

Devon and Cornwall Police Authority Human Resources Committee

21st November 2007

Open for the purposes of FOI

Report of Director of Human Resources

Police Officer Pensions – Retirement on the Grounds of Ill Health and Review of Injury Awards

Recommendation(s):

- (i) To consider the update in respect of the process for retirement on the grounds of ill health and reviews of injury awards for police pensioners.
- (ii) To approve the delegated authorities in respect of retirement on the grounds of ill health.
 - a) Decision to refer a case to the Selected Medical Practitioner (SMT).
 - b) Decision to retain where the SMP confirms the officer is not permanently disabled and both management and the officer agree that retention is appropriate.
 - c) Decision as to the appropriate review period for injury awards.
 - d) Decision as to whether there is a cognisant reason why an injury award should not be reduced to the lowest band upon the pensioner reaching the age of 65.

Introduction / Summary

1. The Police Pensions Regulations 1987 and associated Home Office circulars, namely 21/2003, detail the criteria and process requirements for retirements for police officers on the grounds of ill health.
2. The Force has sought to implement the requirements as specified within these documents however historically the procedure has not been clearly documented, agreed with key stakeholders and implemented consistently.
3. As such there is an ongoing action contained within the Force Improvement Plan for Improving Attendance Management to review the current Force policy on the Management of Ill Health and to formally document the ill health retirement procedure.
4. Progress has been made in that research has been conducted with a range of other forces (including the Metropolitan Police, City of London, Sussex, Dorset and North Yorkshire), as to their policy and procedures.
5. Additionally a draft process map for the ill health retirement process has been developed and Occupational Health, local HR Units and the Police Federation have been consulted accordingly.
6. It is intended that the Management of Ill Health policy will be reviewed and implemented, along with associated guidance notes and standard letters by March 2008.
7. The Regulations allow for the Police Authority to delegate specific authorities to the Force. It is recommended consideration be given to delegating authority to the Force in respect of the following areas:
 - a) Decision to refer a case to the Selected Medical Practitioner (SMP). The Force has previously taken these decisions however this practise should be formally delegated.

- b) Decision to retain an officer where the SMP confirms the officer is not permanently disabled and both management and the officer agree that retention is appropriate.
8. The Police Authority would retain the decision to retire an officer on the grounds of ill health, under Regulation A20.
 9. It is intended that training be provided to the Police Authority in January 2008 in respect of the Police Pensions Regulations and the responsibilities held by the Authority. Furthermore it is anticipated that there will be opportunity for Members of the HR Committee to attend training for Senior Managers, HR Managers and Occupational Health on managing absence in the police service focusing on the use of Efficiency Regulations.

Review of injury awards

10. The Police (Injury Benefit) Regulations 2006 provide for injury awards for police officers to be reviewed in order to ensure that the pensioner is in receipt of the appropriate injury award.
11. It is evident that such reviews have been undertaken sporadically over the last 20 years within Devon and Cornwall Constabulary.
12. Data has now been collated for all police pensioners in receipt of an injury award, which totals approximately 170 pensioners. The current cost to the Force is approximately £650,000 per annum and the actuarial cost is considered to be £12 million.
13. It is evident that there are approximately 60 'scheduled' reviews, which should have been undertaken by 2007. Furthermore it is evident that the Injury Award Review process upon reaching the age of compulsory retirement or state retirement has not been implemented to date.
14. It is necessary to establish an injury review process to enable the reviews to be undertaken in accordance with the Police Pensions Regulations. In order to do so research has been undertaken with other forces as to established review processes including City of London Police, Metropolitan Police, Cambridgeshire, Sussex, North Yorkshire and Dorset Police.
15. A process has been developed including guidance, standard letters, and a process map and process description. Resource has been identified within Occupational Health for the medical aspects of the review process.
16. The process has been agreed with the Occupational Health Support Unit and a useful meeting was held with the Police Federation where it was accepted that the Injury Award Review process would be implemented within Devon and Cornwall Constabulary in accordance with the Regulations. Subject to minor amendments the Police Federation have indicated their agreement with the Injury Award Review process.
17. It is recommended that the Police Authority delegate responsibility to the Force to determine the appropriate review period for injury awards.
18. It is envisaged that the review process will commence at the end of November 2007 and that 10 to 20 reviews will be conducted per month. However, as this is a newly established process this will be reviewed once the process has commenced.
19. It should be noted that there are potential cost and resource implications in implementing this process including:
 - HR resources for managing and administering the review process,
 - Occupational Health resource for conducting the medical aspects of the review process,
 - Costs associated with requesting GP notes (£20 to £75 for each set of notes requested),
 - Reimbursing reasonable travel expenses of the pensioner to attend injury award review appointments,
 - Potentially increased costs of medical appeals (£4,000 per Medical Appeal Board plus internal costs such as management time and travel costs).

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20. Currently no budget allocation has been provided for the implementation of this process, which will delay the effective implementation process unless this is addressed.
21. Given that reviews have not been conducted routinely for the last 20 years many pensioners' medical conditions will have altered since the original award. It is anticipated that a number of the awards will be in excess of the pensioners current loss of earnings related to their permanent disablement.
22. As this is a newly established process it is not known what number of injury awards may be revised through the review process. However, in order to give some indication, another police force with a well established process of reviews, scheduled approximately every two years, typically experience revisions in up to 35% of the injury awards (approximately 10% increase and 25% are reduced).
23. It is envisaged that a report will be presented to the Police Authority on a monthly basis providing an update on the injury award review process.

Review process

24. There are a number of trigger points at which an injury award should be reviewed namely:
 - at a scheduled point as advised by the medical practitioner or as determined by the Police Authority,
 - upon reaching the compulsory retirement age at which time the comparator for earnings ceases to be the earnings of a police officer and is replaced by the National Average Earnings
 - upon reaching the age of 65 at which point the pensioner would not normally be expected to maintain a salary and the award can be placed in the lowest band of the four bands except where the Force determines there is a cognisant reason why the award should not be reduced.
25. The review process would involve the following responsibilities:
 - HR Responsibilities – To manage the overall process including legal issues by:
 - prioritising and scheduling the injury award reviews in accordance with the trigger points
 - advising the pensioner of the review process, requiring the completion of an Injury Award Review Questionnaire and verifying the information provided
 - conducting an earnings assessment.
 - advising of the determined percentage earnings assessment
 - maintaining the Injury Award database
 - managing any associated appeals
 - determining whether there is a cognisant reason why the award should not be reduced to the lowest band (in the case of individuals over the age of 65 only).
 - SMP responsibilities - To manage the medical aspects of the review process including:
 - determining whether specialist reports are required,
 - obtaining GP reports and determine whether the case can be reviewed on paper or requires the pensioner to attend for a review appointment.
 - determining the percentage earnings assessment.

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