

A guide for members applying for incapacity benefits

Your questions answered

Q What does 'incapacity' mean in the Fund rules?

A The rules are part of the legal documents which govern the Fund so the Trustee must follow them. In the British Transport Police Force Superannuation Fund rules 'incapacity' is defined as being incapable of performing duties on account of an accident or bodily or mental infirmity which in the opinion of the Trustee on such evidence as it may require, are other than of a temporary nature. If in the opinion of the Trustee you are unable to perform the duties of an officer but are able to perform other duties, you will be awarded a standard incapacity pension. If in the opinion of the Trustee you are unable to perform any duties, whether as an officer or otherwise, you will be awarded an enhanced incapacity pension.

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

A The Trustee does this, usually through the Fund's Management Committee which will consider all the information available to it when making a decision. Committee meetings are normally held four

times a year.

Q Can you explain what things the Management Committee will consider when making its decision?

A To award an incapacity pension the Management Committee must be satisfied that your medical condition meets the criteria for incapacity, and that is why you left your employment. Your incapacity must be:

- more than a temporary condition;
- sufficient to prevent you carrying out your duties as an officer; and
- in addition, to be considered for an enhanced pension the incapacity or infirmity must usually be sufficient to prevent you from carrying out any other duties that the Management Committee, based on medical advice, believes are suitable for you.

The Management Committee will review the medical evidence and reports from the Medical Examiner and the Committee's appointed Medical Adviser to help make this decision.

Q Can anyone apply for incapacity benefits?

A To apply you must be under your Normal Retirement Age, have at least five years' Fund membership and be leaving employment because of ill health.

If you have transferred benefits from another scheme, the membership, or transferred 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.

Your employer and their Medical Examiner will generally also need to complete a form.

Q Will I have to have a medical examination?

A Yes. This will normally 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 Management Committee is responsible for deciding if you meet the criteria set out in the rules after taking expert medical advice. Incapacity pension applications can only be accepted if you meet those criteria.

If they are not met, the Management Committee will be unable to approve your application.

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

A The Management Committee may be unable to make a decision based on the medical report provided. If this happens then Railpen will pass your application to the Management 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;
- examine you, either in person or by telephone assessment; or
- refer you for a specialist's opinion

When the Medical Adviser replies, the Management 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 tell you about the progress of your application and you should contact us with any queries. You can also contact your former employer for updates on your application. We cannot continue with your application until we receive all of the required documents from your GP, Specialists and Medical Examiner which may cause delays. Application times may also vary depending on the nature of your medical condition.

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 If your incapacity application is accepted, we will write to you to let you know. We will send you a Retirement Quote based on the date you left employment. Once you receive your Retirement Quote, you will need to complete and return your Retirement Option form to us. Once we receive your Retirement Option form, your employer will start your retirement and we will then process your Retirement Option form.

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

A Please refer to your Fund booklet 'Information 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 HMRC's current description of ill-health as below. Possibly yes if you don't. Railpen will let you know if an Annual Allowance charge applies to you.

HMRC'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 Management Committee; and
- we have received a correctly completed Retirement Option form; and
- you have left employment.

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

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 Management Committee may need to review your health again to see if you still meet the requirements for your incapacity pension. If this happens, you may need to take another medical assessment.

If the Management Committee has medical evidence that you have recovered sufficiently to be able to earn an income, 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 55 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 55*, you can only have preserved benefits. Once you are 55*, you may apply for early payment of your benefits.

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 Yes. The Fund has a two-stage procedure for sorting out complaints and disagreements. If you have a complaint, you should first write to:

Director of Rail Administration
Railpen
PO Box 300
Darlington
DL3 6YJ

Your complaint will be carefully considered and you will receive a reply within two months. If you are not satisfied with the reply, you can take your complaint to the Management Committee. You must do this within six months of receiving the reply. They will consider your complaint again and contact you within two months.

If you are not satisfied with the reply to your complaint, you can take the matter to The Pensions Advisory Service (TPAS) or the Pensions Ombudsman.

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

A If you are over age 55*, you may be able to apply to receive alternative benefits whilst your incapacity application is being 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 the benefits in payment. If you are interested in pursuing this, please contact Railpen to obtain further information.

Q How do I apply for early retirement benefits?

A When Railpen are told that you are leaving employment due to ill health, we will check if you are eligible for early retirement. If you're eligible, we will contact you to ask if you want to take early retirement while your application for incapacity benefits is ongoing.

If you would like to take early retirement, you will need to let us know by returning your Early Retirement Consent form. Railpen will then contact your employer to start your retirement, and your Retirement Option form will be sent to you. We cannot pay your retirement benefits until your form is returned to us.

Q How soon will I receive the pension?

A Once your Retirement Quote has been sent to you, you will need to return your Retirement Option form to us. We cannot pay your pension until we receive your completed Retirement Option form. We will contact you once we receive your completed form to tell you when to expect your pension.

* Age 50 for some members (please check with Railpen if you do not know the earliest date from which you are eligible to apply for your benefits).

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