

Resource Toolkit	Single Scheme Administration Project (Phase 1) Purchase and Transfer Resources
Resource Name	Purchase Process Guidelines
Resource Reference	SPS.PAT.PUR.G.01 (Phase 1)
Description	Suggested procedure outlining key steps that a Relevant Authority might take where a Single Scheme member expresses an interest in purchasing additional pension and/or lump sum referable amounts
Version	V1.0

PLEASE NOTE: Administrators may access legislation, Circulars or Letters to Personnel Officers noted in this procedure by accessing the Circulars & Legislation Section of the Single Scheme Website at www.singlepensionscheme.gov.ie/circulars

IMPORTANT: These processes have been prepared for the purchase of additional retirement benefits as part of the Single Public Service Pension Scheme for standard and certain fast accrual, uniformed members (Gardaí, Prison Officers, and Firefighters). Members of the Permanent Defence Forces are currently ineligible to purchase additional retirement benefits. When preparing these processes it is assumed that there is no Pensions Adjustment Order against member benefits and no benefits are payable to a former Spouse/Civil Partner.

For the purposes of these guidelines it is assumed that Relevant Authorities are operating an RA Notice Period.

Key

 **Yes/No Decision Point**

Ref.	Step	Description of key activities / general guide
	<p>General Information</p>	<ul style="list-style-type: none"> • The regulations establishing the provisions of the Single Scheme purchase and transfer facility have been made under S.I. No. 252 of 2019. • In the first instance Circular 15 of 2019 should be referred to as it sets out important information on the operation of the Single Scheme purchase and transfer mechanism. • Pensions Administrators should ensure that the administration of the purchase and transfer facility adheres to Revenue regulations set out under Chapter 30 of the Taxes Consolidation Act 1997. • Relevant Authorities should ensure that members are encouraged to seek <u>independent financial advice</u> when considering the purchasing of additional retirement benefits under the Single Scheme purchase and transfer facility. • Relevant Authority administrators are not permitted to provide financial advice. <p>RA Notice Period:</p> <ul style="list-style-type: none"> • An RA Notice Period is a period of time determined by individual Relevant Authorities within which Single Scheme members are formally invited to request details of the cost to purchase additional pension and/or lump sum retirement benefits. • Establishing an RA Notice Period can allow Relevant Authorities to plan and organise the administration involved in providing members with individual purchase cost quotations. Subject to the discretion of Relevant Authorities, members can only apply to purchase within the prescribed RA Notice Period. • The establishment of an RA Notice Period is entirely at the discretion of Relevant Authorities and there is no legal requirement that one is established. Relevant Authorities with responsibility for the administration of the Single Scheme <i>may</i> choose to establish an RA Notice Period to assist in the management of purchase cost enquiries from members. • For the purposes of these guidelines it is assumed that Relevant Authorities are operating an RA Notice Period. <p>12-Month Contract Period:</p> <ul style="list-style-type: none"> • The 12-Month Contract Period is the period of time within which eligible members, having formally contracted to do so must make the full payment(s) calculated and formally notified to them by their current Relevant Authority employer. Provision for the 12-Month Contract period is made in the Single Scheme purchase and transfer

		<p>regulations. If payment is not made within the contract period, the contract is null and void and the Scheme member must apply again for a new purchase contract in the future. Purchased referable amounts are not credited to the member's benefit statement until they are fully paid.</p> <ul style="list-style-type: none">• It is suggested that Relevant Authorities, when setting the 12-Month Contract period:• Allow sufficient time to complete the administration necessary to provide members with purchase cost quotations and address any other member queries which may arise.<ul style="list-style-type: none">○ The 12-Month Contract Period does not need to immediately follow the end of the RA Notice Period where a Relevant Authority chooses to operate one.○ In those cases where member data at "<i>the end of the most recent year</i>" is required, Relevant Authorities should note that "<i>the end of the most recent year</i>" means at 31 December of the year immediately prior to the start of the 12-Month Contract Period. When setting the 12-month contract period start date, consideration should be given to the availability of the Single Scheme member data needed to calculate individual member purchase limits (<i>Paragraph 8, Circular 15 of 2019</i>). Establishing a contract period beginning January of a calendar year would require Relevant Authorities to have member referable amount data available to them for the previous calendar year ending 31 December. In most cases this will not be feasible, so Relevant Authorities are advised not to operate a 12 month contract period that begins at a point in the year when all the necessary member data is not yet finalised.○ Relevant Authorities should take into account that some members seeking a purchase cost quotation will have had previous Single Scheme employments with other Relevant Authority employers. Such members will need to provide the current Relevant Authority employer with verified information in respect of those earlier employments to assist in accurately calculating individual member purchase limits. It will be necessary for previous employers to assist the current employer in calculating the purchase limits for the member.
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<p>0.0</p>	<p>Process Map</p>	<ul style="list-style-type: none"> • The recommended Process Map may be accessed in the Administrator Toolkit for this process. It is recommended that this is consulted when a Single Scheme member wants to purchase scheme benefits. • There is one sub-process map related to the purchase of additional retirement benefits. This is: <p>1. Sub-Process Purchase Calculations</p>
<p>1.0</p>	<p>Annual Notification to Single Scheme Members with details of purchase scheme, application process and deadline for receipt of expressions of interest</p>	<ul style="list-style-type: none"> • The Relevant Authority communicates details of the Single Scheme purchase and transfer facility and associated local arrangements to its Single Scheme membership setting out what must be submitted by members seeking an individual purchase cost quotation. A template Purchase Expression of Interest Form is available in the Purchase & Transfer Administrator Toolkit for this purpose. • A completed Retained Single Scheme Benefits Verification Form is required to assist Relevant Authorities in calculating individual member purchase limits. A template Retained Single Scheme Benefits Verification Form that organisations may wish to consider adopting is included in the Administrator Toolkit for this process. • This form may be used to capture information on earlier Single Scheme employments for which benefits have been retained. A separate form must be completed by each former employer(s). • In the absence of a completed <i>Retained Single Scheme Benefits Verification</i> form(s), Relevant Authorities will not be in a position to: <ul style="list-style-type: none"> ○ Accurately calculate the required purchase limits in the absence of a fully completed Retained Single Scheme Benefits Verification Form ○ Accurately determine whether a member will have achieved vesting status prior to the commencement of the 12-Month Contract Period ○ Accurately forecast a member’s potential to complete 9 FTE years at the Normal Retirement Age (NRA). • Relevant Authorities may also wish to provide members with additional information on the Single Scheme purchase and transfer facility as they see fit when notifying members, which may include: <ul style="list-style-type: none"> ○ A copy of or link to Circular 15 of 2019 ○ Member Purchase Cost Calculation Tool available in the member area of www.singlepensionscheme.gov.ie. This tool allow members to input a

		<ul style="list-style-type: none"> ○ monetary amount of their choosing and the tool outputs indicate how much in pension or lump sum referable amounts this will purchase. Note, the outputs of the <i>Member Purchase Cost Calculation Tool</i> are indicative only and do not take account of member purchase limits or member eligibility to purchase. ○ Any other material developed or additional information related to the Relevant Authority's operation of the purchase and transfer facility
1.1	Member completes Expression of Interest form and returns to RA.	<ul style="list-style-type: none"> • The purpose of the <i>Expression of Interest Form (Purchase)</i> is to: <ul style="list-style-type: none"> ○ Highlight to Scheme members the general eligibility criteria on the operation of Single Scheme purchase and transfer facility; ○ Identify whether an individual member wishes to receive a cost quotation to purchase pension and/or lump sum referable amounts and; ○ Validate relevant Scheme member details.
1.2	Receipt and validation of EOI submitted. High-level eligibility check.	<ul style="list-style-type: none"> • Completed <i>Expressions of Interest</i> received from Single Scheme members should be checked at a high-level to validate individual member eligibility. • Relevant Authorities should verify; <ul style="list-style-type: none"> ○ Applicants are active members of the Single Scheme; ○ Applicants have vested or will have vested prior to the commencement of the Relevant Authority's 12-Month Contract Period ○ Applicants <u>do not have a Normal Retirement Age (NRA) of 66 years of age.</u> Applicants with a NRA of 66 are ineligible to purchase additional retirement benefits under the terms of the Single Scheme purchase and transfer facility. Such members are precluded as they do not meet the requirement to complete 9 FTE years at the NRA of 66 years of age; ○ Applicants have the potential to complete 9 FTE years at the Normal Retirement Age (NRA). An active member working full-time at FTE 1.0 (100%) needs to have the potential for 9 FTE years' service to the NRA. An active member of the Single Scheme working at 50% needs to have the potential for 18 years to the NRA. Particular attention may need to be paid to those members hired under Fixed Term Contracts to ensure that they have the contractual potential to meet this criteria.

2.0	<p>Has the EOI Form been received within the RA Notice Period?</p>	<ul style="list-style-type: none"> • If “yes” proceed to Step 3.0. • If “no”, the applicant is not eligible to purchase additional retirement benefits at this time and must wait until a subsequent RA Notice Period to submit an EOI. Progress to Step 10.0.
3.0	<p>Will the member’s previous purchase contracts (if any) overlap with the new contract?</p>	<ul style="list-style-type: none"> • If “no” proceed to Step 4.0. • If “yes”, the applicant is not eligible to purchase additional retirement benefits. Progress to Step 10.0.
4.0	<p>Does the member have any other prior Single Scheme employments with another RA?</p>	<ul style="list-style-type: none"> • If “yes” proceed to Step 4.1. • If “no” proceed to Step 4.2.
4.1	<p>Was prior Single Scheme employment(s) with an RA under your control?</p>	<ul style="list-style-type: none"> • If “yes” proceed to Step 4.2. • If “no” proceed to Step 4.3.
4.2	<p>RA verifies Member Service using their own records.</p>	<ul style="list-style-type: none"> • Where a Relevant Authority or a Shared HR/Pensions/Payroll centre transacting on behalf of a Relevant Authority has responsibility for Single Scheme member records it should verify the information sought in the <i>Retained Single Scheme Benefits Verification Form</i>. • In some cases members will have been eligible to apply for and receive a refund of Scheme contributions. Particular attention should be paid to those instances where a member has previously received a refund of Scheme contributions and may be eligible to repay contributions refunded and restore pension and lump-sum referable amounts and time towards the vesting period in line with Section 17 of the Public Service Pensions (Single Scheme and Other Provisions) Act 2012.

		<ul style="list-style-type: none"> • If there are outstanding queries, these are resolved in conjunction with the member or their former employer, as appropriate. • Progress to Step 4.9 once all queries are resolved.
4.3	Issue Retained SPS Benefits Form to Member for completion.	<ul style="list-style-type: none"> • A template <i>Retained Single Scheme Benefits Verification Form</i> that organisations may wish to consider adopting is included in the Administrator Toolkit for this process. • Pension Administrators should ensure that the member is advised to complete Section A and arrange for Section B to be completed by the former employer(s) before returning it to the current Relevant Authority employer. A separate form must be completed by each former employer(s).
4.4	Retained SPS Benefits Form is issued by Member to former RA(s).	
4.5	Former RA completes and returns Retained SPS Benefits Form to Member.	
4.6	Retained SPS Benefits Form completed and returned to HR (current HR).	
4.7	Retained SPS Benefits Form reviewed and validated.	<ul style="list-style-type: none"> • Progress to Step 4.8.

4.8	Is Member eligible to restore benefits for which a refund of contributions previously issued?	<ul style="list-style-type: none"> • If "yes" proceed to Step 4.8a. • If "no" proceed to Step 4.9.
4.8a	Member informed of option to restore benefits for which a refund of contributions previously issued by a former RA employer.	<ul style="list-style-type: none"> • Commence separate process.
4.9	Calculate overall period of SPS membership for which contributions retained.	<ul style="list-style-type: none"> • Period of pensionable employment with current Relevant Authority employer should be calculated and, if applicable, periods of pensionable employments for which contributions have been retained with previous Relevant Authority employers should be documented locally, as verified in the completed <i>Retained Single Scheme Benefits Verification Form(s)</i> provided. • Please note that a member who may have received a refund of contributions in respect of a prior Single Scheme employment may be eligible to repay those contributions plus compound interest and restore (a) referable amounts accrued to the year in which they were first accrued and (b) time towards the vesting period. • Proceed to Step 5.0.
5.0	Based on verified information available is the member currently vested or will the member be vested prior to the start of the 12-month contract period?	<ul style="list-style-type: none"> • Following determination on member vesting status is made in line with Circular 12 of 2019. If "yes" proceed to Step 6.0. • If "no", the applicant is not eligible to purchase referable amounts. Proceed to Step 10.0. • If Member has been previously refunded contributions, they may wish to restore benefits and time towards the vesting period. Proceed to Step 4.8a.

6.0	<p>Has the member the potential to complete 9 FTE years' service as a Single Scheme member?</p>	<ul style="list-style-type: none"> To be eligible to purchase additional retirement benefits, members must have the potential to complete 9 FTE years at the NRA. An active member working full-time at FTE 1.0 (100%) needs to have the potential for 9 FTE years' service to the NRA. An active member of the Single Scheme working at 50% needs to have the potential for 18 years to the NRA. Particular attention may need to be paid to those members hired under Fixed Term Contracts to ensure that they have the contractual potential to meet this criteria If "yes" proceed to Step 6.1. If "no", the applicant is not eligible to purchase referable amounts. Progress to Step 10.0.
6.1	<p>Based on the verified information (a) RA determines the Referable Pension and Lump Sum <i>limits</i> up to which a member may purchase additional retirement benefits and (b) RA advises member of the cost to purchase €1 of additional benefits for the 12-month contract period referring to relevant Toolkit Calculation tools.</p>	<ul style="list-style-type: none"> Commence sub-process, proceed to Step 6.2.
<p>Sub-process</p>		
6.2	<p>Does the Member wish to purchase pension referable amounts and/or lump sum referable amounts?</p>	<ul style="list-style-type: none"> Member wishes to purchase pension referable amounts. Proceed to Step 6.3. Member wishes to purchase lump-sum referable amounts. Proceed to Step 6.4.

6.3	Pension Referable Amounts.	<ul style="list-style-type: none"> Member has indicated on submitted EOI of request for cost to purchase pension referable amounts. Proceed to Step 6.3.1. 														
6.3.1	Establish Members A, B, C, D, G and Purchase Multiplier factors.	<table border="1" data-bbox="981 392 2004 975"> <tr> <td data-bbox="987 392 1066 480">A</td> <td data-bbox="1066 392 2004 480">Member's Annual Pensionable Remuneration (<u>always</u> FTE 1.0 value) at the end of the "<i>most recent year</i>"</td> </tr> <tr> <td data-bbox="987 480 1066 560">B</td> <td data-bbox="1066 480 2004 560">Annual State Pension (Contributory) rate at end of most recent year*</td> </tr> <tr> <td data-bbox="987 560 1066 647">C</td> <td data-bbox="1066 560 2004 647">Total Pension Referable Amounts accrued (and previously purchased) since membership of scheme commenced to end of most recent year*</td> </tr> <tr> <td data-bbox="987 647 1066 727">D</td> <td data-bbox="1066 647 2004 727">Total Pension Referable Amounts accrued in most recent year</td> </tr> <tr> <td data-bbox="987 727 1066 807">E</td> <td data-bbox="1066 727 2004 807">Total Lump Sum Referable Amounts accrued (and previously purchased) since membership of scheme commenced to end of most recent year</td> </tr> <tr> <td data-bbox="987 807 1066 887">F</td> <td data-bbox="1066 807 2004 887">Total Lump Sum Referable Amounts accrued in most recent year</td> </tr> <tr> <td data-bbox="987 887 1066 975">G</td> <td data-bbox="1066 887 2004 975">Time (in whole years) to NRA from end of most recent year</td> </tr> </table> <ul style="list-style-type: none"> Purchase Multiplier – Total period, in FTE years, as a Single Scheme member to NRA. Table below extracted from Paragraph 7 (a), Circular 15 of 2019. 	A	Member's Annual Pensionable Remuneration (<u>always</u> FTE 1.0 value) at the end of the " <i>most recent year</i> "	B	Annual State Pension (Contributory) rate at end of most recent year*	C	Total Pension Referable Amounts accrued (and previously purchased) since membership of scheme commenced to end of most recent year*	D	Total Pension Referable Amounts accrued in most recent year	E	Total Lump Sum Referable Amounts accrued (and previously purchased) since membership of scheme commenced to end of most recent year	F	Total Lump Sum Referable Amounts accrued in most recent year	G	Time (in whole years) to NRA from end of most recent year
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G	Time (in whole years) to NRA from end of most recent year															

		<table border="1" data-bbox="996 209 1603 619"> <thead> <tr> <th data-bbox="996 209 1301 308">Column 1 Total period, in FTE years, as a Single Scheme Member to Normal Retirement Age</th> <th data-bbox="1301 209 1603 308">Column 2 Purchase Multiplier</th> </tr> </thead> <tbody> <tr><td data-bbox="996 308 1301 331">9</td><td data-bbox="1301 308 1603 331">1</td></tr> <tr><td data-bbox="996 331 1301 355">10</td><td data-bbox="1301 331 1603 355">2</td></tr> <tr><td data-bbox="996 355 1301 379">11</td><td data-bbox="1301 355 1603 379">3</td></tr> <tr><td data-bbox="996 379 1301 403">12</td><td data-bbox="1301 379 1603 403">4</td></tr> <tr><td data-bbox="996 403 1301 427">13</td><td data-bbox="1301 403 1603 427">5</td></tr> <tr><td data-bbox="996 427 1301 451">14</td><td data-bbox="1301 427 1603 451">7</td></tr> <tr><td data-bbox="996 451 1301 475">15</td><td data-bbox="1301 451 1603 475">9</td></tr> <tr><td data-bbox="996 475 1301 499">16</td><td data-bbox="1301 475 1603 499">11</td></tr> <tr><td data-bbox="996 499 1301 523">17</td><td data-bbox="1301 499 1603 523">13</td></tr> <tr><td data-bbox="996 523 1301 547">18</td><td data-bbox="1301 523 1603 547">15</td></tr> <tr><td data-bbox="996 547 1301 571">19</td><td data-bbox="1301 547 1603 571">17</td></tr> <tr><td data-bbox="996 571 1301 595">20 or more</td><td data-bbox="1301 571 1603 595">20</td></tr> </tbody> </table> <ul data-bbox="940 630 1877 657" style="list-style-type: none"> • When these figures have been established proceed to Step 6.3.2. 	Column 1 Total period, in FTE years, as a Single Scheme Member to Normal Retirement Age	Column 2 Purchase Multiplier	9	1	10	2	11	3	12	4	13	5	14	7	15	9	16	11	17	13	18	15	19	17	20 or more	20
Column 1 Total period, in FTE years, as a Single Scheme Member to Normal Retirement Age	Column 2 Purchase Multiplier																											
9	1																											
10	2																											
11	3																											
12	4																											
13	5																											
14	7																											
15	9																											
16	11																											
17	13																											
18	15																											
19	17																											
20 or more	20																											
6.3.2	<p>MAX Pension Referable Amount Member can Purchase.</p>	<ul data-bbox="940 730 2128 1279" style="list-style-type: none"> • The limits on the purchase of pension referable amounts, as set out in <i>Paragraph 8.2</i> of Circular 15 of 2019, are determined on the basis of the lower amount resulting from the calculation outputs from the two formulas below. The lower amount is the most in pension referable amounts that a member may purchase under the provisions of the purchase and transfer facility. The limits are designed to ensure member compliance with Revenue rules which provide that annual pension cannot exceed 50% of a member's final FTE 1.0 pensionable remuneration. <ul data-bbox="1131 957 1691 1050" style="list-style-type: none"> ▪ Formula 1 = $(A/2) - B - C - (D \times G)$ OR ▪ Formula 2 = $D \times \text{Purchase Multiplier}$ • In subsequent years, where a member expresses an interest in purchasing additional pension referable amounts the limits must be recalculated by reference to the factors at Step 6.3.1. • When the pension referable amount limit has been established proceed to Step 6.3.3. 																										

6.3.3	The limit on maximum purchase of pension referable amounts is determined on the basis of the lesser amount resulting from the outputs from Formulas 1 & 2.	<ul style="list-style-type: none">• The output from Step 6.3.2 is used to populate correspondence to issue to the individual member. A Purchase Cost Quotation Template Letter is available in the Purchase & Transfer Administrator Toolkit for this purpose• Proceed to Step 7.0.
6.4	Lump-Sum Referable Amounts.	<ul style="list-style-type: none">• Member has indicated on submitted EOI of request for cost to purchase lump sum referable amounts. Proceed to Step 6.4.1.

6.4.1 Establish factors A, E, F, G and Purchase Multiplier factors.

A	Member's Annual Pensionable Remuneration (<u>always</u> FTE 1.0 value) at the end of the "most recent year"
B	Annual State Pension (Contributory) rate at end of most recent year*
C	Total Pension Referable Amounts accrued (and previously purchased) since membership of scheme commenced to end of most recent year*
D	Total Pension Referable Amounts accrued in most recent year
E	Total Lump Sum Referable Amounts accrued (and previously purchased) since membership of scheme commenced to end of most recent year
F	Total Lump Sum Referable Amounts accrued in most recent year
G	Time (in whole years) to NRA from end of most recent year

- **Purchase Multiplier** – Total period, in FTE years, as a Single Scheme member to NRA. Table below extracted from Paragraph 7 (a), [Circular 15 of 2019](#).

Column 1 Total period, in FTE years, as a Single Scheme Member to Normal Retirement Age	Column 2 Purchase Multiplier
9	1
10	2
11	3
12	4
13	5
14	7
15	9
16	11
17	13
18	15
19	17
20 or more	20

- When these figures have been established proceed to **Step 6.4.2**.

6.4.2	MAX Lump-Sum Referable Amount Member can Purchase.	<ul style="list-style-type: none"> The limits on the purchase of lump sum referable amounts, as set out in paragraph 8.2 of Circular 15 of 2019, are determined on the basis of the lower amount resulting from the calculation of the two formulas below. The applicable individual member limit is the maximum in lump sum referable amounts that the member may purchase under the provisions of the purchase and transfer facility. The limits are designed to ensure member compliance with Revenue rules which provide that annual pension cannot exceed 150% of a member's final FTE 1.0 pensionable remuneration. Formula 1 = (A x 1.5) – E – (F x G) OR Formula 2 = F x Purchase Multiplier When these figures have been established proceed to Step 6.4.3.
6.4.3	The limit on maximum purchase of lump-sum referable amounts is determined on the basis of the lesser amount resulting from the outputs from Formulas 1 & 2.	<ul style="list-style-type: none"> The output from Step 6.4.2 is used to populate correspondence to issue to the individual member. A Purchase Cost Quotation Template Letter is available in the Purchase & Transfer Administrator Toolkit for this purpose. When this figure has been determined proceed to Step 7.0.
Sub-process ends		
7.0	RA issues purchase cost quote to Member seeking advance confirmation that member wishes to proceed with purchase and setting out deadline for response.	<ul style="list-style-type: none"> A Purchase Cost Quotation Template Letter is available in the Purchase & Transfer Administrator Toolkit for this purpose. The <i>Purchase Cost Quotation Letter</i> should issue to the member, following peer-review. Progress to Step 7.1.
7.1	Member reviews quote.	<ul style="list-style-type: none"> Progress to Step 7.2.

7.2	Member sends advance confirmation of intention to proceed with purchase.	<ul style="list-style-type: none"> • Member notifies the Relevant Authority of intention to proceed with purchase of additional retirement benefits on the basis of information provided in the <i>Purchase Cost Quotation Template Letter</i>. • Progress to Step 7.3.
7.5	Is Member eligible to proceed with formal purchase?	<ul style="list-style-type: none"> • Relevant Authority reviews member eligibility criteria and verifies that member eligible to proceed with purchase. • If "yes" proceed to Step 8.0. • If "no", the applicant is not eligible to purchase referable amounts. Progress to Step 10.0.
8.0	RA issues formal contract with Member checklist.	<ul style="list-style-type: none"> • Relevant Authority issues completed purchase contract for member signature and return. This should be accompanied with a cover letter/checklist confirming the final amount to be paid, payment method(s) and details of the 12-Month Contract Period within which the calculated payment must be made. • Progress to Step 8.1.
8.1	Member completes contract confirming amounts to be purchased, payment method, completed checklist and returns to RA.	<ul style="list-style-type: none"> • Progress to Step 8.2.
8.2	RA confirms contract and payment method and reconfirms eligibility.	<ul style="list-style-type: none"> • Progress to Step 8.3.

<p>8.3</p>	<p>Member makes one-off payment (bank Draft, Cheque, EFT) to RA.</p>	<ul style="list-style-type: none"> • Payment by member in respect of the purchase cost must be made by way of a once-off lump sum payment to the Relevant Authority in the 12-month contract period. However if for operational reasons a Relevant Authority wishes to facilitate payment by way of periodic payments/payroll deductions by a member within the 12-month contract period then it is permissible to do so provided the liability in full is discharged within the 12-month contract period. Relevant Authorities should take into account the additional administration required when deciding on whether to implement such a facility or not. • Purchased referable amounts are shown on subsequent Annual Benefit Statements following receipt of the full payment amount only. • Tax-relief on any lump-sum payment made to a Relevant Authority should be pursued separately by the member and directly with Revenue • Progress to Step 8.4.
<p>8.4</p>	<p>RA receives and processes payment.</p>	<ul style="list-style-type: none"> • Progress to Step 8.5.
<p>8.5</p>	<p>Final check and review. Is it in order to proceed and finalise purchase?</p>	<ul style="list-style-type: none"> • If "yes" confirm payment receipt to member and proceed to Step 8.6. • If "no", the applicant is not eligible to purchase referable amounts and payment amount returned to member. Progress to Step 9.0.
<p>8.6</p>	<p>RA remits payment to DEPR/PMG under normal remittance process.</p>	<ul style="list-style-type: none"> • RA remits one-off payment to DPER / PMG identifying aggregate purchase payments separately. • Proceed to Step 8.7.
<p>8.7</p>	<p>RA updates records.</p>	<ul style="list-style-type: none"> • RA updates Member and local records to reflect, purchase payment amount, purchased retirement benefit amounts etc. ensuring the future Annual Benefit Statements reflect purchase details. • RA factors member details into annual eligibility review activities. • End process.

9.0	RA returns payment.	<ul style="list-style-type: none"> Progress to Step 10.0.
10.0	Issue Non-Eligibility Template letter setting out reason(s).	<ul style="list-style-type: none"> The Relevant Authority notifies the Scheme member of their ineligibility setting out the reason(s) why. Template Ineligibility to Purchase Letter available in the Purchase and Transfer Administrator Toolkit can be used for this purpose. Process Ends.
REFUNDS		<p>There are two scenarios where a full or partial refund of purchase contributions may arise, as follows:</p> <p>Scenario 1: Purchase eligibility criteria require a member to have the contractual potential for 9 FTE years' membership of the Single Scheme. Where a member leaves Single Scheme employment before reaching the Normal Retirement Age (or contract end date) a full refund of all purchase contributions made shall issue to a member if the 9 FTE years requirement has not been met (i.e. membership of the scheme is not 9 FTE years or greater at the time of leaving pensionable employment). It is imperative that members seeking to purchase additional retirement benefits are made aware of this eligibility requirement from the outset and the implications where the 9 FTE years rule is not met.</p> <p>Scenario 2: Step 6.3.2 and Step 6.4.2 above refer to the formulas to be used when calculating individual member purchase limits. When calculating these purchase limits in order to arrive at the lesser amount in respect of an individual member's (i) <i>pension</i>; and (ii) <i>lump-sum referable amount purchase limits</i> a purchase multiplier is required for Formula 2 (<i>Paragraph 7 of Circular 15 of 2019</i>). The purchase multiplier is based on the number of years as a Single Scheme member from the start of a member's pensionable employment to the Normal Retirement Age (or contract end date) calculated at the time the member contracts to purchase additional retirement benefits and on the assumption that a member will remain in Single Scheme employment to Normal Retirement Age (or contract end date).</p> <p>Where a member leaves pensionable employment in advance of reaching the Normal Retirement Age (or contract end date) but complies with the requirement to be a member of the Single Scheme for 9 FTE years, it will be necessary to recalculate member purchase</p>

	<p>limit(s) on the basis of the member's actual number of FTE years as a Single Scheme member <i>i.e. from start date of pensionable employment to the member's <u>actual</u> date of leaving pensionable employment</i>. As a result the member's purchase limit may change. Where this arises it will then be necessary to evaluate if the member has purchased additional pension and/or lump sum referable amounts in excess of the new recalculated limit. Any additional benefits purchased in excess of the new recalculated limit shall be refunded to a member.</p> <p>It will be necessary therefore where a member who has purchased additional retirement benefits and is leaving pensionable employment before the Normal Retirement Age (or contract end date) to assess whether a refund of all or some purchased retirement benefits should issue.</p> <p><i>In general, refunds are processed through the payroll with tax applied at the marginal rate.</i></p>
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Disclaimer: *This Recommended Scheme Procedure has been designed by the DPER Single Pension Project Team for straightforward cases that administrators might expect to encounter on a day-to-day basis. It does not purport to cover all eventualities and no liability is accepted by the Minister for Public Expenditure & Reform for any omissions or errors arising. Administrators should carefully consult the Public Service Pensions (Single Scheme and Other Provisions) Act 2012 and associated regulations that, at all times, have precedence.*