



# Local Government Pension Scheme (LGPS) Pension Policy

This policy was agreed by Trustees on:

Date: .....September 2021.....

To be reviewed: .....September 2024.....

Chair of Trustees: .....Julian Soanes.....

CEO: .....David Brown.....

For:  
Directors, Governors, Heads, EPA senior team

## Contents

Introduction.....	4
Effective date of policies .....	4
Non-fettering of discretions .....	5
Appeals .....	5
Applications for Adjudication of Disagreements.....	5
A. Summary of discretions affecting Active members and Leavers on and after 2 April 2014	5
1. Determining Eligible Members .....	5
2. Contribution rates determining member contribution bands and terms of review....	5
3. Employer funded additional pension contributions .....	6
4. Inward Transfer of Pension Rights.....	6
5. Merging of Deferred Member with Active Member Pension Accounts .....	6
6. Shared Cost Additional Voluntary Contributions (SCAVC).....	7
7. Assumed Pensionable Pay (APP) .....	7
8. Shared Cost Additional pension contributions (SCAPC) .....	8
9. Flexible retirement .....	8
10. 85-year rule .....	9
11. Waiver of any actuarial reduction on compassionate grounds or otherwise the early payment of benefits (but not flexible retirement) .....	9
B. Other mandatory provisions under different regulations that can apply to active employees regardless of LGPS membership.....	10
1. Compensatory Awards for Injury.....	10
2. Calculation of redundancy payment .....	10
C. Summary of discretions to be exercised on and after 1 April 2014 (as at 14 May 2018) in relation to members who ceased active membership between 1 April 2008 and 31 March 2014.....	10
1. 85-year rule for requests for early payment of deferred benefit after May 2018 (NEW) .....	10
2. 85-year rule for requests for early payment of a suspended tier 3 ill health pension after May 2018.....	10
3. Waiver of any actuarial reduction due to compassionate grounds for an early payment of benefits before the age of 65.....	11
4. Special provision in respect of members receiving Tier 3 ill health benefit .....	11

D. Discretions to be exercised on and after 1 April 2014 (for requests made from 14 May 2018) in relation to members who ceased active membership between 1 April 1998 and 31 March 2008.....	11
1. Requests to waive reductions on compassionate grounds for an early voluntary payment of pension.....	11
2. 85-year rule for requests for early payment of deferred benefit for those between 55-60.....	11
3. Requests for early payment of deferred benefit for those between 50-55.....	12
E. Forfeiture of pension rights after conviction for employment-related offences.....	12
Appendix A – Injury allowance and reduction in remuneration.....	13
Appendix B – Injury allowance – employment ceases.....	14
Appendix C – Injury allowance following death as a result of in carrying out duties at work.....	15

## Introduction

This policy sets out the Eynsham Partnership Academy Trust (“The Trust”) approach to the administration and management of pensions and retirement for employees who are members of the Local Government Pension Scheme (LGPS) or are eligible to join.

It is a statutory requirement to prepare, consult, publish and keep under review a policy statement under LGPS Regulations, Compensation Regulations and Injury Allowance Regulations. to promote open administration, help build awareness of pension provisions and ensure correct pension benefit payments.

This policy does not set out information and guidance for members and prospective members. This information is available in “A brief guide to the LGPS”. This is available at <https://www.lgpsmember.org/> and <https://www.oxfordshire.gov.uk/cms/content/current-members-guide-lgps> and this guidance should be read in conjunction with this policy.

### **This policy includes discretionary policies under the Local Government Pension Scheme Regulations and other related Regulations.**

The Trust’s policy for discretions to be exercised under:

- i) Under the LGPS Regulations 2013 from 1 April 2014 in respect of members of the Career Average Revalued Earnings (CARE) scheme,
- ii) under earlier LGPS Regulations in respect of former employees who were members of the LGPS and who left prior to 1 April 2014,
- iii) under the Local Government (Early Termination of Employment) (Discretionary Compensation) (England and Wales) Regulations 2006 and earlier compensation regulations,
- iv) under the Local Government (Discretionary Payments) (Injury Allowances) Regulations 2011, and
- v) under the Local Government Pension Scheme (Amendment) Regulations 2018 (NEW).

This policy sets out the academy’s approach to the administration and management of the Local Government Pension Scheme (LGPS) including

- i) employees who are active scheme members after 31 March 2014 and members and who cease active membership after 2 April 2014.
- ii) Active employees regardless of LGPS membership
- iii) Discretions to be exercised on and after 1 April 2014 in relation to members who ceased active membership between 1 April 2008 and 31 March 2014
- iv) Discretions to be exercised on and after 1 April 2014 in relation to members who ceased active membership between 1 April 1998 and 31 March 2008

### **Effective date of policies**

The policies on discretions to be exercised under the LGPS Regulations 2013 take immediate effect from the date the Trust agrees the policies. Any change to the policies on existing discretions to be exercised under the LGPS Regulations in respect of former employees who were members of the scheme and who left pre-1 April 2014 will take immediate effect from the date the Trust agrees the policies.

Any change to the discretions exercised under the Discretionary Compensation Regulations cannot take effect until one month after the date the Trust publishes a statement of its amended policy.

Any change to the discretions exercised under the Injury Allowances Regulations cannot take effect until one month after the date the Trust publishes a statement of its amended policy.

## **Non-fettering of discretions**

It should be noted that:

- i. This policy will confer no contractual rights
- ii. The Trust will retain the right to change the policies at any time without prior notice or consultation (subject to paragraph above on consultation)
- iii. Only the policy which is current at the time a relevant event occurs to an employee / scheme member will be the one applied to that employee / member.

## **Appeals**

Where an application is refused, and the employee is currently employed then the employee should speak with their manager to understand the reasons. There may be some simple misunderstanding which can be resolved.

Members have the right to appeal against a decision to refuse an application. The grounds for appeal must be set out in writing within 10 days of receiving the decision. The appeal will be dealt with within 21 days. The employee has the right to be accompanied by a work colleague or trade union representative to any appeal meeting. The appeal will be heard as outlined in the Trust Scheme of Delegation.

### **Applications for Adjudication of Disagreements**

The Academy's appointed adjudicator for disagreements under this policy is the Chair of Trustees. An example of a disagreement would be outside of the time limit to be considered.

## **A. Summary of discretions affecting Active members and Leavers on and after 2 April 2014**

### **1. Determining Eligible Members**

This policy applies to all members of the LGPS, or who are eligible to join. Employees with a contract for at least three months, and aged between 16 and 75 will be brought into the LGPS automatically from their first day of employment. Those with a contract of less than three months, or casual employees have the right to join and will need to opt in.

### **2. Contribution rates determining member contribution bands and terms of review**

The Trust will review contribution band every April using the actual annual salary plus any pensionable allowances made in the previous 12 months to determine the correct contribution rate.

The Trust may make changes to employee contribution rates throughout the year from the effective date of any change in employment or material change to the rate of pensionable pay received. The Trust would also consider a change to an employee's rate of pay where the employee requests a review as a result of a change in employment or material change in pensionable pay.

Any reductions in pensionable pay due to sickness, child related leave, reserve forces service leave or other absence from work are to be disregarded when assessing / reviewing the appropriate band / contribution rate.

As from 1 April 2014, part-time members' contribution rates are assessed on actual pensionable pay rather than full-time equivalent rates of pay.

### **3. Employer funded additional pension contributions**

The Trust will not make use of the discretion to grant extra annual pension of up to £7,316 (2021 rate) to an active scheme member or, within 6 months of leaving, to a member who is dismissed by reason of redundancy or business efficiency or whose employment is terminated by mutual consent on the grounds of business efficiency except in exceptional circumstances where the Trust considers it is in its financial or operational interests to do so. Each case will be considered on the merits of the financial and / or operational business case put forward.

### **4. Inward Transfer of Pension Rights**

The Trust will only extend the 12-month time limit within which a scheme member must make an election to transfer other pension rights into the LGPS after joining the LGPS:

- i) where the member asked for transfer investigations to be commenced within 12 months of joining the LGPS but a quotation of what the transfer value will purchase in the LGPS has not been provided to the member within 11 months of joining the LGPS. The time limit for such a member to make a formal election to transfer pension rights into the LGPS will be extended to one month beyond the date of the letter issued by the Pension Fund administering authority notifying the Scheme member of the benefits the transfer will buy in the LGPS;
- ii) where the available evidence indicates the member made an election within 12 months of joining the LGPS, but the election was not received by the Pension Fund administering authority (e.g. the election form was lost in the post);
- iii) where the available evidence indicates the member had not been informed of the 12-month time limit due to maladministration.

### **5. Merging of Deferred Member with Active Member Pension Accounts**

#### **For members joining after April 2014 with previous LGPS membership**

The Trust will only extend the 12-month time limit within which a scheme member who has a deferred LGPS benefit in England or Wales following the cessation of an employment (or cessation of a concurrent employment) after 31 March 2014 may elect not to have the deferred benefits aggregated with their new LGPS employment (or ongoing concurrent LGPS employment):

- i) where the Trust agrees that the available evidence indicates the member had not been informed of the 12-month time limit due to maladministration;
- ii) where the Trust agrees that the available evidence indicates the member had made an election within 12 months of joining the LGPS but the election was not received by the Pension Fund administering authority (e.g. the election form was lost in the post); or
- iii) where the member has pre 1 April 2014 membership and the Trust agrees the available evidence indicates that, due to maladministration, the member had not been informed of the implications of having benefits aggregated and would, in consequence, suffer a detriment to their pension benefits (for example, where member's whole-time equivalent pensionable pay on commencing with The Trust is, in real terms after allowing for inflation, significantly less than the whole-time equivalent pensionable pay upon which the deferred benefits were calculated).

***For members re-joining after May 2018 but were in the scheme during March/April 2014 and have previous Deferred Benefit (NEW)***

*The Trust will only extend the 12-month time limit within which a scheme member who has a deferred LGPS benefit in England or Wales following the cessation of an employment (or cessation of a concurrent employment) after 31 March 2014 may elect **to have** the deferred benefits aggregated with their new LGPS employment (or ongoing concurrent LGPS employment):*

- i) where The Trust agrees that the available evidence indicates the member had not been informed of the 12-month time limit due to maladministration;*
- ii) where The Trust agrees that the available evidence indicates the member had made an election within 12 months of joining the LGPS but the election was not received by the Pension Fund administering authority (e.g. the election form was lost in the post); or*
- iii) where the member has pre 1 April 2014 membership and The Trust agrees the available evidence indicates that, due to maladministration, the member had not been informed of the implications of having benefits aggregated and would, in consequence, suffer a detriment to their pension benefits (for example, where member's whole-time equivalent pensionable pay on commencing with The Trust is, in real terms after allowing for inflation, significantly less than the whole-time equivalent pensionable pay upon which the deferred benefits were calculated).*

## **6. Shared Cost Additional Voluntary Contributions (SCAVC)**

An SCAVC enable the cost of contributing to an AVC to be shared between an employee and employer. The Trust will not enter into a shared cost AVC arrangement.

## **7. Assumed Pensionable Pay (APP)**

### **Treatment of regular lump sum payments**

*There are times when the pension value must be protected yet the member has no or reduced pay. Employers assess an assumed value, based on three months or 12 weeks of pay immediately before the reduction.*

In assessing Assumed Pensionable Pay (APP) the Trust will not, other than in exceptional circumstances, add back any 'regular lump sum payments', in which case the decision to include the 'regular lump sum payment' will be subject to the approval of the Chief Executive of the Trust (*or the Chair where this relates to the CEO*).

### ***Substitution of a higher value of pensionable pay when assessing APP (NEW)***

*The Trust will not, other than in exceptional circumstances, substitute a higher pensionable pay if the value assessed by APP is materially lower than the member would have ordinarily received in the previous year e.g. due to ill health, in which case the decision will be subject to the approval of the CEO (or the Chair where this relates to the CEO).*

## 8. Shared Cost Additional pension contributions (SCAPC)

### Shared Contributions from the employer

The Trust will only voluntarily contribute towards the cost of purchasing extra pension via a Shared Cost Additional Pension Contribution (SCAPC) in two situations.

Firstly, where:

- i) an active scheme member returns from a period of authorised leave of absence, and
- ii) the member does not, within 30 days of returning from the leave of absence, make an election to buy-back the amount of pension 'lost' during that period of leave of absence, and
- iii) the member subsequently makes an election to do so whilst an active member and it can be demonstrated that the reason for the member missing the original 30-day deadline was because the member had not been made aware of that deadline, and
- iv) the election is made no more than 3 months after the member returns from the period of leave of absence or such longer period as the Trust may deem reasonable in any individual case.

A decision on whether the member meets the above criteria (and on whether the 3-month period referred to should be extended in any individual case) will be taken by the Chief Executive of the Trust and, where it is agreed that the conditions are met, the Trust will be required to contribute 2/3rds of the cost of buying back the 'lost' pension via a SCAPC.

Secondly, where a member has a string of odd days of authorised unpaid leave of absence throughout the Scheme year (1 April to 31 March) the Trust will, instead of requiring elections to buy-back the amount of pension 'lost' during the periods of leave of absence to be made within 30 days of returning from each day of absence, allow the member (whilst an active member) to make a single election during the Scheme year to cover each one of the absences that occur during the Scheme year.

### ***Extending the time limit for a member to elect to restore lost pension (NEW)***

*The Trust will not extend the deadline for the member to decide to restore lost pension by a SCAPC arrangement after a period of no pay (other than due to sickness or paid child related leave) except in circumstances where the Trust considers it is in its financial or operational interests to do so or there are compelling compassionate reasons for doing so with the approval of the CEO.*

## 9. Flexible retirement

The Trust will not agree to flexible retirement except in circumstances where the Trust considers it is in its financial or operational interests to do so. Each case

- i) will be considered on the merits of the financial and / or operational business case put forward,
- ii) will set out whether, in addition to any pre-1 April 2008 benefits, the member will be permitted, as part of the flexible retirement agreement, to take
  - a. all, some or none of their 1 April 2008 to 31 March 2014 benefits, and /or
  - b. all, some or none of their post 31 March 2014 benefits, and
- iii) will require the approval of the Chief Executive of the Trust.

The Trust would expect that Flexible Requirement would include either a reduction of at least one grade or, in the case of a flexible retirement due to a reduction in working hours, be a minimum reduction in hours of, say, 20% e.g. the equivalent of the hours for one working day.

### **Waiver of any actuarial reduction on flexible retirement**

Where flexible retirement is agreed, the benefits payable will be subject to any actuarial reduction applicable under the applicable Local Government Pension Scheme Regulations and the Local Government Pension Scheme (Transitional Provisions, Savings and Amendment) Regulations 2014.

Normally the Trust will not consider waiving any actuarial reduction. In extremely exceptional circumstances the Trust may consider waiving any such reduction, in whole or in part, where it considers it is in its financial or operational interests to do so. Each case will be considered on the merits of the financial and / or operational business case put forward and will require the approval of the Chief Executive of the Trust including, where the reduction is only to be waived in part, approval for the amount of reduction to be waived.

#### **Early retirement**

Where members choose to voluntarily draw their benefits on or after age 55 and before Normal Pension Age the Trust will not agree to waive in whole or in part any actuarial reduction that would otherwise be applied to their benefits except in circumstances where the Trust considers it is in its financial or operational interests to do so or there are compelling compassionate reasons for doing so.

Each case

- i) will be considered on the merits of the financial and / or operational business case put forward, or
- ii) will be considered on the merits of the compassionate case put forward, and
- iii) will require the approval of the Chief Executive of the Trust including, where the reduction is only to be waived in part, approval for the amount of reduction to be waived

### **10.85-year rule**

The Trust has no pre-2014 liabilities and this regulation will not apply.

Should an employee bring earlier protected rights, the Trust will not agree to apply the 85-year rule where members choose to voluntarily draw their benefits on or after age 55 and before age 60 except in circumstances where the Trust considers it is in its financial or operational interests to do so. Each case

- i) will be considered on the merits of the financial and / or operational business case put forward, and
- ii) will require the approval of the Chief Executive of the Trust.

### **11. Waiver of any actuarial reduction on compassionate grounds or otherwise the early payment of benefits (but not flexible retirement)**

Normally the Trust will not consider waiving any actuarial reduction. In exceptional circumstances the Trust may consider waiving any such reduction, in whole or in part, where it considers it is in its financial or operational interests to do so. Each case will be considered on the merits of the financial and / or operational business case put forward and will require the approval of the CEO including, where the reduction is only to be waived in part, approval for the amount of reduction to be waived.

#### **Early retirement**

Where members choose to voluntarily draw their benefits on or after age 55 and before Normal Pension Age the Trust will not agree to waive in whole or in part any actuarial reduction that would otherwise be applied to their benefits except in circumstances where the Trust considers it is in its financial or operational interests to do so or there are compelling compassionate reasons for doing so.

Each case

- iii) will be considered on the merits of the financial and / or operational business case put forward, or
- iv) will be considered on the merits of the compassionate case put forward, and

- v) will require the approval of the Chief Executive of the Trust including, where the reduction is only to be waived in part, approval for the amount of reduction to be waived

## **B. Other mandatory provisions under different regulations that can apply to active employees regardless of LGPS membership**

### **1. Compensatory Awards for Injury**

The Trust will not, other than in exceptional circumstances, make an award of an injury allowance in respect of an employee who sustains an injury or contracts a disease as a result of anything he / she was required to do in performing the duties of their job and in consequence of which he / she:

- i) suffers a reduction remuneration (see appendix A), or
- ii) ceases to be employed as a result of an incapacity which is likely to be permanent and which was caused by the injury or disease, (see appendix B) or
- iii) dies leaving a surviving spouse, civil partner or dependant (see appendix C).

### **2. Calculation of redundancy payment**

The Trust will calculate any redundancy payment due in line with the Trust's own redundancy policy. This is available at on the Trust website. No additional pension payments will be made to employees whose employment is terminated on the grounds of redundancy or efficiency of the service outside of the current redundancy policy.

## **C. Summary of discretions to be exercised on and after 1 April 2014 (as at 14 May 2018) in relation to members who ceased active membership between 1 April 2008 and 31 March 2014**

### **1. 85-year rule for requests for early payment of deferred benefit after May 2018 (NEW)**

*The Trust will not consider applications to switch on the 85-year rule to provide early unreduced pension to former scheme members except in circumstances where the Trust considers it is in its financial or operational interests to do so. Each case*

- i) will be considered on the merits of the financial and / or operational business case put forward, and*
- ii) will require the approval of the Chief Executive of the Trust.*

*The Trust will not consider applications to waive actuarial reductions made by members with deferred pensions under any circumstances.*

### **2. 85-year rule for requests for early payment of a suspended tier 3 ill health pension after May 2018**

*The Trust will not consider applications to switch on the 85-year rule to provide early unreduced pension paid early on request to former scheme members after third tier ill health pension has ceased, and voluntary a request was made for early payment between the ages 55-60, except in circumstances where the Trust considers it is in its financial or operational interests to do so. Each case*

- i) will be considered on the merits of the financial and / or operational business case put forward, and*
- ii) will require the approval of the Chief Executive of the Trust.*

*The Trust will not consider applications to waive actuarial reductions made by members with deferred pensions under any circumstances.*

### **3. Waiver of any actuarial reduction due to compassionate grounds for an early payment of benefits before the age of 65**

Normally the Trust will not consider waiving any actuarial reduction. In exceptional circumstances the Trust may consider waiving any such reduction, in whole or in part, where it considers it is in its financial or operational interests to do so. Each case will be considered on the merits of the financial and / or operational business case put forward and will require the approval of the CEO including, where the reduction is only to be waived in part, approval for the amount of reduction to be waived.

### **4. Special provision in respect of members receiving Tier 3 ill health benefit**

When a Scheme member becomes permanently incapable of undertaking the duties of their employment and the Independent Registered Medical Practitioner (IRMP) certifies a Tier 3 ill health retirement, the member's accrued benefits come into payment immediately, without enhancement, for up to a maximum period of three years, with a review taking place after 18 months.

The Scheme member is required to inform the Scheme employer upon starting any employment whilst those benefits are in payment and to answer any reasonable questions about the employment status including details of pay and hours worked.

If the Scheme employer determines that the Scheme member has entered into gainful employment or the Scheme member fails to answer the questions raised by the Scheme employer, the Scheme employer may determine to cease payment of the Tier 3 benefit and to recover any payment made in respect of any period it determines that the member has been in gainful employment.

Gainful employment means paid employment for not less than 30 hours in each week for a period of not less than 12 months.

## ***D. Discretions to be exercised on and after 1 April 2014 (for requests made from 14 May 2018) in relation to members who ceased active membership between 1 April 1998 and 31 March 2008***

### ***1. Requests to waive reductions on compassionate grounds for an early voluntary payment of pension***

*The Trust will not consider applications to switch on the 85-year rule to provide early unreduced pension to former scheme members between ages of 55-60 except in circumstances where the Trust considers it is in its financial or operational interests to do so. Each case*

- iii) will be considered on the merits of the financial and / or operational business case put forward, and*
- iv) will require the approval of the Chief Executive of the Trust.*

*The Trust will not consider applications to waive actuarial reductions made by members with deferred pensions under any circumstances.*

### ***2. 85-year rule for requests for early payment of deferred benefit for those between 55-60***

*The Trust will not consider applications to switch on the 85-year rule to provide early unreduced pension to former scheme members between ages of 55-60 except in circumstances where the Trust considers it is in its financial or operational interests to do so. Each case*

- v) *will be considered on the merits of the financial and / or operational business case put forward, and*
- vi) *will require the approval of the Chief Executive of the Trust.*

*The Trust will not consider applications to waive actuarial reductions made by members with deferred pensions under any circumstances.*

### **3. Requests for early payment of deferred benefit for those between 50-55**

*The Trust will not consider applications to provide early unreduced pension to former scheme members between ages of 50-55 except in circumstances where the Trust considers it is in its financial or operational interests to do so. Each case*

- vii) *will be considered on the merits of the financial and / or operational business case put forward, and*
- viii) *will require the approval of the Chief Executive of the Trust.*

*The Trust will not consider applications to waive actuarial reductions made by members with deferred pensions under any circumstances.*

## **E. Forfeiture of pension rights after conviction for employment-related offences.**

If a person who is a member of the Scheme is convicted of a relevant offence committed in connection with an employment because of which the person has left that employment, a Scheme employer may apply to the Secretary of State for the issue of a forfeiture certificate.

Where such a forfeiture certificate is issued, the member's former Scheme employer may direct that any of the member's rights under the LGPS Regulations are forfeited. The former Scheme employer must serve a notice of its decision to make a direction on the member.

The Scheme employer can also decide whether to direct interim payments out of the Pension Fund to anyone that they consider to be entitled to receive payment of a benefit from the Scheme as if no forfeiture direction was given. They can also consider whether or not to recover from the Pension Fund any monetary obligation or, if less, the value of the member's benefits, where the obligation was incurred as a result of a grave misconduct or a criminal, negligent or fraudulent act or omission in connection with the employment

## Appendix A – Injury allowance and reduction in remuneration

**Calculating an injury allowance award in respect of an employee who sustains an injury or contracts a disease as a result of anything he / she was required to do in performing the duties of their job and in consequence of which he / she suffers a reduction remuneration.**

- The employee's remuneration is treated as reduced at any time when it is lower than it would have been but for the injury or disease.
- The amount of the allowance is to be of such amount as the employer may from time to time determine but must not in any year exceed the shortfall between the person's remuneration in the employment and the remuneration he / she would have been paid if he / she had not sustained the injury or contracted the disease.
- The allowance must cease when the reduction in remuneration ceases to apply.
- In determining the amount of the allowance, the employer is to have regard to all the circumstances of the case including, but not limited to:

- the degree of injury sustained or the severity of the disease contracted as assessed by an Independent Registered Medical Practitioner, and

the level of any of the following which the person may receive

- social security benefits
- any benefit or compensation under a statutory right
- pension benefits
- damages recovered and any sum received by virtue of a contract of insurance

The employer might also wish to take account of the degree of contributory negligence on the part of the employee, if any.

- Where the employee had sustained an injury, the employer must not take into account:
  - any benefit payable periodically which the person was entitled to be paid before the injury was sustained
  - any right which accrued before the injury was sustained
  - any damages or sum received by virtue of such a right.

Before making a decision over entitlement to, or the amount of, any award the employer must obtain a certificate from an Independent Registered Medical Practitioner qualified in occupational health medicine<sup>1</sup> as to whether, in his / her opinion, the person sustained the injury or contracted the disease in the course of carrying out his / her work.

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<sup>1</sup> Qualified in occupational health medicine means an IRMP who is registered with the General Medical Council and who holds a diploma in occupational health medicine (D Occ Med) or an equivalent qualification issued by a competent authority in an EEA state; and for the purposes of this definition, "competent authority" has the meaning given by section 55(1) of the Medical Act 1983; or is an Associate, a Member or a Fellow of the Faculty of Occupational Medicine or an equivalent institution of an EEA State.

## Appendix B – Injury allowance – employment ceases

**Calculating an injury allowance award in respect of an employee who sustains an injury or contracts a disease as a result of anything he / she was required to do in performing the duties of their job and who ceases to be employed as a result of an incapacity which is likely to be permanent and which was caused by the injury or disease.**

- The amount of the allowance is to be of such amount as the employer may from time to time determine but must not exceed 85% of the person's annual rate of remuneration at the date of cessation of employment.
- The employer can suspend or discontinue the allowance if the person secures gainful employment i.e. paid employment for not less than 30 hours in each week for a period of not less than 12 months.
- In determining the amount of the allowance, the employer is to have regard to all the circumstances of the case including, but not limited to:
  - the degree of injury sustained or the severity of the disease contracted as assessed by an Independent Registered Medical Practitioner, andthe level of any of the following which the person may receive
  - social security benefits
  - any benefit or compensation under a statutory right
  - pension benefits
  - damages recovered and any sum received by virtue of a contract of insuranceThe employer might also wish to take account of the degree of contributory negligence on the part of the employee, if any.
- Where the employee had sustained an injury, the employer must not take into account:
  - any benefit payable periodically which the person was entitled to be paid before the injury was sustained
  - any right which accrued before the injury was sustained
  - any damages or sum received by virtue of such a right.
- Before making a decision over entitlement to, or the amount of, any award the employer must obtain a certificate from an Independent Registered Medical Practitioner qualified in occupational health medicine<sup>2</sup> as to whether, in his / her opinion, the person sustained the injury or contracted the disease in the course of carrying out his / her work and had ceased to be employed as a result of an incapacity which is likely to be permanent and was caused by the injury or disease.

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<sup>2</sup> Qualified in occupational health medicine means an IRMP who is registered with the General Medical Council and who holds a diploma in occupational health medicine (D Occ Med) or an equivalent qualification issued by a competent authority in an EEA state; and for the purposes of this definition, "competent authority" has the meaning given by section 55(1) of the Medical Act 1983; or is an Associate, a Member or a Fellow of the Faculty of Occupational Medicine or an equivalent institution of an EEA State.

## **Appendix C – Injury allowance following death as a result of in carrying out duties at work**

**Calculating an injury allowance award in respect of an employee who dies as a result of anything he / she was required to do in performing the duties of their job leaving a surviving spouse, civil partner or dependant**

- The amount of the allowance or lump sum is to be of such amount as the employer may from time to time determine.
- In determining the amount of the allowance or lump sum, the employer is to have regard to all the circumstances of the case including, but not limited to, the level of any of the following which the person may receive:
  - social security benefits
  - any benefit or compensation under a statutory right
  - pension benefits
  - damages recovered and any sum received by virtue of a contract of insurance
- The employer might also wish to take account of the degree of contributory negligence on the part of the deceased employee, if any