

Last Updated: September 2020 (5<sup>th</sup> edition)

## SINGLE PUBLIC SERVICE PENSION SCHEME

### Frequently Asked Questions

This FAQ is targeted at administrators of the *Single Public Service Pension Scheme* that launched on 1 January 2013. The Scheme's rules are set out in the [Public Service Pensions \(Single Scheme and Other Provisions\) Act 2012](#) ("the 2012 Act"). This FAQ contains information and guidance on the operation of the Scheme. It does not constitute legal advice on the interpretation of the 2012 Act or related legislation; nor is it intended to substitute for such advice. It does not address every query that could arise about the scheme.

Updated versions of this FAQ may be posted to the Single Scheme website from time to time. This version reflects the introduction of purchase and transfer facilities, as well as some further clarifications.

Comments or suggestions on this document are welcome and should be emailed to [singleschemequeries@per.gov.ie](mailto:singleschemequeries@per.gov.ie) (please include "FAQ" in the subject line).

Administrators are encouraged to familiarise themselves with the resources available on the Single Scheme website <https://singlepensionscheme.gov.ie>

<a href="#">Toolkits</a>	Administrators can access technical resources to assist with the following topics: <ul style="list-style-type: none"><li>• Recruitment</li><li>• Leavers</li><li>• Retirement</li><li>• Death</li><li>• Annual Administration Activities</li><li>• Purchase and Transfer</li></ul>
<a href="#">Calculation Tools</a>	Administrators can access technical resources to assist with the following topics: <ul style="list-style-type: none"><li>• Contributions and Referable Amounts</li><li>• Vesting Period</li><li>• Pensioners CPI</li><li>• Death in Service Pension Enhancement</li><li>• Cost Neutral Early Retirement</li><li>• Purchase and Transfer</li></ul>
<a href="#">Circulars and Legislation</a>	Administrators can access relevant Legislation, Circulars, Regulations and Letters to Personnel Officers for further information and to assist with their administration of the Single Scheme

Scheme Booklets, aimed at "standard" accrual members of the Scheme as well as a separate booklet tailored to "uniformed fast accrual" members, are available [here](#).

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## *Explanation of terms used in this document*

### **Annual Benefit Statement**

A statement issued prior to July annually to each Single Scheme member by their Relevant Authority. It shows the money credits (“referable amounts”) towards pension and retirement lump sum accrued or “banked” by the member in the previous calendar year, and cumulatively in all years with that employer. It also shows how much money the member paid in Scheme contributions in the previous year.

### **Normal Retirement Age**

Normal Retirement Age is the age at which a Scheme member can retire and receive benefits under an occupational pension scheme. For most members under the Single Scheme, the normal retirement age is the same as the age of eligibility for the State Pension (Contributory). At present this is 66 years of age.

There are separate, lower Normal Retirement Ages in the Single Scheme for some fast-accrual members comprising Gardaí, Permanent Defence Force personnel, prison officers and full-time firefighters.

### **Pre-existing Public Service Pension Scheme**

An occupational pension scheme in place in the public service prior to 1 January 2013.

### **Referable Amounts**

These are the money credits which Single Scheme members accrue or “bank”, on an ongoing cumulative basis throughout their careers, towards their eventual pension and retirement lump sum awards.

### **Relevant Authority**

This term means an individual public service body with responsibility for administering the Single Scheme for its staff who are members of the Scheme. In certain cases a member’s Relevant Authority may not be the employer, e.g. the Relevant Authority for primary school teachers is the Department of Education and Skills.

## **PART A – DESIGN AND MEMBERSHIP**

### **1. What is the Single Public Service Pension Scheme (“Single Scheme”)?**

The Single Scheme is the occupational pension scheme for public servants hired since 2013. It is a defined benefit scheme, with retirement benefits based on **career-average pay** (not final salary).

Each Scheme member generates pension credits and retirement lump sum credits throughout their career. These money credits, called “**referable amounts**”, accrue as percentages of pay on an ongoing basis. The referable amounts accrued each year are revalued annually until retirement in line with inflation (Consumer Price Index increases).

The annual **pension** awarded on retirement is the cumulative total of a member’s pension referable amounts across all Relevant Authorities, and the **retirement lump sum** awarded is, similarly, the total of the member’s lump sum referable amounts across all Relevant Authorities.

### **2. Who joins the Single Scheme?**

The Single Scheme applies to persons who start pensionable public service jobs on or after 1 January 2013.

The Single Scheme does not apply to pre-2013-hired public servants who are members of pre-existing public service pension schemes. Where such persons take approved extended leave (e.g. career breaks), then on resumption of workplace attendance, they remain members of their original public service pension scheme.

Similarly, seasonal pensionable public servants who reengage employment on the same contract of employment remain members of their original pension scheme

A further exemption from Single Scheme membership applies in cases where a public servant previously held membership of a pre-existing public service pension scheme and did not subsequently have a break in service of more than 26 weeks as a public servant. This 26 week exemption is covered in more detail in questions 8 and 9 below.

For further information please consult the [Recruitment Toolkit](#).

### **3. Is the Single Scheme registered with the Pensions Authority (formerly known as the Pensions Board)?**

Yes. The Pensions Authority registration number is PB275744.

### **4. Who determines if a role is a pensionable public service post?**

The 2012 Act requires that the role is declared to be a pensionable public service post in the conditions of service or in the written offer of employment.

Decisions about whether particular posts are pensionable is a matter for each Relevant Authority / employer, subject to the same considerations and approval processes that existed prior to the

introduction of the Single Scheme (e.g. approval from parent Department / funding bodies).

## **5. Is Single Scheme membership compulsory for qualifying persons?**

Yes. Section 10 of the 2012 Act provides that where a person is newly appointed to a pensionable public service post on or after 1 January 2013 they shall be entered into the Single Scheme, subject to the 26 week exemption further detailed in question 8 and question 9.

That being the legislated position, any person meeting those criteria and who is appointed to a pensionable public service post must be entered into the Single Scheme, regardless of the duration of their contract or work pattern and irrespective of whether or not they have the capacity to have completed the Scheme Vesting period (see Part B).

Persons appointed to 'non-pensionable' posts in the public service have no entitlement to membership of (and should not be entered into) the Single Scheme.

## **6. Is there a minimum age to be eligible to join the Single Scheme?**

**Section 9(2)(b)** of the 2012 Act stipulates the minimum Scheme membership eligibility age as 16 years.

## **7. Is there a maximum age to be eligible to join the Single Scheme?**

The maximum compulsory retirement age in the Single Scheme is age 70. Accordingly, persons aged over 70 years of age cannot become members of the Single Scheme.

## **8. How is the 26 week break in service measured for determining Scheme membership eligibility?**

Single Scheme membership is the default pension position for new-hire pensionable public servants since the beginning of 2013. The most common exception to this is where, on or after 1 January 2013, a pensionable public servant who is not a Single Scheme member ceases public service employment and subsequently takes up a public service post **no later than 26 weeks** after ceasing the earlier employment.

A 'break in service' in this context is measured as the gap between public service employments i.e. from the date of ceasing one public service employment to the date of commencement of a new public service employment. For clarity, employment as a non-pensionable public servant should also be recognised when determining if the 26 week exemptions applies.

For example,

- a person ceases public service employment on 16 December 2018, having been a member of a pre-existing public service pension scheme,
- that person subsequently takes up a further pensionable public service position on 17 June 2019,
- the break in service from 17 December 2018 to 16 June 2019 was 182 days, or exactly 26 weeks.

- that person would not be eligible to join the Single Scheme, having taken up a pensionable public service post **no later than** 26 weeks following cessation of the earlier public service employment. This person should be entered into the appropriate pre-existing pension scheme provided by their new employer.

#### **9. What previous employments should be considered when determining if an exemption to Scheme membership applies under the 26 week break in service criteria?**

All previous employments with public service bodies should be considered in determining exemption from Single Scheme membership for new employees.

In general, public service bodies include all Relevant Authorities (a list of these is provided [here](#)).

The Central Bank of Ireland is also to be considered a public service body for the purpose of the 26 week break in service exemption.

#### **10. Can members of pre-existing public service pension schemes switch to the Single Scheme?**

No, members of pre-existing public service pension schemes cannot choose to join the Single Scheme.

However, if a member of a pre-existing scheme ceases to be employed in the public service, and later becomes employed on a new contract as a pensionable public servant after a gap of more than 26 weeks, he or she will then become a Single Scheme member.

#### **11. Can someone be an active member of a pre-existing public service pension scheme and of the Single Scheme at the same time?**

No, it's not possible to be an active member of a pre-existing public service pension scheme and of the Single Scheme at the same time.

However, it is possible for an active Single Scheme member to have preserved benefits from a pre-existing scheme that accrued in an earlier career phase.

#### **12. How does inflation affect Single Scheme referable amounts and pensions?**

The Single Scheme provides for pension referable amounts and retirement lump sum referable amounts to be uprated in line with increases in the Consumer Price Index (CPI). Notification of the CPI as it applies to Single Scheme referable amounts and pensions in payment will be communicated to Relevant Authorities by way of an annual circular.

Referable amounts accrued in a calendar year qualify for uprating at the end of the next calendar year.

Single Scheme pensions in payment are also increased by reference to the CPI, however the timing of this increase is directed by the Minister for Public Expenditure and Reform.

Any decreases in the CPI are not reflected in referable amounts or in pensions.

Administrators are encouraged to review the "[Leaving Single Scheme Employment and Annual Administration Activities](#)" Training Resources which includes more detail on CPI and Single Scheme referable amounts.

### **13. Who is responsible for paying Single Scheme benefits?**

**Section 31(a)** of the 2012 Act requires that the last employing Relevant Authority is responsible for paying all Scheme benefits associated with a Scheme member (including Scheme benefits accrued with other Relevant Authorities). The benefits payable by the final Relevant Authority may include pension and lump sum at retirement, death in service payments and surviving spouse / civil partner and children's pensions.

### **14. How are Single Scheme benefits financed?**

The ultimate financing of Single Scheme benefit payments is dealt with in **section 44(1)(b)** of the 2012 Act, which states that the payments will be met from funds provided by the Oireachtas.

DPER does not operate any dedicated mechanism or arrangement to subvent or refund Single Scheme benefit payments made by Relevant Authorities, whether by direct money transfer to those Relevant Authorities, indirect recoupment (to an oversight or funding authority / Department) or otherwise.

In addition, other than the netting off of contribution refunds to leavers against overall employee contributions remitted, Relevant Authorities are not allowed to recover the cost of such benefit payments by withholding remittances of Single Scheme contributions.

In that overall context, and having regard especially to the section 44(1)(b) provision, Relevant Authorities, as part of their normal financial management and budget-setting activity, including annual engagement with the relevant funders (e.g. Government Departments, HSE), should factor Single Scheme benefit payment estimates into funding requests.

For self-funding bodies, any issues arising in relation to Single Scheme benefit payment financing should be raised with their parent Department.

## **PART B – VESTING**

### **15. What is the Single Scheme vesting period?**

The vesting period is a time length of 24 months as a Scheme member which must pass before a person is eligible for full Scheme benefits. The period of 24 months of Scheme membership may be non-consecutive, although any periods in respect of which a refund of contributions has been received will not count towards vesting (unless the refunded contributions are subsequently repaid with applicable compound interest (see question 21)).

### **16. How is progress towards vesting measured for members on permanent or fixed-term temporary contracts?**

For permanent staff, progress towards vesting is measured by simple elapse of time, and a member's particular work pattern (50%, 80%, 100%, etc.) is not relevant to completing the vesting period. This means that, irrespective of hours worked on a particular day, the full day is counted for vesting purposes.

So a full-time worker, a part-time worker and a job-sharer all become vested in the Single Scheme once they have been employed as a member of the Single Scheme for two years (and Scheme contributions have not been refunded to the Scheme member in respect of the period (or periods) of employment – see question 21 for details on employee contributions refunds).

For staff on fixed-term temporary contracts, this elapse-of-time principle applies equally.

The vesting period of two calendar years / 24 months as a Scheme member applies across all sectors, irrespective of employment type (e.g. fixed-term, seasonal employment).

### **17. How is progress towards vesting measured for members who are casual employees?**

In some sectors, notably Education and Health, employers hire “casual” staff, typically engaging such persons informally and on a short-duration basis (weeks, days or hours). This has always presented challenges to payroll and pension administration, and this remains true where such staff are Single Scheme members.

The progress of casual staff towards completing the vesting period should be based on **crediting one day towards vesting for each day on which the employee is a Scheme member** (i.e. there is a pensionable employment relationship between the person and a public service employer / Relevant Authority). One day should be credited, regardless of the number of hours worked on any given day where there is a pensionable employment relationship.

### **18. How do periods where a Single Scheme member is engaged in simultaneous pensionable public service employments count towards vesting?**

Each calendar day as a Single Scheme member contributes one day towards vesting. This means that, irrespective of the number of pensionable posts held on a particular day, one day only will be credited towards vesting.

### **19. Do periods of leave count towards the vesting period in the Single Scheme?**

Under the 2012 Act, vesting is defined as “24 months’ service as a Scheme member”. As clarified in **DPER**

**Circular 12/2019: Guidance on the Vesting Period in the Single Public Service Pension Scheme (“Single Scheme”)**, where a Single Scheme member undertakes a period of leave, they retain their status as a ‘serving Scheme member’. Accordingly, that period will count towards the vesting period.

The following is a list of leave types (although not exhaustive) commonly available across the public service that count towards the vesting requirement:

Annual leave, study leave, shorter working year, Force Majeure leave, parental leave, maternity leave (paid and unpaid), adoptive leave, carer’s leave, sick leave (paid and unpaid), career breaks.



## PART C – SINGLE SCHEME CONTRIBUTIONS AND RETIREMENT BENEFITS

### 20. What are the employee contribution rates for Single Scheme members?

The standard employee contribution rate for most members is

**[3% of gross pensionable remuneration PLUS 3.5% of net pensionable remuneration]**

reduced pro rata to the work pattern where the member works on a non-full-time basis (part-time, work-sharing), with definitions as following applying:

- **Gross pensionable remuneration** is pensionable pay plus any approved pensionable allowances, expressed on a full-time basis.
- **Net pensionable remuneration** is gross pensionable remuneration less twice the value of the State Pension (Contributory).

The following Single Scheme member groups have different contribution rates (set out in **Appendix A**): Gardaí, Permanent Defence Force personnel, prison officers, full-time firefighters, the President, TDs, Senators, ministers, judges, the Comptroller & Auditor General, other qualifying office holders and designated office holders.

### 21. Can a member get a refund of contributions where his or her employment ceases before completion of the vesting period?

If a member's employment ceases before he or she has completed the two-year vesting period (across all employments), then that member can request a refund of the Single Scheme contributions he or she has paid.

Eligible members opting to avail of a refund should apply in writing to the Relevant Authority for a refund of Single Scheme contributions, providing confirmation of the following:

- that they have completed, in all employments to date across the public service, less than two years as a member of the Single Scheme; and
- that they are not immediately taking up a pensionable public service post in another public service body as a member of the Single Scheme.

In accordance with current Revenue rules, the standard rate of tax (currently 20%) will be deducted from any refund paid.

In assessing if the vesting period has been completed and the Scheme member is eligible for a refund, Relevant Authorities must have regard to all prior periods as a member of the Single Scheme with all public service bodies (not just the employment with that Relevant Authority) and whether Single Scheme contributions were retained or refunded on previous cessations of employment, and/or subsequently restored (see question 22).

Refunds to eligible individuals **should not be automatically paid by Relevant Authorities** on cessation of employment.

A suggested Refund Application Form is available in the '[Leavers Toolkit](#)' on the Single Scheme website.

## **22. Can a Single Scheme member who receives a refund of contributions choose to repay that refund and restore the associated referable amounts?**

Getting a contributions refund means that the associated referable amounts and time period towards the vesting period are forfeit.

The lost referable amounts may subsequently be restored as if they had never been refunded providing the Scheme member:

- i) is re-employed as a pensionable public servant **within 24 months** of ceasing that public service employment in respect of which a refund was received, and
- ii) repays the amount of contributions refunded to them (plus any applicable compound interest) to their current Relevant Authority. The rate of compound interest is as set out in [DPER Circular 15/2014](#).

Relevant Authorities should make Single Scheme members aware of their Leaving Service options when they initially apply for a refund in case they subsequently return as a member of the Single Scheme within 24 months.

Where a Scheme member repays a refund of contributions plus compound interest through the newly employing body, the associated referable amounts should be restored to the year in which they had originally accrued, with CPI applied as appropriate. The current Relevant Authority is responsible for reflecting the restored referable amounts on future statements.

Such restoration-by-repayment does not in itself deliver a future entitlement to retirement benefits: that is only assured once the vesting period is completed. However in repaying the refund, a member also restores the period of time for consideration towards vesting. If the refund is not repaid then the vesting "clock" in any subsequent pensionable public service employment will not include that related time period.

## **23. Is there a time limit within which a Scheme member must complete a repayment of previously refunded Single Scheme member contributions?**

Provided a Scheme member takes up pensionable public service employment within 24 months of ceasing the prior public service employment for which the refund was received, there is no legislated time-frame within which the member must exercise their right to repay the previously refunded contributions.

The exact schedule and method of repayment is a matter for each Relevant Authority, however Relevant Authorities should seek to clarify in writing if the Scheme member intends to repay the refund as soon as practicable.

Relevant Authorities should also inform Scheme members that compound interest will continue to accrue on the refunded amount until such a time as it is repaid in full (as set out in DPER Circular 15/2014).

## 24. Are employer contributions applicable in the Single Scheme?

**Section 16(4)** of the 2012 Act and DPER Circular 28/2016 provide for an employer contribution in two circumstances:

- firstly, where a Relevant Authority is deemed to be mainly self-financing, and
- secondly, within public service bodies that are mainly funded through the Central Fund (directly or indirectly) but employ some Single Scheme members in specific self-financed roles (e.g. EU financed activities, commercially funded research activities, activities funded by philanthropic bodies).

The criteria listed above apply to a small proportion of pensionable public service roles. Employer contributions **are not required for the vast majority** of Single Scheme members.

## 25. What benefits are provided by the Single Scheme?

In lieu of payment of benefits at normal retirement age (**pension** and **retirement lump sum**, see question no. 27), the Single Scheme may provide the following personal benefits:

- **Preserved pension and preserved retirement lump sum** for vested members who leave public service employment before pension age (see question no. 37).
- **Cost neutral early retirement**, with actuarial reduced-value pension and retirement lump sum payable from age 55 years (see question no. 38).
- **Medical grounds retirement** – requires medical assessment and employer approval (see Part D).

Dependant benefits are also provided as follows:

- **Death gratuity**, payable to the legal personal representative (estate) of a member who dies in service (see question no. 44).
- **Dependant pensions**, payable on the death of a former vested member to a qualifying surviving spouse, civil partner or child (see question no. 45).

## 26. Are supplementary pensions payable in the Single Scheme?

No.

A “supplementary pension” in this context is an additional occupational pension scheme payment that may be made, in certain limited circumstances, to a retired public servant under a pre-existing public service pension scheme.

The Single Scheme does not have a provision for supplementary pensions.

## 27. What accrual rates apply in the case of retirement benefits (pension and retirement lump sum) of standard accrual Single Scheme members?

The standard rate at which **pension** accrues is a combination of:

- 0.58% of (full-time equivalent) pensionable remuneration up to a threshold of 3.74 times the value of the State Pension (Contributory); with effect from 29 March 2019 this equates to €48,456.54 on an annual basis,

### **PLUS**

- 1.25% of any portion of (full-time equivalent) pensionable remuneration over this threshold,

reduced pro rata to the work pattern where the member works on a non-full-time basis (part-time, work-sharing).

**Retirement lump sum** accrues at a standard rate of 3.75% of pensionable remuneration.

These pension and retirement lump sum accrued amounts are referred to as “referable amounts”.

For standard accrual Scheme members, an [estimator tool](#) is available on the Single Scheme website.

Higher accrual rates (“fast accrual”) apply to the following Single Scheme member groups (see **Appendix A**): Gardaí, Permanent Defence Force personnel, prison officers, full-time firefighters, the President, TDs, Senators, ministers, judges, the Comptroller & Auditor General, other qualifying office holders and designated office holders.

Administrators should note the value of the State Pension (Contributory) is subject to change according to the annual budget process.

## 28. What allowances are pensionable in the Single Scheme?

Remuneration deemed to be pensionable in the Single Scheme comprises basic pay (wage / salary), pensionable allowances, and pensionable emoluments. Non-pensionable allowances, non-pensionable emoluments and overtime are not part of pensionable remuneration.

In general, where an allowance has previously been deemed pensionable under a “pre-existing” public service pension scheme, it should also be treated as pensionable in the Single Scheme. Some allowances were considered pensionable under a pre-existing public service pension scheme providing certain conditions were met (e.g. length of time held, held in final 10 years, best 3 in 10 calculation etc.). These conditions do not apply in the Single Scheme, as referable amounts are accrued and ‘banked’ as pensionable remuneration is received.

Accordingly, contributions should be collected and referable amounts should accrue in each period a pensionable allowance is paid to a Single Scheme member i.e. once an allowance is deemed pensionable in the Single Scheme, it should be treated as “pensionable at source”. This is consistent with the structure of the Single Scheme, whereby referable amounts accrue on pensionable remuneration received (basic pay plus pensionable allowances) on an ongoing basis.

Overtime payments are generally not pensionable under the Single Scheme. However, an exception to this is 'regular rostered overtime' in certain sectors i.e. payments for **compulsory, regular and rostered** extra attendance which forms an inherent part of the conditions of service for certain posts. Where regular rostered overtime was previously pensionable for members of a "pre-existing" public service pension scheme, it should also be treated as pensionable in the Single Scheme.

## **29. How are pensionable allowances treated for accrual of referable amounts and deduction of contributions where a Scheme member works part-time?**

[DPER Circular 11/2014](#) details the referable amounts and contributions calculation methodology to be used for all Single Scheme members, including for part-time/work-sharing members.

In summary, this circular states that where a member works on a reduced work pattern, the pensionable allowance element of the pensionable remuneration received by the member should be adjusted upwards, pro-rata to the member's work pattern. This approach applies to all pensionable allowances, irrespective of the particular work pattern, or the basis for which the pensionable allowances is paid.

Where fixed Premium Allowances make up a portion of a part-time Scheme member's pensionable remuneration, the allowance amount should be uprated to an FTE 1.0 equivalent and subsequently adjusted downwards to reflect the Scheme member's actual FTE.

Where pensionable allowances are paid to an individual having left pensionable employment (by way of resignation, end-of-contract or retirement for example) and where any such pensionable allowance reflects whole-time hourly rates, and zero basic hours apply on the relevant pay-date the FTE value should be set to 1.0 in all cases. Such allowances generally constitute "premium" allowances.

## **30. Is Cesser Pay (payment at retirement / resignation in lieu of untaken annual leave) treated as pensionable remuneration?**

The Organisation of Working Time Act provides for payment of 'cesser pay' (also known as 'holiday pay') to employees in lieu of annual leave untaken at retirement / cessation of employment. Where such a payment is approved at the appropriate level within an organisation, **it is non-pensionable**, given the exceptional, compensatory nature of the payment. The non-pensionable status of such a payment applies across the board in respect of pre and post-2013 pension scheme members.

## **31. Are payments in lieu of Bank Holidays pensionable in the Single Scheme?**

In some pre-existing public service pension schemes, work-sharing employees are entitled to claim either payment or time in lieu of a bank holiday that falls on a day on which they are not rostered to work. Where an employee chooses payment this is credited as an 'additional day' towards their pensionable service.

The Single Scheme does not operate on the basis of 'pensionable service' but instead referable amounts accrue based on 'pensionable remuneration'. In line with the practice in the pre-existing schemes, such payments should be treated as 'pensionable' in the Single Scheme and, accordingly, contributions should be deducted and referable amounts should accrue on such payments.

## **32. When arrears of pensionable remuneration are paid, when are the related referable**

### **amounts recognised and contributions payable?**

Any such referable amounts are deemed to accrue at the time (effectively in the pay period) during which those arrears are processed and the associated pension contributions deducted, rather than at the earlier time during which the pay arrears were earned. For example, salary arrears generated from a working spell in late 2016, and which are paid in 2017, should give rise to referable amounts and contributions payable in 2017, not 2016.

Where arrears are paid, due to an administrative lag or error, an adjustment may be required to the calculations to ensure that the pensionable remuneration does not “artificially exceed” the relevant thresholds (for both the net contribution and the higher (1.25%) pension accrual rate).

One approach to achieve this is to adjust the state pension (contributory) threshold / cut-off to reflect the additional time period in respect of which the arrears are being paid. For example, due to late set up on payroll, a Scheme member is paid for two pay periods, totalling one month, in the same fortnight. The thresholds for pension accrual and for pension contributions owing, could be adjusted upwards to reflect that “double” payment to ensure the Scheme member is no better or worse off than if they had been paid correctly. This may be achieved by adjusting the FTE from 1.0 to 2.0 **in respect of that pay period only**.

The same outcome may also be achieved through other approaches, such as applying the methodology set out in DPER Circular 11/2014 to a separate payment for the arrears due.

### **33. How are referable amounts and contributions treated where an overpayment of pensionable remuneration has been identified?**

Any referable amounts are deemed to accrue at the time (effectively in the pay period) during which pensionable remuneration is paid and the associated pension contributions deducted. This is also the case where a member has been overpaid and, as a consequence, referable amounts will have accrued and contributions have been paid in excess of what should have been, had the member been paid correctly.

Once an overpayment has been identified and a recoupment plan is put in place, the subsequent reduction in a Scheme member’s pensionable remuneration will facilitate a corresponding reduction in the referable amounts accrued and contributions paid, offsetting the impact of the initial overpayment.

This is true where a member chooses to repay the overpayment by a once-off lump sum deduction or by periodic salary deductions over a specified period, as referable amounts will accrue and contributions will be paid on the reduced pensionable remuneration only, offsetting the referable amounts and contributions paid in excess at the time of overpayment.

Where a Scheme member chooses to repay an overpayment by any method other than salary deduction at payroll, a manual reconciliation of referable amounts and contributions will be required.

Where a Scheme member ceases employment before making good the overpayment (e.g. by resignation or retirement), the pension and lump sum to be paid will be based on the corrected level of pensionable remuneration payable to the individual. Any outstanding amounts of overpayment that have not been recovered will fall to be deducted from any future pay out of Single Scheme benefits, as agreed with the retiring Scheme member.

### **34. How are Scheme contributions and referable amounts calculated where the pensionable remuneration received throughout the calendar year is reduced to reflect periods of unpaid leave (e.g. Shorter working year arrangements)**

In line with existing guidance, Scheme contributions and referable amounts should be calculated in the pay period in which the pensionable remuneration is received.

As is the case for Scheme members with reduced work-patterns (set out in DPER Circular 11/2014), where a Scheme member receives pensionable remuneration throughout the calendar year that is reduced to reflect Shorter Working Year arrangements (or similar), it is appropriate to adjust the FTE downwards to reflect the lower pensionable remuneration received when calculating the contributions to be deducted and the referable amounts accrued in that pay period.

### **35. On what basis do members of the Single Scheme accrue referable amounts while on sick leave at half pay?**

The [Single Public Service Pension Scheme \(Accrual of Referable Amounts while on Sick Leave\) Regulations 2017 \(S.I. No. 16/2017\)](#) and [DPER Circular 03/2017](#) set out the official position in relation to this matter and should be consulted where a Relevant Authority is calculating referable amounts for a Scheme member who is absent on sick leave at half pay. The following paragraphs summarise that position.

A Single Scheme member's pension and lump sum benefits accrue by reference to their pensionable remuneration. While a member is on sick leave at half pay, they are only being paid at half their normal pay rate. As a result, without intervention, the pension and lump sum referable amounts for that period would accrue at less than the normal rate.

S.I. No. 16/2017 provides that the referable amounts in respect of pension and retirement lump sum of Single Scheme members who are absent on sick leave at half pay will accrue on the same basis as if they were absent on sick leave at full pay for that period or periods.

Pension contributions in these cases should also be calculated as if the Scheme member was absent on sick leave at full pay.

These Regulations were made on 27 January 2017, but are effective from 1 January 2013, the date on which the Single Scheme was introduced. This means that the records of Single Scheme members who have been absent on sick leave at half pay at any time between 1 January 2013 and 27 January 2017 may have to be re-visited to ensure that the correct pension accrual has been applied and that the correct pension contributions have been deducted for such periods.

### **36. Is there an upper limit on pension accrual by Single Scheme members?**

The Single Scheme does not cap the **length of time** over which members can accrue referable amounts (unlike the 40 years' service cap typically present in pre-existing schemes).

Neither does the Scheme cap the **money value** of pensions in most cases: this is true for both the main "standard accrual" member group (90% of public service posts) and for the other large member group of "uniformed" public servants (Gardaí, Permanent Defence Force personnel, prison officers and full-time firefighters).

A pension value cap, generally of half final pay, does apply to the other, low-population groups in the Scheme comprising the President, TDs, Senators, ministers, judges, the Comptroller and Auditor General, other qualifying office holders and designated office holders.

A constraint on pension size for most members is that they must retire on reaching age 70 years. Earlier compulsory retirement ages, set outside the 2012 Act, apply to Gardaí, Permanent Defence Force personnel, prison officers and firefighters. However, retired members of these grades will continue to earn additional pension and lump sum entitlements should they later become Scheme members in other roles with a higher normal retirement age.

### **37. What happens when a vested Scheme member leaves public service employment before the Normal Retirement Age?**

For most Single Scheme members, the minimum pension age is at present 66 years, in line with the State Pension (Contributory) qualifying age.

Where a vested Single Scheme member leaves public service employment before the normal retirement age (in circumstances other than early retirement on medical grounds or cost neutral early retirement) then the pension and lump sum benefits, being the career-to-date referable amounts totals accrued at departure, are preserved. These preserved benefits (also known as “deferred benefits”) increase in line with CPI increases and are payable, on application, at the normal retirement age.

There are separate, lower normal retirement ages in the Single Scheme for the fast-accrual group comprising Gardaí, Permanent Defence Force personnel, prison officers and full-time firefighters.

Where a vested member from one of the occupations in this “uniformed” fast-accrual group leaves public service employment before their particular normal retirement age, then, except in the case of certain Permanent Defence Force personnel, preserved benefits payment entitlement arises on reaching the standard Single Scheme normal retirement age (66 years currently in line with the State Pension (Contributory) qualifying age).

### **38. Can Single Scheme members retire, and receive immediate payment of benefits before their Normal Retirement Age?**

The Single Scheme allows an active member, who has reached age 55, and subject to eligibility criteria, to apply to retire early on an actuarially reduced (cost-neutral) basis.

An active Scheme member will be eligible to apply to his or her Relevant Authority for Cost Neutral Early Retirement (CNER) under the Single Scheme provided that:

- (i) they have completed the vesting period;
- (ii) they have not reached their Normal Retirement Age but will have attained the age of 55 years or more at the intended date of early retirement; and
- (iii) they apply in writing to their Relevant Authority before the intended early retirement date for immediate payment of pension and lump sum benefits on retirement.

[DPER Circular 18/2017](#) sets out the arrangements for Cost Neutral Early Retirement under the Single



Scheme. The rates set out in Circular 18/2017 apply to Scheme members (including some fast accrual members) whose Normal Retirement Age is the same as the age of eligibility for the State Pension (Contributory). At present this is 66 years of age so Table 1 only should be referenced.

CNER does not apply to uniformed grades (An Garda Síochána, the Permanent Defence Force, Prison Officers, and Firefighters) by virtue of their ability to retire at (or before) age 55 without actuarial reduction of their retirement benefits.

A '[Retirement Toolkit](#)', which contains suggested resources and documentation for use in cases where members retire in various circumstances, available on [www.singlepensionscheme.gov.ie](http://www.singlepensionscheme.gov.ie).

## **PART D – MEDICAL GROUNDS RETIREMENT**

### **39. What happens if a Scheme member suffers a permanent and enduring medical condition that prevents him or her from continuing to work in the public service?**

The [Single Public Service Pension Scheme \(Retirement on Medical Grounds\) Regulations 2017 \(S.I. No. 15 of 2017\)](#) and [DPER Single Scheme Guidance Note 01/2017](#) set out the official position in relation to this matter and should be consulted in any case of retirement on medical grounds under the Single Scheme. Suggested resources and documentation are also available in the '[Retirements Toolkit](#)' which is available on the website. The following paragraphs summarise this guidance.

Single Scheme members will ordinarily qualify for retirement or discharge on medical grounds under section 29 of the 2012 Act provided that the medical criteria, as set out in sections 29(3) to 29(5) of the 2012 Act, have been met to the satisfaction of the Relevant Authority.

In accordance with Regulations made under the Defence Acts, or otherwise, members of the Single Scheme who are Permanent Defence Force personnel are subject to separate procedures under which they may be compulsorily discharged or retired on medical grounds from the PDF having been found unfit for further service in the force, as determined by the prescribed authority.

A non-vested Single Scheme member who retires or is discharged on medical grounds is eligible (subject to the relevant conditions) to receive a gratuity of 8.5% of actual pensionable remuneration in respect of the period of employment (section 29(1) of the 2012 Act).

A vested Single Scheme member who retires or is discharged on medical grounds is eligible (subject to the relevant conditions) to receive a pension and lump sum from the date of retirement / discharge. No actuarial reduction applies to the early payment of pension and retirement lump sum to vested members of the Single Scheme members who retire, or are retired or discharged on medical grounds. Additionally, in such circumstances, as provided for in S.I. No. 15/2017, the pension and lump sum payable will be enhanced.

The enhancement, is calculated taking account of the referable amounts (pension and lump sum) that accrued to the member in the most recent full year (or, if higher, the average referable amounts in the 3 most recent full years) and the period of time, divided by 2, from the date of retirement or discharge to the particular Scheme member's normal retirement age.

The pension and lump sum enhancements shall be capped at 10 times the value of the most recent full year referable amounts.

### **40. Can a former vested Single Scheme member ("a deferred member") apply for early payment of their preserved pension and lump sum on grounds of ill-health?**

A vested member of the Single Scheme who ceased public service employment before reaching their Normal Retirement Age will have accrued preserved benefits in the Scheme (known as deferred benefits).

Should that former member subsequently incur permanent ill-health, he or she can apply to the Relevant Authority for early payment of Single Scheme pension and lump sum benefits. If the Relevant Authority is satisfied that the former member would be eligible for retirement or discharge on medical grounds if he or she were still employed in the public service, then a preserved pension and preserved lump sum

shall be payable from the date that the Relevant Authority has deemed the relevant criteria apply. This date shall be no earlier than the date of the former member's application for early payment of such benefits.

In such circumstances, no enhancement of pension and lump sum benefits shall apply but pension and lump sum entitlements arising in respect of referable amounts accrued will be paid without actuarial reduction.

#### **41. Can a Single Scheme member who has previously retired or been discharged on Medical Grounds from the public service take up re-appointment in the public service?**

Where a Single Scheme member is granted retirement (or is discharged) on medical grounds, and he or she is subsequently re-appointed as a pensionable public servant having been deemed medically fit for this new role, the following arrangements apply:

- the pension payment ceases, and
- on repayment of the full retirement lump sum previously received (adjusted for applicable compound interest), the member's pension and lump sum referable amounts at the original date of retirement or discharge on medical grounds will be adjusted for CPI movements and included in the referable amounts used in future benefit calculations under the Single Scheme.

Where a Scheme member chooses not to repay the lump sum and applicable compound interest upon re-entering the public service, having previously retired, or been retired, or discharged on medical grounds, then the referable amounts on which the pension and lump sum previously paid were based will not be restored to the Scheme member. In effect this means that any subsequent pension and lump sum to be paid to the Scheme member will be based solely on the referable amounts accrued in the subsequent period of employment as a Single Scheme member.

#### **42. What arrangements apply where a Single Scheme member is absent on Temporary Rehabilitation Remuneration (TRR)?**

Where a Single Scheme member is absent on TRR, benefits are not earned and consequently no contributions are due.

The rules governing TRR are a matter for sick leave experts (e.g. HR) in the individual Relevant Authorities subject to the Public Service Management (Sick Leave) Regulations 2014 ([S.I. No. 124 of 2014](#)), as amended.

The only relevance of TRR to the Single Scheme is that TRR is calculated as if the member in question was retiring on medical grounds. Retirement on medical grounds of a Single Scheme member is governed by S.I. 15 of 2017 and the associated DPER Single Scheme Guidance Note 01/2017. The Guidance Note explains the circumstances in which retirement on medical grounds may be approved and how to calculate the pension and lump sum of a Single Scheme member in the event of a retirement on medical grounds. Examples of how to calculate the pension and lump sum in the event of a retirement on medical grounds are provided in the appendices to that Guidance Note, under a number of scenarios.

If, having followed the advice contained in the Guidance Note, questions still arise in relation to the calculation of pension or lump sum in the event of retirement on medical grounds, they should

exceptionally be addressed to [singleschemequeries@per.gov.ie](mailto:singleschemequeries@per.gov.ie) without divulging any personal information. TRR queries should be addressed to the sick leave experts in the Relevant Authority in the first instance.

## PART E – DEPENDANT BENEFITS

### 43. Is a Death Gratuity payable in the Single Scheme?

Yes. [DPER Circular 11/2017](#) details the arrangements for the calculation of the Death Gratuity and for the possible payment of survivor's and children's pensions following a death in service.

In general, the Death Gratuity is equal to twice the deceased member's pensionable remuneration (expressed on a full-time basis) in the 12 months prior to the date of death, less any superannuation lump sum previously paid (and not otherwise repaid) or payable either from a pre-existing public service pension scheme or from the Single Scheme and any death gratuity payable or already paid from a pre-existing public service pension scheme. In the case of the death of a Scheme member who has less than 12 months' membership of the Single Scheme, the Death Gratuity should be calculated as twice the pensionable remuneration of the Scheme member in that shorter period, expressed on a full-time basis.

DPER Circular 11/2017 also details the arrangements for the payment of a "preserved" Death Gratuity which is payable in the case of vested former Scheme members ("deferred members") who die before reaching normal retirement age. The amount payable to the member's legal personal representative is equal to the lump sum referable amounts accrued under the Single Scheme, adjusted for applicable CPI increases.

Additionally, in contrast to most pre-existing public service pension schemes, the Single Scheme does not provide for, or require, any deductions from the Death Gratuity to meet contributions up to normal retirement age.

A [Death in Service toolkit](#), which provides further information, is available on [www.singlepensionscheme.gov.ie](http://www.singlepensionscheme.gov.ie).

### 44. Are pensions paid to surviving dependants of deceased Single Scheme members?

Yes, **survivor's** and **children's pensions** may be paid in such cases, subject to eligibility. If a vested member of the Single Scheme **dies in service** then

- a surviving spouse or civil partner may be granted a **survivor's pension** equal to half the pension which would have been payable to the deceased member if he or she had been retired or discharged on medical grounds on the date of death (as provided for in the Single Public Service Pension Scheme (Retirement on Medical Grounds) Regulations 2017 (S.I. No. 15 of 2017) and in accordance with [DPER Single Scheme Guidance Note 01/2017](#)), and
- a **children's pension** or pensions may be paid in relation to an eligible child or eligible children at rates set out in **section 39(2)** of the 2012 Act and based on the rate of the deceased member's pension that would be used to calculate the survivor's pension.

If a vested former member of the Single Scheme dies with a Single Scheme pension in payment or in prospect (a preserved pension) then

- a surviving spouse or civil partner may be granted a **survivor's pension** equal to half the pension or preserved pension of the deceased member (no enhancement applies), and

- a **children's pension** or pensions may be paid in relation to an eligible child or eligible children at rates set out in **section 39(2)** of the 2012 Act and based on the rate of the deceased member's pension that would be used to calculate the survivor's pension.

An eligible child is generally one who is under 16 years of age, or under 22 years of age if in full-time education.

Where children of Scheme members are deemed to be permanently incapacitated by reason of mental or physical infirmity, the age restriction for eligibility may not apply, providing the child was deemed to be permanently incapacitated before reaching 16 years of age, or 22 years of age if in full time education.

#### **45. Are dependant benefits impacted where the Scheme member retires on Cost Neutral Early Retirement?**

The dependant benefits payable in the cases of a death of a former Scheme member who retired on cost neutral early retirement terms **are based on the actuarially reduced levels** previously paid to the deceased former Scheme member.

## **PART F – PURCHASE AND TRANSFER**

### **46. Can members purchase additional Single Scheme pension and lump sum benefit entitlements?**

Yes. Details of the facility are contained in [DPER Circular 15 of 2019](#). A separate (but essentially similar) facility is in place for members of the Permanent Defence Force. For details of this facility see [DPER Circular 6 of 2020](#).

### **47. Are there separate purchase arrangements available for periods of career break?**

Single Scheme members availing of career break or other unpaid leave do not get paid and as a result, do not pay Scheme contributions or accrue referable amounts during that period. Such members may wish to purchase additional Single Scheme benefits in order to make up for this gap in benefit accrual.

The purchase facilities set out in Circular 15 of 2019, and Circular 6 of 2020 for PDF members are, subject to meeting the eligibility criteria, available for use by members who have availed of or are planning to avail of a career break or other unpaid leave.

There is also no rule preventing members who are currently on career break or other unpaid leave entering a purchase contract under these circulars, subject to the calculation of that person's individual purchase limits in accordance with the normal rules.

However, there is no separate arrangement for Single Scheme members availing of career break, comparable to the special arrangements that operate in certain pre-existing public service pension schemes where members can agree to pay regular pension contributions during the period of the career break.

### **48. Can members transfer pension entitlements from other pension arrangements into the Single Scheme?**

Yes, subject to meeting certain criteria. The details of the transfer facility are also contained in DPER Circular 15 of 2019.

A separate (but essentially similar) transfer facility is in place for members of the Permanent Defence Force. For details of this facility see DPER Circular 6 of 2020.

### **49. Can transfers from abroad be accepted into the Single Scheme?**

The conditions governing the possibility to transfer pension savings established in a jurisdiction outside of Ireland are determined primarily by the rules and regulations applying to pension transfers in that other jurisdiction.

These rules and regulations differ significantly from country to country and may be influenced by a wide range of factors including:

- the type, nature and scale of the pension savings in place
- the tax treatment afforded to the pension savings when they were being built up
- the residency status of the pension holder (e.g. citizen/resident/work permit holder)
- whether the pension holder has dependant or spousal commitments.

Single Scheme members wishing to transfer their pension savings from abroad are advised to contact the administrator of their pension savings and/or the relevant regulatory authorities in that other country in the first instance.

There is no requirement to seek explicit approval from Revenue or DPER before a transfer is made into the Single Scheme. Revenue will allow pensions from overseas to be transferred to an approved occupational pension scheme, Personal Retirement Savings Account (PRSA) or Buy-out bond (BOB) providing that the following conditions are met:

- a) the transfer takes place before pension benefits under the overseas scheme come into payment.
- b) the scheme member requests the transfer.
- c) the rules of both the Irish and overseas scheme permit the transfer.
- d) the trustees or administrator of the transferring scheme comply fully with any transfer rules, regulations or requirements in the other jurisdiction.
- e) the Revenue authority in the State from which the transfer is made approves/permits the transfer.

The Single Scheme administrator should ask the trustee/ administrator of the overseas scheme to confirm the position of the overseas scheme regarding points (c), (d) and (e). Records of any correspondence and relevant confirmations pertaining to the transferring scheme should be kept on the Scheme member's pension file.

Given the potential complexities involved in making this financial decision, Single Scheme members should also be advised to seek independent financial advice about their pension transfer options. Single Scheme pension administrators are not in a position to provide advice on this.

#### **50. Can transfers from the UK be accepted into the Single Scheme?**

No. At present, it is not possible to transfer benefits from the UK into the Single Scheme. This is because the Single Scheme is not registered as a QROPS (Qualifying Recognised Overseas Pensions Scheme) by the UK Revenue.

#### **51. Can Scheme members who previously accrued benefits while working for an EU institution or EU agency transfer those benefits into the Single Scheme?**

Yes, subject to the general conditions on overseas transfers. The transfer is effected in the same way as a transfer into the Single Scheme from any other pension scheme i.e. the transfer value of the retained benefit is used to purchase pension and/ or lump sum referable amounts, with the cost based on the member's normal retirement age and age next birthday.

Section 18(a) of the Public Service Pensions (Single Scheme and Other Provisions) Act 2012 specifically provides that the Single Scheme can accept transfer values relating to service in the European Commission, the European Council, the European Parliament, the European Court of Auditors, the European Economic and Social Committee or Eurocontrol. This is reflected in paragraph 5 of Circular 15 of 2019 and paragraph 5 of Circular 6 of 2020. However, section 18(a) does not reflect a comprehensive list of all the EU institutions and agencies. Transfer values relating to service in EU institutions and agencies including those listed in section 18(a) can be considered in the same way as a transfer from any other overseas pension scheme and transferred into the Single Scheme on that basis, so long as the general conditions relating to overseas transfers are met.



## **52. How should transfer limits be calculated for a member who has not completed a full calendar year as a Scheme member?**

This is addressed at the end of paragraph 5 of DPER Circular 15 of 2019 (and also in paragraph 5 of DPER Circular 6 of 2020). The limits should be calculated on the basis of the pensionable remuneration for the most recent pay period, annualised as appropriate, rather than the “most recent year”.

This will result in figures as follows:

- A: Scheme member’s annual pensionable remuneration, calculated on a full time basis (FTE) = pay for most recent pay period, annualized, to give notional annual salary figure.
- C: Total of pension referable amounts (both accrued and previously purchased) by Scheme member = 0.
- D: Pension referable amount accrued by Scheme member in most recent year = notional pension referable amount calculated based on notional annual salary figure.
- E: Total of lump sum referable amounts (both accrued and previously purchased) by Scheme member = 0.
- F: Lump sum referable amount accrued by Scheme member in most recent year = notional lump sum referable amount calculated based on notional annual salary figure.

## **53. Paragraph 5 of DPER Circular 15 of 2019 and DPER Circular 6 of 2020 say that “split transfers are not permitted”. What does this mean?**

Under Revenue rules ([see Revenue Pensions Manual chapter 13](#)) “split transfers” are not permitted. This rule is reflected in the Single Scheme purchase and transfer facility - [see para 5 of Circular 15 of 2019](#) or para 5 of Circular 6 of 2020. The practical impact of this is as follows:

- A transfer value must relate to the entirety of the external pension benefit. It is not possible to “split” a pension benefit by leaving a portion of it in situ, while transferring another portion of it to the Single Scheme. The entire pension benefit must be transferred at once.
- The only exception in relation to the bullet above is where a Scheme member holds a Public Sector AVC which is linked to the public sector employment and scheme rules. In this case it may be possible for the member to enact a partial transfer of that Public Sector ACV to the Single Scheme. This potential for partial transfer does not apply in relation to any other pension product
- In general, where a member holds a number of separate external pension benefits, each of these pension benefits may be transferred or not, independently of each other.
- However, where a member has a PRSA/AVC/BoB which is directly associated with an occupational pension scheme relating to a former employment, the value of that PRSA/AVC/BoB must comprise part of the overall transfer value i.e. the main scheme benefit and the associated PRSA/AVC/BoB cannot be transferred independently of each other.
- For the avoidance of doubt, where a Scheme member has a PRSA/AVC/BoB that is not directly associated with an occupational pension scheme relating to a former employment, then the value of that PRSA/AVC/BoB may be transferred independently of any occupational pension benefit the person may separately hold.

## **54. Is it possible to transfer benefits out of the Single Scheme?**

No. If a person, having completed the vesting period, leaves the Single Scheme prior to Normal Retirement Age, any benefits they have accrued, including those which have been purchased/transferred

will be preserved and become payable at preserved pension age in the normal course. There is no option to transfer these benefits elsewhere.

#### **55. What is the Revenue Approval or SF Number for the Single Scheme?**

As the Single Scheme is established on a statutory basis, the matter of Revenue approval or the assignment of an SF number for this Scheme does not arise. Per FAQ 3, the Scheme is registered with The Pension Authority.

## **PART G -FAMILY LAW, PENSION ABATEMENT AND SIMULTANEOUS EMPLOYMENTS**

### **56. Who are the trustees of the Single Scheme for Family Law cases?**

The “trustee” for the purposes of Single Scheme family law proceedings is the Relevant Authority. Where a Relevant Authority, in respect of pension administration, has an arrangement with a third-party administrator (a Shared Services Centre for example), then it is acceptable that the practical handling of a Single Scheme family law case be carried out by that administrator – i.e. it is acceptable for the administrator to assume the role of the trustees.

### **57. What happens when the pension entitlements of a Single Scheme member are the subject of family law proceedings?**

DPER is working towards the production of a new edition of the existing DPER family law guidance in respect of the civil service pension schemes and other pre-existing public service schemes. As part of, or in conjunction with, the planned launch of this updated guidance, Single Scheme-specific family law guidance will also be released.

The processing of individual cases remains the responsibility of the individual Relevant Authorities, who are the Legal Notice party for proceedings under the Family Law Acts.

Some resources are available on the Single Scheme website that will assist administrators of the Single Scheme who are dealing with Family Law cases.

### **58. For a person recruited to work in the public service and enrolled in the Single Scheme, is there a possibility that a public service pension he or she receives from an earlier public service career could be reduced or suspended (pension abatement)?**

Yes, pension abatement may apply, arising from the relevant provisions in section 52 of the 2012 Act.

Pension abatement means that a public service pension is reduced or suspended (full abatement) during a period in which a retired public servant is currently working in a public service job. In such circumstances, abatement applies:

- regardless of what pension arrangements apply to the second job (Single Scheme membership, or pre-existing scheme membership, or PRSA, or nothing); and
- regardless of what pension scheme the pension is paid from (Single Scheme or pre-existing scheme).

It should therefore be clear that pension abatement is not caused by Single Scheme membership.

**Extent of abatement:** A public service pension may be fully or partially abated, as specified in section 52(1) of the 2012 Act. This means that the extent of abatement essentially depends on three money amounts:

- A – amount of the pension;

- B – up-to-date salary at retirement from the first post;
- C – salary in the current post.

If the combined total of pension (A) and current post salary (C) exceeds the up-to-date salary associated with the first post (B), then the pension is reduced (abated) as much as needed (and possible) to erase that excess. If  $[A + C]$  does not exceed B then there is no abatement.

Abatement queries should be directed to [pensions@per.gov.ie](mailto:pensions@per.gov.ie).

A public servant in receipt of a Single Scheme pension who is re-employed in the public service as a member of the Single Scheme **will not be required to** complete the vesting period of 24 months for a second time.

### **59. Where a Single Scheme member is engaged in simultaneous public service employments, how should their referable amounts be calculated?**

**Section 46(1)** of the 2012 Act requires that, where a Scheme member is engaged in simultaneous public service employments (e.g. two separate contracts of employment in respect of two pensionable positions either with the same public service body or with two separate public service bodies), the pensionable remuneration used to calculate referable amounts and Scheme contributions cannot exceed one full-time employment or the aggregated equivalent of one full-time employment.

The following mechanism sets out the how this limit should be applied.

1. Establish the referable amounts which would accrue from Job A if the member worked full-time in Job A = **Credit A**.
2. Establish the referable amounts which would accrue from Job B if the member worked full-time in Job B = **Credit B**.
3. Establish the sum of the standalone referable amounts actually accrued from Job A and Job B (unadjusted total referable amounts) = **Credit T**.
4. Apply as appropriate Rules 1 and 2 below (separately for pension referable amounts and retirement lump sum referable amounts).

#### Rule 1

If Credit T is greater than both Credit A and Credit B, the member's compliant overall accrual entitlement is the higher of Credit A and Credit B.

#### Rule 2

If Credit T lies between Credit A and Credit B i.e. greater than Credit A but less than Credit B or vice versa, the member's overall accrued entitlement equates to Credit T.

Examples of these calculations are provided in **Appendix B**.

In the case of simultaneous employments, section 17 of the 2012 Act provides for the refund of contributions paid in respect of pensionable remuneration that is not counted for pension accrual purposes (i.e. that portion that exceeds one FTE).

The application of this restriction requires significant communication and cooperation between Relevant Authorities. One possible approach would be to designate one Relevant Authority as the ‘main employer’, in which referable amounts would not be adjusted, with the appropriate adjustment to contributions and referable amounts calculated and applied by the RA in the ‘secondary’ employment(s).

Pension accrual during simultaneous employments should be kept under review and adjustments made, where necessary, in the event that the member’s work pattern or salary in respect of one or both employments changes.

## **PART H – RECRUITMENT, DEPARTURE AND ANNUAL PROCESSES**

### **60. What should Relevant Authorities do when Single Scheme members are recruited?**

It is very important that Relevant Authorities confirm carefully that newly hired staff are to be placed in the Single Scheme (rather than in any pre-existing scheme).

In this context, and for effective administration of the Single Scheme, it is important that Relevant Authorities ask new-recruits for:

- details of any prior work history as a Single Scheme member (vested or not vested, contributions refunded or not refunded- a suggested “Applicant Declaration form” template is available in the [Employer’s Recruitment Toolkit](#) on the Single Scheme website); and
- copies of any Single Scheme leaver or annual benefit statements received.

If the new recruit indicates a specific prior history in the Single Scheme, but no Single Scheme benefit statements confirming that prior Single Scheme history are supplied, then the Relevant Authority should check the position with the claimed previous Relevant Authority or Relevant Authorities.

Thereafter, and for the duration of the employment, the Relevant Authority should provide the new recruit with Single Scheme **annual benefit statements** covering the period of employment with the Relevant Authority.

### **61. What should Relevant Authorities do when Single Scheme members cease to be employed?**

Relevant Authorities should supply all Single Scheme members whose employment ends with “cessation of employment”, or “leaver” benefit statements. These statements should issue

- whether or not the person concerned is vested,
- whether or not a contributions refund is paid,
- within six months of departure, and
- should be copied to another Relevant Authority where it is known, or later becomes known, that the person has secured pensionable employment with that other Relevant Authority.

Except in cases where a refund of contributions were requested and issued, the person's former Relevant Authority should issue updated **Annual Benefit Statements** each year until the person applies for payment of benefits, or a Death Gratuity / preserved Death Gratuity is paid in respect of this person. The issued Annual Benefit Statement should cover the period of employment with that Relevant Authority, and record any due CPI-based increases in referable amounts.

A [Leaver's Toolkit](#), which provides further information, is available on [www.singlepensionscheme.gov.ie](http://www.singlepensionscheme.gov.ie).

## **62. Is an Annual Benefit Statement required where current employees have not received any pensionable remuneration in a calendar year?**

Yes. It is a legislative requirement that Relevant Authorities issue Annual Benefit Statements to Scheme members, irrespective of whether pensionable remuneration was paid in that calendar year.

For example, where a Scheme member began employment in December 2018 but did not receive payment until January 2019, this member should receive an Annual Benefit Statement in respect of 2018, even though they did not receive any pensionable remuneration in that year.

While the Annual Benefit Statement will reflect that no referable amounts were accrued and no pension contributions were paid in the year 2018, it serves as a record of ongoing Scheme membership and ensures compliance with the legislation.

No pensionable remuneration, or "nil pay", in a calendar year may also occur where a Scheme member has been absent on extended unpaid leave for that calendar year (e.g. career break). Similarly, an Annual Benefit Statement is required in these circumstances.

## **63. Why should a Relevant Authority seek details of prior public service history of a new recruit?**

There are a number of significant benefits to requiring details of previous pensionable public service employment. Firstly, it enables Relevant Authorities to ensure that new recruits are placed in the correct public service pension scheme.

Secondly, it enables the completion of the Single Scheme vesting period to be accurately tracked and the risk of inadvertently issuing a refund of contributions to an already-vested Scheme member (which would be unlawful) is lessened or removed.

Thirdly, it enables Relevant Authorities to determine if there are any prior periods of Single Scheme membership for which a refund of contributions was received and in respect of which the member may be eligible to restore their referable amounts.

Fourthly, Relevant Authorities must have details of referable amounts accrued in previous employments, to enable them to calculate the required payments upon retirement or death.

Fifthly, this information is also required when determining if pension abatement is required.

A [Recruitment Toolkit](#) is available on [www.singlepensionscheme.gov.ie](http://www.singlepensionscheme.gov.ie).

## **PART I – FURTHER INFORMATION**

### **64. Where can Single Scheme administrators find further information?**

Further information on the Single Scheme, including this FAQ document, can be found on the Single Scheme website at: <https://singlepensionscheme.gov.ie/home/for-employers/>. This website contains a number of useful resources for Scheme administrators including:

- A brief overview of the Single Scheme
- Relevant legislation, including the Public Service Pensions (Single Scheme and Other Provisions) Act 2012, and regulations/orders made under that Act
- DPER Circulars / Letters
- Quarterly bulletins from the Single Scheme Administration Project Team

The Single Scheme website should be the first port of call for any queries in relation to the Scheme, before making contact with DPER. However, where an answer is not available on the Single Scheme website, Single Scheme administrators in Relevant Authorities may direct queries to DPER at [singleschemequeries@per.gov.ie](mailto:singleschemequeries@per.gov.ie), taking care to ensure that no personal information of Scheme members is shared with DPER.

### **65. Where can members find more information on the Single Scheme?**

Information on the Single Scheme for members can be found on the Single Scheme website at <https://singlepensionscheme.gov.ie/for-members/>

The resources available include

- Member Booklet (standard accrual members)
- Glossary of Single Scheme terms
- At A Glance Guides covering key topics such as
  - Overview of Single Scheme
  - Building up Benefits
  - Retirements and Death Benefits
- Single Scheme Estimator Tool for standard accrual members - designed to give active Single Scheme members a broad indication of the level of retirement benefits that they may be eligible to receive on reaching their normal retirement age, which is the same as the age of eligibility for the State Pension (Contributory), currently 66 years of age

Single Scheme members can direct further information requests or specific queries to their Relevant Authority / employer (e.g. pension, HR or payroll function that is responsible for administering the Scheme for staff who are members. Please note that members employed by organisations that have a Shared HR/Pensions/Payroll Centre (e.g. PeoplePoint, MyPay, Education Athlone) should contact that Shared Service Centre directly in line with existing local protocols.

## Appendix A — Single Scheme member contribution and accrual rates

	Contribution Rates (1)		Accrual Rates	
	Pensionable remuneration	Net pensionable remuneration	Pension	Lump Sum
	%	%	%	%
Standard (most public service grades)	3%	3.5%	0.58% up to 3.74 x CSP & 1.25% above 3.74 x CSP	3.75%
Uniformed: - Gardaí - Defence Force - Prison Officer - Career firefighter	3.3%	4.2%	0.58% up to 3.74 x CSP & 1.43% above 3.74 x CSP	4.29%
Judge	13%	-	2.5%	7.5%
TD / Senator	13%	-	2.5%	7.5%
Minister	13%	-	5.0%	-
President	13%	-	7.14%	-
Designated office holder – full PRSI (2)	4.3%	5.7%	0.58% up to 3.74 x CSP & 1.67% above 3.74 x CSP	2.5% or 5.0%
Designated office holder – modified PRSI (2)	10%	-	1.67%	2.5% or 5.0%
Comptroller and Auditor General – full PRSI	6%	7%	0.58% up to 3.74 x CSP & 2.5% above 3.74 x CSP	7.5%
Comptroller and Auditor General – modified PRSI	13%	-	2.5%	7.5%

### Notes:

1. Members pay the rate prescribed on pensionable remuneration, plus, where applicable, the rate prescribed on net pensionable remuneration.

2. The “Designated office holder” category comprises the following: Director of Public Prosecutions, the Ombudsman, Master of the High Court, County Registrar, Labour Court member, An Bord Pleanála member, Competition Authority member, Environmental Protection Agency member and Revenue Appeals Commissioner. See section 25 of the *Public Service Pensions (Single Scheme and Other Provisions Act) 2012* for full details of the retirement lump sum rates and restrictions that apply to Single Scheme members in respect of these individual posts.



## Appendix B — Simultaneous Employments in the Single Scheme

### Example 1

A Grade VIII administrator works a 4 day week (30/37 hours) in RA A. This Scheme member also lectures on a part-time basis (6/18 hours) in RA B

#### Assumptions

1. No unpaid leave
2. Pay frequency and pay periods are synchronised between RA A and RA B
3. No Pensionable allowances
4. Scheme Year 2017 SPC rates used (€233.30), Monthly Net contribution threshold = €2,028.93, Monthly Threshold for 1.25% pension accrual rate = €3,794.10

#### Step 1: Calculate combined FTE

Where a Single Scheme member simultaneously hold two or more public service jobs, his or her “aggregate work pattern” is defined as the simple addition of the percentage work patterns in those jobs (i.e. without regard to any difference in the conditioned FTE hours between jobs)

Relevant Authority	Sector	Actual FTE	Pay Frequency	Notional FTE 1.0 Pay	Actual pay
RA A	Health	0.81(30/37)	monthly	€5,539.25	€4,486.79
RA B	Education	0.33 (6/18)	monthly	€3,092.58	€1,020.55
Aggregate Work Pattern		<b>1.14</b>			

#### Step 2: Calculate the notional Full-time equivalent referable amounts for each role – Credit A and Credit B

RA A – Credit A					
Notional FTE 1.0 Pensionable Pay	Notional FTE 1.0 Scheme member contributions			Notional FTE 1.0 Referable Amounts	
	Gross (3%)	Net (3.5%)	Total	Pension	Lump Sum
€5,539.25	€166.18	€122.86	€289.04	€43.82	€207.72

RA B – Credit B					
Notional FTE 1.0 Pensionable Pay	Notional FTE 1.0 Scheme member contributions			Notional FTE 1.0 Referable Amounts	
	Gross (3%)	Net (3.5%)	Total	Pension	Lump Sum
€3,092.58	€92.78	€37.23	€130.01	€17.94	€115.97

**Step 3: Add together the referable amounts accruable on the pensionable remuneration actually earned – “Credit T”**

<b>Combined Pensionable Remuneration – Credit T</b>					
<b>Actual Pensionable Pay</b>	<b>Notional FTE 1.0 Scheme member contributions</b>			<b>Notional FTE 1.0 Referable Amounts</b>	
	<b>Gross (3%)</b>	<b>Net (3.5%)</b>	<b>Total</b>	<b>Pension</b>	<b>Lump Sum</b>
<b>RA A</b> €4,486.79	€134.61	€99.52	€234.13	€35.50	€168.25
<b>RA B</b> €1,020.55	€30.62	€12.29	€42.91	€5.92	€38.27
<b>Combined</b> €5,507.34	€165.23	€111.81	€277.04	€41.42	€206.52

**Step 4: Apply the Rules above to determine if the Single Scheme referable amounts exceed an effective FTE of 1.**

	<b>Pension</b>	<b>Lump Sum</b>
Credit A	€43.82	€207.72
Credit B	€17.94	€115.97
Credit T	€41.42	€206.52

#### **Rule 1**

If Credit T is greater than both Credit A and Credit B, the member's compliant overall accrual entitlement is the higher of Credit A and Credit B.

Not applicable.

#### **Rule 2**

If Credit T lies between Credit A and Credit B (i.e. greater than Credit A but less than Credit B or vice versa), the member's overall accrued entitlement equates to Credit T.

Applicable.

#### **Result**

The referable amounts earned in this example do not exceed the legislated cap on referable amounts accruable (pensionable remuneration equivalent to one full time employment only may be taken into account). No further action required.

## Example 2

A Scheme member is employed as a Multi Task Attendant (80% work pattern) in a Section 38 hospital and a Home help with the HSE (40% work pattern).

### Assumptions

1. No unpaid leave
2. Pay frequency and pay periods are synchronised between RA A and RA B
3. No Pensionable allowances
4. 2017 CSP rates used (€233.30), fortnightly net contribution threshold = €933.20, bi-weekly threshold for 1.25% pension accrual rate = €1,745.08

### Step 1: Calculate combined FTE

Where a Single Scheme member simultaneously hold two or more public service jobs, his or her “aggregate work pattern” is defined as the simple addition of the percentage work patterns in those jobs (i.e. without regard to any difference in the conditioned FTE hours between jobs)

Relevant Authority	Sector	Actual FTE	Pay Frequency	Notional FTE Pay	Actual pay
RA A	Health	0.80	fortnightly	€1,038.79	€831.03
RA B	Health	0.40	fortnightly	€1,006.55	€402.62
Aggregate Work Pattern		<b>1.20</b>			

### Step 2: Calculate the notional full time equivalent referable amounts for each role – Credit A and Credit B

RA A – Credit A					
Notional FTE 1.0 Pensionable Pay	Notional FTE 1.0 Scheme member contributions			Notional FTE 1.0 Referable Amounts	
	Gross (3%)	Net (3.5%)	Total	Pension	Lump Sum
€1,038.79	€31.16	€3.70	€34.86	€6.02	€38.95

RA B – Credit B					
Notional FTE 1.0 Pensionable Pay	Notional FTE 1.0 Scheme member contributions			Notional FTE 1.0 Referable Amounts	
	Gross (3%)	Net (3.5%)	Total	Pension	Lump Sum
€1,006.55	€30.20	€2.57	€32.77	€5.84	€37.75

**Step 3: Add together the referable amounts accruable on the pensionable remuneration actually earned – “Credit T”**

<b>Combined Pensionable Remuneration – Credit T</b>					
<b>Actual Pensionable Pay</b>	<b>Notional FTE 1.0 Scheme member contributions</b>			<b>Notional FTE 1.0 Referable Amounts</b>	
	<b>Gross (3%)</b>	<b>Net (3.5%)</b>	<b>Total</b>	<b>Pension</b>	<b>Lump Sum</b>
<b>RA A</b> €831.03	€24.93	€2.96	€27.89	€4.82	€31.16
<b>RA B</b> €402.62	€12.08	€1.03	€13.11	€2.34	€15.10
<b>Combined</b> €1,233.65	€37.01	€3.99	€41.00	€7.16	€46.26

**Step 4: Apply the Rules above to determine if the Single Scheme referable amounts exceed an effective FTE of 1.**

	<b>Pension</b>	<b>Lump Sum</b>
Credit A	€6.02	€38.95
Credit B	€5.84	€37.75
Credit T	€7.16	€46.26

#### **Rule 1**

If Credit T is greater than both Credit A and Credit B, the member's compliant overall accrual entitlement is the higher of Credit A and Credit B.

Credit T exceeds Credit A and Credit B, accordingly the effective cap on referable amounts is Credit A

#### **Rule 2**

If Credit T lies between Credit A and Credit B i.e. greater than Credit A but less than Credit B or vice versa, the member's overall accrued entitlement equates to Credit T.

Not applicable.

#### **Result**

A refund of excess contributions paid and adjustment to referable amounts accrued will be required to ensure the member does not exceed the legislated cap in respect of accrual on pensionable remuneration equivalent to one full-time employment only.