

# Scheme Advisory Board

Meeting of the Board 21<sup>st</sup> September 2015

ITEM 7 PAPER [H]

## **Ill Health – preferred options for recommendation from the Administration and Communications Sub-Committee and update**

### **Summary**

The Administration and Communications Sub-Committee (ACSC) have considered the options for change over their past meetings, and GAD were subsequently commissioned to do a piece of work to cost both the proposals for change and the cost of the options to make savings, the intention being that any changes would be within the current cost of ill health provision. These options were presented to, and considered by, the ACSC at their meeting of 28 July 2015.

The Committee (ACSC) have prepared a paper, **Annex 1**, setting out the background and detail around each of the points below and are asking the Board to make the following decisions.

### **Decisions required**

**Action for Board** - The Board are asked to consider if the option below should be put as recommendations to the Secretary of State subject to consultation with employers and members:

- **ACSC Preferred option** – To remove the third tier of Ill Health and replace this with a permanent benefit
- **ACSC Preferred option** – To remove the second gate, ie. the assessment of whether or not someone is capable of other gainful employment.
- **ACSC Preferred option** – The introduction of a 5 year service qualification period for enhanced benefits.

**Action for Board:** The Board are asked to note that the Ill Health decisions that are matters for further consideration by the ACSC.

**Action for Board:** The Board is asked to clarify if it wishes the ACSC to further consider the Time Limit on pay reduction protection (trial periods).