



To: Institutes of Technology and Education Training Boards

Circular Letter 0062/2014

Implementation of Pension Arrangements for Part Time employees as outlined in Circular Letter 25/2008

Introduction

1. The purpose of this Circular letter is to outline the steps which must be taken at this time by Education Training Boards and Institutes of Technology in order to finalise the Revised Arrangements for part time public servants outlined in Circular 0025/2008. As the time limits set down in that circular were not adhered to revised time limits are outlined herein which must be complied with by the **31 March 2016** at the latest.
2. The legal basis for access to pension schemes for part-time employees is provided by the Protection of Employees (Part-Time Work) Act 2001 with effect from 20 December 2001. In Circular Letter 0025/2008 it was outlined that, in accordance with the terms of Department of Finance Circular 20/2005, the Department of Education and Science required that the part-time employee have an appropriate full-time comparator and waived the requirement for a specified minimum threshold to apply. The condition of a comparable full-time employee (who is a member of the pension scheme) in the same sector continues to apply. The Protection of Employees (Part-Time Work) Act 2001 Section 9 (1) provides that, subject to certain conditions, *“a part-time employee shall not, in respect of his or her conditions of employment, be treated in a less favourable manner than a comparable full-time employee.”* A comparable full-time employee is defined in Section 7 of the Act.
3. Circular Letter 0025/2008 – Public Service Pension Reform, Revised arrangements for certain part-time public servants dated 21 May 2008, outlined the options to be offered to employees/former employees of VECs and Institutes of Technology who were serving on or before 21 May 2008.
4. The options under Circular Letter 0025/2008 were not offered to all eligible part-time public servants in Institutes of Technology and Education Training Boards (formerly VECs). The eligible part-time employees/retired employees who were serving on or before 21 May 2008 and who did not previously receive an option under Circular Letter 0025/2008 must be offered these options promptly in accordance with this circular.
5. Circular Letter 0025/2008 also provided that membership of the Vocational Teachers Superannuation Scheme and the Education Sector Superannuation Scheme is compulsory for all part-time public servants who are eligible for membership and who were appointed

on or after 21 May 2008 and before 1 January 2013¹. Eligibility includes the requirement that the part-time employee has an appropriate full-time comparator in the same sector and that the post is a pensionable post.

6. Part A of Circular Letter 0025/2008 outlines eligibility and application of Pro Rata Integration. Part B of Circular Letter 0025/2008 outlines access to the pension scheme. All eligible part-time employees/retired employees who qualify for the application of Pro Rata Integration in accordance with Part A of Circular Letter 0025/2008 and/or who qualify for access to the Vocational Teachers' Superannuation Scheme or the Education Sector Superannuation Scheme in accordance with Part B of Circular Letter 0025/2008 and who did not previously receive an option under Circular Letter 0025/2008 must be offered the options under Circular Letter 0025/2008 in accordance with the terms of this Circular letter.
7. Paragraph 22 of Circular Letter 0025/2008 is amended to state that Department of Public Expenditure and Reform Circular 11/2012 applies in the case of death-in-service/ill-health situations.
8. Paragraph 56 of Circular Letter 0025/2008 is amended with the addition of the following sentence at the end of the Paragraph "If the Officer's pension scheme is a co-ordinated scheme, then there will be no change to PRSI status on acquisition of a contract of indefinite duration."
9. The original time-scale for offering the options of Circular Letter 0025/2008 has expired. A new time-scale for the offer of the options of Circular Letter 0025/2008 is as follows:
 - This Circular, option form and Circular Letter 0025/2008 must be provided to any employee, former employee or retired employee who, not having previously received an option under Circular Letter 0025/2008, may qualify for the application of Pro Rata Integration or access to the pension scheme under the terms of this Circular, as soon as possible after the issue of this Circular.
 - The employee/former employee has three months from receipt of this Circular to either opt into the revised arrangements or request a detailed calculation of his/her entitlements under the present arrangements and the revised arrangements.
 - The ETB/IOT will provide detailed calculations within three months of the request by the employee/former employee.
 - The employee/former employee has one month from the date of receipt of the detailed calculations to exercise the option to enter into the revised arrangements.
 - If the employee/former employee does not respond within the time limits **outlined above**, the original pension arrangement applies.
10. If the employee/former employee opts to enter into the revised arrangements the 'back' contributions must be paid as outlined in paragraph 37(a) of Circular Letter 0025/2008. The time limits for the payment of these 'back' contributions is as follows:
 - In the case of former part-time eligible public servants who had retired before the date of this Circular Letter, the 'back' contributions must be paid at the time of opting into the pension scheme.

¹ Pensionable public servants and former public servants returning to the public service after a break of more than 26 weeks appointed on or after 1 January 2013 are members of the Single Public Service Pension Scheme in accordance with the Public Service Pensions (Single Scheme and other Provisions) Act 2012.

- For a serving public servant, the arrangements regarding payment of ‘back’ contributions will be available as follows:
 - Pay back on a periodic deduction over a period which both the employer and the employee agree can be financially managed, subject to a maximum payback period of five years. In the case of a part-time member who is not employed for the summer months, an additional 18 months maximum can be given in addition to the five years;
 - Pay in a lump sum and receive a certificate to take to Revenue for return of tax;
 - If the employee retires within five years (or in the case of a part-time member not employed for the summer months 6.5 years) of commencing payback of contributions, and the full outstanding liability is not discharged by the date of retirement, it will be offset against the lump sum payable on retirement, based on the payment rates outlined in paragraph 37(a) of Circular Letter 0025/2008;
 - If the employee retires more than five years (or in the case of a part-time member not employed for the summer months 6.5 years) after commencing payback of contributions and the full liability is not discharged within the maximum payback period, the outstanding liability will be determined by the salary/SPC rates applicable on the date of payment. If the full outstanding liability is not discharged by the date of retirement, it will be offset against the lump sum payable on retirement (based on the salary and SPC rates applicable on that date).
- 11. Education Training Boards and Institutes of Technology must make arrangements now for employees to pay “back contributions” in accordance with Paragraph 10 where the pro-rata contributions were not deducted correctly for members of the Vocational Teachers Superannuation Scheme and the Education Sector Superannuation Scheme.
- 12. Education Training Boards and Institutes of Technology have been provided with templates to assist in the calculation of revised pension benefits and pension contributions.
- 13. While it is appreciated that the full implementation of this circular for all eligible part-time employees and retired employees places a difficult administrative burden on Education Training Boards and Institutes of Technology, it is essential that options have been exercised by all eligible employees and retired employees by **31 March 2016**. **An extension to this time-scale will not be permitted.**

A Killian
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Athlone
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1 September, 2014

VOCATIONAL TEACHERS' SUPERANNUATION SCHEME
or
EDUCATION SECTOR SUPERANNUATION SCHEME

Option by serving part-time public servants (members of the existing Scheme)
in relation to the Revised Scheme

NB: This Form should be completed at either Parts A or B and returned to the ETB/Institute not later than

[Insert date] 2014

Name Date of Birth

PPSN Number

PART A

Complete this section **if you wish to join** the Revised Scheme referred to in Circular 0062/2014 and 0025/2008.

I have read and noted the contents of Circulars 0062/2014 and 0025/2008.

I hereby declare that I am already a member of the Superannuation Scheme and that I wish to join the Scheme as revised by Circulars 0062/2014 and 0025/2008.

I appreciate/acknowledge that, under the Revised Scheme, I will have to pay superannuation contributions on a pro rata basis to the wholetime equivalent of my part-time salary, both in respect of future part-time service and in respect of any reckonable past part-time service, including service in respect of which contributions have already been paid under the existing method. In the case of such past part-time service, I appreciate/acknowledge that I will owe the difference between any contributions already paid and the contributions which would have been paid at that time if calculated on a pro rata basis, in accordance with Circular 0025/2008.

I understand that in the event of my retirement from part-time service, my benefits under the Revised Scheme will be calculated by reference to the wholetime equivalent of my final part-time salary and on actual service worked expressed as a proportion of wholetime attendance. I further understand that, in line with the Example set out in Circular 0025/2008 a revised integration method will be applied in the calculation of my pension.

I understand and accept that an option once exercised cannot be revoked or revised.

Date Signed

PART B

Complete this section if you have not completed Part A i.e. **if you do not wish to join** the Revised Scheme referred to in Circulars 0062/2014 and 0025/2008.

I have read and noted the contents of Circulars 0062/2014 and 25/2008.

I hereby declare that I am already a member of the Superannuation Scheme and that I do not wish to join the Scheme as revised by Circulars 0062/2014 and 0025/2008.

I appreciate/acknowledge that as a result of this declaration, my benefits in the event of my retirement from part-time service will be calculated by reference to my actual final part-time salary (as adjusted for variations in part-time service each year). I also understand that the revised integration method set out in Appendix 1 (Officer grades) or Appendix 3 (Non-officer grades) of Circular 0025/2008 will not be applied in the calculation of my pension.

I understand and accept that an option once exercised cannot be revoked or revised.

Date Signed

IMPORTANT: If this option form is not signed and returned by the set date the existing pension arrangement will apply. No further option will be given to opt into the revised pension arrangement.

VOCATIONAL TEACHERS' SUPERANNUATION SCHEME
or
EDUCATION SECTOR SUPERANNUATION SCHEME

Option by serving part-time public servants (not members of the Superannuation Scheme)
in relation to the Revised Scheme

NB: This Form should be completed at either Part A or B and returned to the ETB/Institute not later than

[Insert date] 2014

Name Date of Birth

PPSN Number

PART A

Complete this section **if you wish to join** the Superannuation Scheme.

I have read and noted the contents of Circulars 0062/2014 and 0025/2008.

I hereby declare that I am not already a member of the Superannuation Scheme and that I now wish to join the Scheme (as revised by Circular 0062/2014 and 0025/2008). I understand that the question of my eligibility to join the Scheme will be a matter for the ETB/Institute which employs me but that, if I do not agree with that decision, it is open to me to make application for a determination through the Internal Disputes Resolution procedure operated by the Department of Education and Skills.

I appreciate/acknowledge that, under the Revised Scheme, I will have to pay superannuation contributions on a pro rata basis to the wholetime equivalent of my part-time salary, both in respect of future part-time service and in respect of any reckonable past part-time service.

I understand that in the event of my retirement from part-time service, my benefits under the Revised Scheme will be calculated by reference to the wholetime equivalent of my final part-time salary and on actual service worked expressed as a proportion of wholetime attendance. I further understand that, in line Circular 0025/2008, a revised integration method will be applied in the calculation of my pension.

I understand and accept that an option once exercised cannot be revoked or revised.

Date Signed

PART B

Complete this section if you have not completed Part A i.e. **if you do not wish to join** the Superannuation Scheme.

I have read and noted the contents of Circulars 0062/2014 and 0025/2008.

I hereby declare that I am not a member of the Superannuation Scheme and that I do not wish to join the Scheme (as revised by Circulars 0062/2014 and 0025/2008).

I appreciate/acknowledge that as a result of this declaration, my benefits from my employing ETB/Institute in the event of my retirement from my current employment will consist of the payment of a non-pensionable gratuity, (provided that I meet the conditions for such payment).

I understand and accept that an option once exercised cannot be revoked or revised.

Date Signed

IMPORTANT: If this option form is not signed and returned by the set date it will be deemed that you have opted not to join the Superannuation scheme. No further option will be given to opt into the Superannuation scheme.

VOCATIONAL TEACHERS' SUPERANNUATION SCHEME
or
EDUCATION SECTOR SUPERANNUATION SCHEME

Option by certain retired part-time public servants (members of the existing Scheme at the time of retirement) in relation to the Revised Scheme

NB 1: An option is available to members who have retired since 1 April 1996 (Non-officer grades) or 1 September 1996 (academic public servants) or 1 September 2001, (Officer grades other than academic).

NB 2: This Form should be completed at either Part A or B and returned to the ETB/Institute not later than

[Insert date] 2014

Name Date of Birth

PPSN Number

PART A

Complete this section **if you wish to join** the Revised Scheme referred to in Circulars 0062/2014 and 0025/2008

I have read and noted the contents of Circulars 0062/2014 and 0025/2008.

I hereby declare that I was a member of the Superannuation Scheme at the time of my retirement and that I wish to join the Scheme as revised by Circulars 0062/2014 and 0025/2008.

I appreciate/acknowledge that, under the Revised Scheme, I will have to pay superannuation contributions on a pro rata basis to the wholetime equivalent of my part-time salary in respect of any reckonable part-time service, including service in respect of which contributions have already been paid under the existing method. In the case of such part-time service, I appreciate/acknowledge that I will owe the difference between any contributions already paid and the contributions which would have been paid at that time if calculated on a pro rata basis in accordance with Circular 0025/2008.

I understand that my benefits under the Revised Scheme will be calculated by reference to the wholetime equivalent of my final part-time salary and on actual service worked expressed as a proportion of wholetime attendance. I further understand that, in line with the Example set out in Circular 0025/2008, a revised integration method will be applied in the calculation of my pension.

I understand and accept that an option once exercised cannot be revoked or revised.

Date Signed

PART B

Complete this section if you have not completed Part A i.e. **if you do not wish to join** the Revised Scheme referred to in Circulars 0062/2014 and 0025/2008.

I have read and noted the contents of Circulars 0062/2014 and 0025/2008.

I hereby declare that I do not wish to join the Scheme as revised by Circulars 0062/2014 and 0025/2008.

I understand and accept that an option once exercised cannot be revoked or revised.

Date Signed

IMPORTANT: If this option form is not signed and returned by the set date the existing pension arrangement will apply. No further option will be given to opt into the revised pension arrangement.

VOCATIONAL TEACHERS' SUPERANNUATION SCHEME
or
EDUCATION SECTOR SUPERANNUATION SCHEME

Option by certain retired part-time public servants (not members of the Superannuation Scheme at the time of retirement) in relation to the Revised Scheme

NB 1: An option is available to public servants who have retired since 1 April 1996 (Non-officer grades) or 1 September 2001, (Officer grades).

NB 2: This Form should be completed at either Part A or B and returned to the ETB/Institute not later than

[Insert date] 2014

Name Date of Birth

PPSN Number

PART A

Complete this section if you wish to join the Superannuation Scheme.

I have read and noted the contents of Circulars 0062/2014 and 0025/2008.

I hereby declare that I was not a member of the Superannuation Scheme at the time of my retirement and that I now wish to join the Scheme (as revised by Circulars 0062/2014 and 0025/2008). I understand that the question of my eligibility to join the Scheme will be a matter for the ETB/Institute which employs me but that, if I do not agree with that decision, it is open to me to make application for a determination through the Internal Disputes Resolution procedure operated by the Department of Education and Skills.

I appreciate/acknowledge that, under the Revised Scheme, I will have to pay superannuation contributions on a pro rata basis to the wholetime equivalent of my part-time salary in respect of any reckonable part-time service.

I also appreciate that where, in lieu of pensionability, I have already received any additional remuneration or other benefits, I will have to repay such amounts.

I understand that my benefits under the Revised Scheme will be calculated by reference to the wholetime equivalent of my final part-time salary and on actual service worked expressed as a proportion of wholetime attendance. I further understand that, in line with Circular 0025/2008, a revised integration method will be applied in the calculation of my pension.

I understand and accept that an option once exercised cannot be revoked or revised.

Date Signed

PART B

Complete this section if you have not completed Part A i.e. if you do not wish to join the Superannuation Scheme.

I have read and noted the contents of Circulars 0062/2014 and 0025/2008.

I hereby declare that I do not wish to join the Scheme (as revised by Circulars 0062/2014 and 0025/2008).

I understand and accept that an option once exercised cannot be revoked or revised.

Date Signed

IMPORTANT: If this option form is not signed and returned by the set date it will be deemed that you have opted not to join the Superannuation scheme. No further option will be given to opt into the Superannuation scheme.