An Roinn Caiteachais Phoiblí Bonneagair
Athchóiriúcháin Seirbhíse Poiblí agus Digitiúcháin
Department of Public Expenditure Infrastructure
Public Service Reform and Digitalisation

Circular Number:	**Circular 27/2026**
Circular Title:	**Single Public Service Pension Scheme – Cost Neutral Early Retirement**

To: All Relevant Authorities under the Single Public Service Pension Scheme

I am directed by the Minister for Public Expenditure, Infrastructure, Public Service Reform and Digitalisation to advise of the arrangements below to apply in relation to Cost Neutral Early Retirement by members of the Single Scheme.

Circular Application:	All Single Scheme Members, other than those covered by Sections 26 of the 2012 Act.
Date:	13 August 2026
Purpose:	• To update the actuarial cost tables applicable to Single Scheme members for Cost Neutral Early Retirement in the Single Scheme. • To remove actuarial cost tables applicable for Cost Neutral Early Retirement with reference to ages 67 and 68, as appeared in Circular 18/2017.
File Reference:	DPE118-003-2017
Relevant Legislation:	Public Service Pensions (Single Scheme and Other Provisions) Act 2012
Status:	**This Circular is effective from 1 January 2027.**

Mise le meas,

Colin Menton
Deputy Secretary General

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Circular 27/2026: Single Public Service Pension Scheme – Cost Neutral Early Retirement

Background and Purpose

1. Members of the Single Public Service Pension Scheme ("Single Scheme") can, subject to meeting the eligibility rules and as set out below, apply to their employer for "Cost Neutral Early Retirement" (CNER), as provided for in section 27 of the Public Service Pensions (Single Scheme and Other Provisions) Act 2012 ("the 2012 Act"). CNER means that a scheme member may retire earlier than the Normal Retirement Age, and on such retirement receive immediate payment of an actuarially reduced pension and an actuarially reduced retirement lump sum.

2. The actuarial reduction of retirement benefits is carried out by reference to actuarial tables approved by the Minister for Public Expenditure, Infrastructure, Public Service Reform and Digitalisation, in accordance with section 27(2) of the 2012 Act.

3. Following a reassessment of actuarial rates in the Single Scheme, the actuarial tables as currently set out under Circular 18/2017[1] will be updated from 1 January 2027.

4. The purpose of this circular is:
   - to publish the new, approved actuarial cost tables; and
   - to remove previous actuarial cost tables with reference to Normal Retirement Ages of 67 and 68.

5. This Circular supersedes any previous Circulars/Letters/Guidance issued with regard to CNER in the Single Scheme, including Circular 18 of 2017.

Effective Date and Commencement

6. This Circular is effective from 1 January 2027.

7. Where a member retires under the CNER facility before the effective date of this Circular, their retirement should be processed using the previous actuarial reduction factors i.e. those contained in Circular 18/2017.

8. Members who have applied to their Relevant Authority to avail of the CNER facility before the effective date, but whose date of retirement falls on or after that date, will be subject to the revised actuarial reduction factors in this Circular.

Eligibility

9. A scheme member will be eligible to apply to their Relevant Authority for CNER under the Single Scheme provided that:

[1] https://singlepensionscheme.gov.ie/circular-18-of-2017/

(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 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.

Under the rules of the Single Scheme, the Normal Retirement Age is aligned to the State Pension (Contributory) (SPC) qualifying age and is currently set at age 66.

10. Certain categories of Single Scheme membership, comprising An Garda Síochána, the Permanent Defence Force, Prison Officers, and Firefighters[2], can and may be required to retire early in the normal course (for example, on reaching the age of 55) and are therefore not eligible for CNER.

Application of Actuarial Tables (Reduction Factors)

11. Where a person is approved by his or her Relevant Authority for CNER in accordance with paragraph 9 above, his or her pension and lump sum benefits will be actuarially reduced and will become payable from the date of retirement.

12. The pension and lump sum benefits will be calculated by reference to the referable amounts accrued at the date of retirement, actuarially reduced by application of the relevant age-related percentage reduction factors from the appropriate table in Appendix A of this Circular, with adjustment, as necessary, for exact age (i.e. years and days) at retirement.

13. In adjusting for exact age at retirement, pension and lump sum reduction factors will be calculated in accordance with the following formula:

$$[A + ((B/365) \times (C-A))]$$

where

- **A** is the actuarial reduction factor (pension or lump sum, as appropriate) in the relevant table in Appendix A, appropriate to the person's age at their last birthday,

- **B** is the number of days since their last birthday[3], and

- **C** is the actuarial reduction factor (pension or lump sum, as appropriate) in the relevant table in Appendix A, appropriate to the person's age at their next birthday.

[2] As set out in Section 26 of the 2012 Act - https://www.irishstatutebook.ie/eli/2012/act/37/section/26/enacted/en/html#sec26
[3] Please note that the date of the birthday does not count towards this calculation

14. A Scheme member's Normal Retirement Age, which is linked to the SPC qualifying age, is currently 66.

15. Examples of the application of CNER in the Single Scheme are set out, for information, in Appendix B of this Circular.

16. The actuarially-reduced rate of pension applies throughout the lifetime of the payment of a member's pension, subject to such CPI-based increases as may apply to Single Scheme pensions generally. This means that a member who avails of CNER will not experience any increase in pension (i.e. the preserved pension they would have received had they not opted for CNER) on reaching their Normal Retirement Age.

17. In the case of any survivor's and/or children's pension benefits being due in-line with DPER Circular 11/2017[4], these should be calculated on the basis of the member's actuarially-reduced rate of pension.

18. It is envisioned that the actuarial reduction factors set out in this Circular will be reviewed periodically. Accordingly, and as provided for under section 27 of the 2012 Act, revised actuarial tables may be approved and issued from time to time by the Minister for Public Expenditure, Infrastructure, Public Service Reform and Digitalisation.

Applications

19. Applications for CNER should be made, in writing, to the individual's HR unit prior to the intended date of early retirement. **It is important to note that a person cannot apply for CNER terms after they have resigned.**

20. All applications for CNER will be considered on an individual basis having regard, in particular to business needs.

Return to Public Service Employment

21. As in the case of resignation or retirement generally, a person availing of CNER has no right of return to work in the public service other than through normal recruitment/selection procedures.

22. Where a person who has availed of CNER returns to public service employment, that person's pension may be subject to abatement of that pension in accordance with section 52 (1-5) of the 2012 Act, as set out in Circular 24/2022[5].

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[4] https://singlepensionscheme.gov.ie/wp-content/uploads/2017/05/circular_11_2017.pdf
[5] https://assets.gov.ie/static/documents/circular-24-2022-guidance-on-the-application-of-abatement-of-public-service-occupation.pdf

Queries

23. Queries in relation to this Circular may be pursued as follows:

- The dedicated Single Scheme website singlepensionscheme.gov.ie contains a number of useful explanatory documents on the Single Scheme, for both Scheme members and Relevant Authorities, and should be consulted in the first instance.
- Individual public servants wishing to raise a query should refer to their Relevant Authority/employer.
- Relevant Authorities/employers wishing to raise queries should send them to singleschemequeries@per.gov.ie, with "Circular 27/2026" in the subject line.

Appendix A – Actuarial Reduction Tables for Cost Neutral Early Retirement

Table 1 – Normal Retirement Age 66 Years

Age at Last Birthday	Pension	Lump Sum
55	65.0%	87.1%
56	67.4%	88.2%
57	69.8%	89.3%
58	72.4%	90.5%
59	75.2%	91.6%
60	78.1%	92.8%
61	81.2%	93.9%
62	84.5%	95.1%
63	88.0%	96.3%
64	91.7%	97.5%
65	95.7%	98.8%
66	100.0%	100.0%

Appendix B – Examples of Cost Neutral Early Retirement in the Single Scheme

Example 1 – Retirement at age 63

Date of Birth: 10 February 1964

Date of Early Retirement: 10 February 2027

Pension Referable Amounts at Retirement: €2,500

Lump Sum Referable Amounts at Retirement: €11,800

Actuarial Reduction (Table 1):

- **Actuarially Reduced Annual Pension:**
  €2,500 x 88.0% = €2,200

- **Actuarially Reduced Lump Sum:**
  €11,800 x 96.3% = €11,363.4

Example 2 – Retirement at age 61 and 145 days (61.4 years)

Date of Birth: 23 December 1975

Date of Early Retirement: 17 May 2037

Pension Referable Amounts at Retirement: €4,000

Lump Sum Referable Amounts at Retirement: €20,000

Actuarial Reduction (Table 1), with exact-age adjustment (see formula in paragraph 13):

	Pension	Lump Sum
A	81.2%	93.9%
B	145 days	145 days
C	84.5%	95.1%

- **Actuarially Reduced Annual Pension:**
  Reduction Factor: [81.2 + ((145/365) x (84.5 – 81.2))] = 82.510959%

  €4,000 x 82.2% = €3,300.44

- **Actuarially Reduced Lump Sum:**
  Reduction Factor: [93.9 + ((145/365) x (95.1 – 93.9))] = 94.376712%

  €20,000 x 94.4% = €18,875.34