

Circular 0007/2013 Rev 2015

To: The Managerial Authorities of Recognised Primary, Secondary, Community and Comprehensive Schools

The Single Public Service Pension Scheme for Teachers and Special Needs Assistants employed in Primary and Secondary/Community/ Comprehensive Schools

1. Introduction

On 31 December, 2012, the Minister for Public Expenditure and Reform announced the commencement, with effect from 1 January 2013, of the **Single Public Service Pension Scheme** (“Single Scheme”), as provided for in the [Public Service Pensions \(Single Scheme and Other Provisions\) Act 2012](#)

The main elements of the Scheme are;

- new entrants appointed on or after 1 January 2013 are members of the Single Scheme
- existing employees who resign /retire and have a break in employment of 26 weeks or greater will be members of the single scheme on return to employment.
- career average earnings are used to calculate benefits (a pension and lump sum amount accrue each year and are up-rated each year by reference to Consumer Price Index [C.P.I.]
- minimum pension age linked to the State Pension age (66 years initially, rising to 67 in 2021 and 68 in 2028)
- compulsory retirement age of 70 applies
- post retirement pension increases are linked to C.P.I.

Purpose of this Circular Letter

The Minister for Public Expenditure and Reform signed a commencement order and made regulations (SI 581 of 2012) prescribing certain bodies as relevant authorities in connection with the Single Scheme. It is the responsibility of all relevant authorities to collect and remit Single Scheme member contributions for the benefit of the Exchequer.

In this regard the Minister for Education and Skills directs that certain responsibilities must be carried out by the school authorities in order to implement the terms of the Act.

In addition to the Single Scheme a number of changes have been made to existing public service pension schemes in the 2012 Act and an outline of these changes are listed in this Circular letter.

2. Membership of the new Single Pension Scheme

(a) New Entrants

The Single Scheme applies to all new teachers and special needs assistants being appointed for the first time from 1st January 2013 as well as to former teachers and special needs assistants returning to the public service after a break of more than 26 weeks in pensionable public sector employment. It is the responsibility of the school authority to establish at the time of appointment if the terms of the Single Scheme apply to the teacher or special needs assistant being appointed.

(b) Existing employees

Under the terms of the 2012 Act, teachers and special needs assistants employed on the 31st December 2012 will remain in their “pre-existing” pension schemes, i.e. they will not become Single Scheme members. However, if their employment ceases, then any subsequent rehiring into teaching or a special needs assistant post would be on a Single Scheme membership basis, unless such rehiring takes place within 26 weeks of leaving the previous teaching or special needs assistant post.

It is important to point out that if the teacher or special needs assistant is on secondment to a public sector post or absent on approved leave of absence such as maternity leave or career break, this is not regarded as a break in service and therefore the 26-week rule does not apply.

3. Confirmation of type of Appointee

As employers, management authorities of schools must confirm where the person is being appointed to a teaching or special needs assistant post for the first time after the 1st January 2013 that the appointee is a member of the Single Scheme.

Management authorities were obliged up to 31st December, 2012, to indicate if a person is a “new entrant” in accordance with the terms of Circular 10/04 Primary and Circular Pay 09/04 Post Primary. This is superseded by the Single Pension Scheme.

Management Authorities are obliged, since 1st January, 2013, to check and record on the basis of the appointee’s self declaration whether the appointee is a member of the Single Scheme. Management authorities, at the time of appointment must check if the individual being appointed was previously employed and had resigned or retired from an employment in teaching or as a special needs assistant or any other pensionable public service employment. In such cases if the break in service is greater than 26 weeks any subsequent rehiring as a teacher or special needs assistant is on the Single Pension Scheme membership basis.

It is absolutely essential that managerial authorities verify the information and ensure that they address the matters as outlined in this Circular letter as the information determines the pension scheme of which the teacher/special needs assistant is a member with effect from 1st January 2013.

The relevant details must be completed in the standard appointment form being submitted to the Department at the time of appointment. In the case of substitute or part-time appointees the relevant details must be input on the On Line Claim System (OLCS).

4. Duty to make a declaration on commencement of employment

(a) (i) Person in receipt of Pension:

Each teacher and special needs assistant who takes up employment and is in receipt of retirement benefits other than Department of Social Protection pension shall, on appointment, provide a declaration on the appointment form and the statutory declaration form SPS/S51, as appropriate, as to whether or not s/he is in receipt of pension benefits from any public service body.

(a) (ii) Person who has a Preserved entitlement to retirement benefits

Each teacher and special needs assistant who takes up employment and has a preserved entitlement to retirement benefits other than Department of Social Protection pension shall, on appointment, provide a declaration on the appointment form and the statutory declaration form SPS/S51, as appropriate, as to whether or not s/he has a future entitlement to a preserved pension, a preserved lump sum or other preserved retirement benefit.

(b) Person in Simultaneous Employment:

Each teacher or special needs assistant deemed to be a member of the Single Pension Scheme who is employed simultaneously in another public sector employment must, on appointment, complete a declaration on the appointment form and the declaration Form S46 as appropriate.

(c) Substitute and part-time employees

The person being appointed and the managerial authority must ensure that the appropriate declarations are made, on appointment. In the case of teachers or special needs assistants employed in a substitute or part-time capacity who are in receipt of pension or are in simultaneous employment the relevant declaration forms S46 or SPS/S51 as appropriate must be completed on first appointment in each school year and submitted by the managerial authorities to the Department.

5. The Single Scheme standard terms and other Provisions in the Act

(a) The Single Scheme standard terms

- pension and retirement lump sum based on career-average pay;
- pensions will be co-ordinated with the State Pension Contributory (SPC);
- pension age set, initially, at 66 years; this will rise in step with statutory changes in the SPC age to 67 years in 2021 and 68 years in 2028;
- compulsory retirement age of 70;
- contribution rates of 3.5% of net pensionable remuneration and 3% of pensionable remuneration;
- facility for early retirement from age 55 on cost-neutral (actuarially reduced) grounds;
- facility for early retirement on medical grounds, subject to certain conditions;
- death in service benefit of twice annual pensionable remuneration;
- preserved benefits paid on application at the age at which a member would be eligible to receive the State Pension Contributory (SPC);
- pensions for spouses or civil partners and eligible children;
- post-retirement pension increases linked to CPI.

(b) Other Provisions in the Act

Chapter 4 (sections 49-54) of Part 2 of the Act (*Provisions Applicable to all Public Service Pension Schemes*) became fully operational (in so far as it relates to pre-existing public service pension schemes) as and from 1 November 2012.

Chapter 4 brings a number of provisions together in one area of primary legislation including a 40-year limit on total pensionable service across multiple public service pension schemes, extending the scope of pension abatement and several provisions designed to support efficient pension administration including information-gathering.

The sections in Chapter 4 are as follows:

- *Section 49 (Duty to give information, etc.)*
- *Section 50 (Use of Personal Public Service Number (PPSN))*
- *Section 51 (Duty to make declarations, etc.)*
- *Section 52 (Abatement and reckoning of pensionable service)*
- *Section 53 (Cesser or reduction of benefit)*
- *Section 54 (Survivor's entitlement to pension)*

6. Summary of responsibilities of School Authorities

The principal responsibilities of management authorities in respect of implementation of the Single Pension Scheme are:

- ✓ To ensure that the appointee is aware of his/her responsibility regarding the completion of the relevant declaration(s) Ref. Para. 4.
- ✓ To obtain full information from the teacher or special needs assistant on appointment to enable a determination as to whether or not the person is a member of the Single Pension Scheme.
- ✓ To bring to attention and ensure that the teacher or special needs assistant completes all appropriate Declarations.
- ✓ To ensure correct information is input on the OLCS and is provided to the Department on the appointment forms.

Please bring this Circular to the attention of all employees and prospective employees.

7. Further information on the Single Pension Scheme

This Circular may be accessed on the Department's website <http://www.education.ie> .

This is a Public Service Pension Scheme and all relevant information on the Scheme (the Act, Information Booklet, etc) is available on the Department of Public Expenditure and Reform website <http://per.gov.ie/pensions/>

A link to that website is available on the Pension page of this Department's website <http://education.gov.ie>

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Enclosures: Declaration Form S46
Declaration Form SPS/S51