheme booklet 'A guide for members'. This tells you how incapacity benefits are worked out. If you want to know what your benefits might be we can give you an estimate. Full details of your benefits will be provided if your application is approved.

Q Is there an Annual Allowance charge for incapacity retirement?

A Not if you meet the government's current description of ill-health as below. Possibly yes if you don't. RPMI will let you know if an Annual Allowance charge applies to you.

The government's current description of ill-health retirement is that 'you are not able to continue in your current job and are not likely to be able to take any other paid work to the extent that is significant. For example, you could undertake voluntary work or unpaid work where out of pocket expenses are reimbursed or small amounts of

travelling or subsistence payments are made. Any work should be insignificant; for example it should be infrequent or only for a few days during the year and payments must be small in amount, not just as a proportion of previous pay or salary.'

Q If my application is approved, when will my benefits be paid and for how long?

A Your benefits will be paid when:

- your application has been approved by the Pensions Committee; and
- we have received a correctly completed 'Application for payment of benefits' form; and
- you have left employment.

In most cases, the decision will not be made until you have left employment.

If this happens, your benefits will be paid as soon as possible and the first pension payment will include any back payments (to the date you left employment) which are owed to you.

The continuation of your incapacity pension may be reviewed to ensure that you still meet the conditions.

If the Pensions Committee has medical evidence that you have recovered sufficiently to be able to earn a living, or are receiving earnings from employment, it can decide to reduce or suspend your incapacity pension. If this happens, you will receive your full incapacity pension again when you reach age 60** and for the rest of your life.

Q If my application is turned down, what benefits can I have?

A You will be able to have the same benefits as someone who has left employment. If you are under age 50*, you can only have preserved benefits.

Once you are 50*, you may apply for early payment of your benefits, subject to the approval of the Pensions Committee.

If you are aged 50* to 59 you may be able to ask for your benefits to be paid immediately (early retirement), otherwise they will be preserved.

Your benefits will be reduced because they are being paid early and can only be paid if they are at least as much as the minimum amounts required by the Department for Work and Pensions. From age 60**, normal retirement benefits will be paid if you have not taken them early.

We will send you details of the benefits available if your application is turned down.

Q If I do not agree with the Committee's decision, can I appeal?

A If you are not satisfied with the Committee's decision, you have the right to appeal. The Railways Pension Scheme has an established Internal Disputes Resolution Procedure, in accordance with the requirements of the 1995 Pensions Act.

This is a two-stage procedure. Disputes are referred to the Head of Pensions Operations, Rail Services, for a decision at stage one, but if you are not satisfied with the response, you may ask for the disagreement to be referred back to the Committee for its determination.

You should write to the Head of Pensions Operations, Rail Services, setting out the reasons why you are aggrieved. You will also need to provide additional medical evidence or reports upon which you wish to rely.

Q I will have no income, can I receive any of my benefits now?

A Yes, if you are over age 50*, you can apply to receive early retirement benefits while your incapacity application is considered. If your application is successful, your benefits will be adjusted to take into account the payments you have already received. If your application is declined, you will continue to receive early retirement benefits.

Q How do I apply for early retirement benefits?

A When RPMI is advised that you are leaving due to ill health, you will be sent a letter, an estimate of your benefits based on early retirement and an option form to return. If you have not completed an 'Application for benefits' form, your employer will be asked to send one as we cannot pay any benefits without it.

Q How soon will I receive the pension?

A Your application for benefits will be processed as soon as we receive a completed 'Application for benefits' form and your option form.

* Age 55 for some members (please check with RPMI if you do not know the earliest date from which you are eligible to apply for your benefits).

** A higher age than 60 for normal retirement benefit applies for some members (please check with RPMI if you do not know your Normal Pension Age).

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