Explanatory Booklet
Nominated Health Agencies
&
Voluntary Hospitals
Main Superannuation Schemes and
Spouses’ and Children’s Contributory Pensions Schemes
Superannuation Schemes

Nominated Health Agencies Superannuation Scheme 1981

Nominated Health Agencies Spouses’ and Children’s Contributory Pension Scheme 1986

Voluntary Hospitals (Officers) Superannuation Scheme 1969 (as amended 1977)

Voluntary Hospitals (Non-Officers) Superannuation Scheme 1985

Voluntary Hospitals Spouses’ and Children’s Contributory Pension Scheme 1986

With effect from 6th April 1995 all staff recruited into the public service are required to pay class A PRSI contribution rates.

The NHASS and VHSS main and spouses’ and children’s schemes are non-statutory schemes.

Section 16 of the Finance Act, 1972 applies to both schemes.

They are defined benefit schemes for the purpose of the Pensions Act, 1990 and the Pensions Amendment Act 2002. The schemes are not funded and benefits are met on a “pay–as-you–go” basis.

Part A of the booklet deals with the Main Scheme and Part B deals with the Spouses’ and Children’s Scheme. In each case, a question and answer format is followed by a summary of the provisions of the scheme.
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Part A

Main Scheme

1. *Who can join the Scheme?*

Subject to contractually binding arrangements, membership of the schemes is mandatory for all employees. The exclusion of any employee (or grade / group of employees) from a scheme is subject to the prior agreement of the Pension Section of the Department of Finance, following consultation with the appropriate employee interests.

2. *What benefits does the Scheme provide?*

The main benefits are:

- Retirement pension and tax free lump sum
- Death gratuity

3. *What factors will be taken into account in determining benefits?*

- Pensionable remuneration at retirement
- Length of service

4. *Are contributions payable towards the benefits of the scheme?*

Contributions are payable towards pension and lump sum benefits. The rate of contribution will depend upon the rate of PRSI paid by the member. Members paying Class D PRSI will receive their full pension from the scheme administrators (through their employing organisation). Members paying Class A PRSI will receive their occupational pension from the scheme administrators and by virtue of paying higher PRSI contributions will qualify for eligibility to the State Pension(Contributory) (SPC) from the Department of Social & Family Affairs.
EXAMPLES OF CONTRIBUTIONS PAYABLE

Class D PRSI (Modified)

Lump sum  1½% of gross pensionable earnings.  

**Plus**

Pension  3½% of gross pensionable earnings.

**Example: Class D PRSI**  
(Wholetime)

Weekly pensionable earnings............................................... €600.00  
Lump sum contribution of 1½% of gross pensionable earnings ... €9.00  
Pension contribution of 3½% of gross pensionable earnings...... €21.00  
Total contribution.................................................................. €30.00

(Part time)

Weekly pensionable earnings............................................... €300.00  
Lump sum contribution of 1½% of gross pensionable earnings ... €4.50  
Pension contribution of 3½% of gross pensionable earnings...... €10.50  
Total contribution.................................................................. €15.00

Class A PRSI (Full PRSI)

Lump sum  1½% of gross pensionable earnings.  

**Plus**

Pension  3½% of net pensionable earnings

**Example: Class A PRSI Full Contribution (Wholetime)**

Weekly pensionable earnings............................................... €600.00  
2 * SPC (€209.30 * 2) .......................................................... €418.60  
Net pensionable earnings ..................................................... €181.40  
Lump sum contribution of 1½% of gross pensionable earnings ... €9.00  
Pension contribution of 3½% of net pensionable earnings....... €6.35  
Total contribution.................................................................. €15.35

**Example: Class A Full Contribution (Part Time, 30/39 hours per week)**

Weekly pensionable earnings for 30 hours (€600 * 30/39) ...... €461.54  
2 * SPC (€209.30 * 2) * 30/39 ............................................... €321.99  
Net pensionable earnings ..................................................... €139.55  
Lump sum contribution of 1½% of gross pensionable earnings ... €6.92  
Pension contribution of 3½% of net pensionable earnings....... €4.88  
Total contribution.................................................................. €11.80

(An additional contribution is payable for the Spouses’ and Children’s scheme, see Question 11 under Spouses’ and Children’s Pension Scheme)
5. **What service is reckonable for benefits?**

Reckonable service is paid service and once you have two years qualifying service the following service is reckonable for pension purposes:

- Permanent, wholetime and approved job/work sharing service in the public service.
- Temporary wholetime service in the public service for which superannuation contributions were not deducted.
- Certain part time service (see circular 23/2005)
- Additional or added service granted in certain circumstances (question 9);
- Certain service in respect of which you may already have received a gratuity or a refund of contributions provided you make an appropriate repayment.
- Transferred service (question 22)
- Purchased service (question 10)

Periods on pension rate of pay are not reckonable for benefits.

6. **On what rate of pay are benefits calculated?**

In most cases, benefits are based on basic salary plus pensionable allowances on the date of retirement or death. If you change grade or receive an increase in salary within the last three years of service, the average of your salary is used. Such averaging does not apply in certain circumstances e.g. retirement on grounds of permanent infirmity. Pensionable allowances are based on the best three consecutive years of service in the last ten preceding retirement.

7. **When are benefits payable?**

Retirement pension and lump sum are payable on retirement. For non new entrants the minimum retirement age is 60 and maximum retirement age is 65. The minimum age for retirement for new entrants is 65 and the maximum retirement age is removed. Benefits are also payable where retirement is on grounds of ill-health (see question 15) and if a member wishes to avail an actuarially reduced pension (see question 14).

8. **What is the minimum amount of service required for benefits?**

A minimum of 2 calendar years of reckonable service is required for payment of pension and lump sum benefits under the schemes. If you have less than 2 calendar years of service you will receive a refund of your contributions less a reduction for income tax. (Please refer to Section 21 for restrictions on the preservation of benefits / refund of contributions).

9. **What are added years?**

Added years may be awarded in certain circumstances:

- On ill-health retirement (see question 15), and
- In respect of certain approved grades requiring specific professional qualification and/or expertise. For new entrants recruited on or after 1st April 2005 an award of up to five years may be granted (see circular 03/ 2005). For
non–new entrants an award of up to 10 years may be granted (members must purchase all reckonable service ie. temporary service, service for which refunds / gratuity was authorised before granting an award for professional added years).

10. **Can I purchase notional years of service?**

If you have potential for 9 years service and your total service by age 65(60 non new entrant) will not be sufficient to give you maximum service (40 years) for pension purposes you can purchase additional years of service at full actuarial cost. Notional years can be purchased by lump sum or periodic deduction from pensionable salary, provided contributions for all reckonable service is fully paid. Employees who have a minimum retirement age of 60 may now purchase service with reference to age 60. Where the minimum retirement age is 65 you must purchase service with reference to age 65. (Notional service cannot be purchased after retirement).

Members working part-time accumulate service on a pro-rata basis. For example if you work 19½ hours per week of a 39 hour whole-time equivalent week you accumulate pensionable service of 19½/39 of a year for each calendar year of service; effectively ½ year service per year for purposes of superannuation calculation.

Purchase of notional service by periodic deduction from salary may be exercised at any time during service and prior to reaching age 63 while the option to purchase by lump sum is available once a year. (See circular 23/2006)

10 (a) Can I purchase a portion of a year?

Irrespective of whether employment is full-time, work-sharing etc. members may only purchase **whole years of service** under the notional service scheme.

10 (b) What happens if I take unpaid leave, such as career break or parental leave?

Periods of special leave without pay may be reckoned for superannuation purposes within six months of the member’s return to duty. (The amount of service purchased in such a case may not exceed the duration of the period of special leave without pay).

Where the duration of the special leave without pay is less than one year it must be paid for by lump sum contribution. Periods of greater than one year may be purchased by lump sum or periodic contribution. Notional service rates apply.

10 (c) Can service prior to joining the scheme be purchased?

If you have previously served in the public service or in an agency in Ireland recognised under the public sector transfer network you can apply to your Human Resources / Superannuation Section to determine whether the relevant service may be purchased. Such service includes;

- Previous pensionable service for which you have received a refund of superannuation contributions or a gratuity.
• Temporary fulltime or part-time service, for which superannuation contributions were not paid.

NOTE: The earlier service is purchased or a gratuity repaid the less expensive it will be to members.

11. What are AVC’s?
Additional Voluntary Contribution (AVC) schemes are a facility available through your staff association which allow you to enhance your superannuation benefits at your own expense, as permitted by the Revenue Commissioners. They are essentially a private arrangement between the individual and a private sector pension provider. The benefit is generally in the form of an additional cash amount of pension or lump sum rather than the additional notional years of service under the purchase scheme. The cash benefit is dependent on the performance of the fund in which the AVC contributions are invested. Contributions are allowed against income tax, subject to Revenue rules.

12. What rate of retirement pension and lump sum is payable?
The maximum lump sum and pension is payable after 40 years service subject to reaching minimum retirement age. However, you do not need to have 40 years service to qualify for a pension. You must have a minimum of 2 calendar years reckonable service to preserve benefits to normal pension age. (Where service is less than two calendar years a refund of contributions less deduction for tax is payable).

**Lump Sum**
Your Lump Sum is calculated as follows (regardless of PRSI rate):

\[
\text{Lump Sum} = \frac{3}{80} \times \text{pensionable remuneration} \times \text{number of wholetime equivalent years’ service}
\]

Fractions of a year count proportionately.

**Example** – Member with 40 years service and pensionable remuneration of €600 per week will receive the following lump sum

\[
\frac{3}{80} \times €600.00 \times 52.18 \times 40 = €46,962.00
\]

Similarly, a member who served for 28 years on a part-time basis of 17½ hours per week where the whole-time equivalent would have worked 35 hours (attracting pensionable remuneration of €600 per week). The lump sum will be based on a whole-time equivalent service of 14 years.

\[
\frac{3}{80} \times €600.00 \times 52.18 \times 14 = €16,436.70
\]
Pension

**Class D PRSI Members**

Pension is payable at $1/80^{th}$ of pensionable remuneration multiplied by the number of years service. A member paying Class D PRSI does not have eligibility to SPC.

*Example* – Member with 40 years service and pensionable remuneration of €600 per week. The member will receive the following annual pension from the scheme.

\[
\frac{1}{80} \times 600 \times 52.18 \times 40 = €15,654
\]

*Example* – Member with 40 years service working on pensionable remuneration of €300 per week for 19.5 hours per week. The member will receive the following annual pension from the scheme.

\[
\frac{1}{80} \times (2 \times 300) \times 52.18 \times 20 + €7,827
\]

**Class A PRSI Members**

Pension is payable at $1/80^{th}$ of net pensionable remuneration multiplied by number of wholetime equivalent years of service. The pension is $1/80^{th}$ of net pensionable remuneration for each year of service subject to a maximum of $40/80^{th}$. This means that on retirement with 40 years reckonable service the occupational pension along with the State Pension (Contributory) amounts to one-half of pensionable remuneration.

Effective from 1 January 2004, if pensionable remuneration is less than $3\frac{1}{3}$ \textit{times} SPC the formula for the calculation of pension has been amended to: pensionable remuneration \( /200^{th} \times \text{WTE service.} \) (Circular 20/2005 refers). The table below sets out how the lower paid revision formula operates for single SPC rate of €10,921.27 and verging levels of PR.

<table>
<thead>
<tr>
<th>SPC</th>
<th>2*SPC</th>
<th>3⅓ SPC</th>
<th>Revised Integration Formula</th>
<th>Conventional Formula</th>
</tr>
</thead>
<tbody>
<tr>
<td>€ 10,921</td>
<td>€ 21,843</td>
<td>€ 36,404</td>
<td>WTE*PR/200</td>
<td>WTE*(PR-2*SPC) /80</td>
</tr>
<tr>
<td>€ 15,000</td>
<td>40.0000</td>
<td>€ 3,000</td>
<td>€ 0</td>
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</tr>
<tr>
<td>€ 18,000</td>
<td>40.0000</td>
<td>€ 3,600</td>
<td>€ 0</td>
<td></td>
</tr>
<tr>
<td>€ 21,000</td>
<td>40.0000</td>
<td>€ 4,200</td>
<td>€ 0</td>
<td></td>
</tr>
<tr>
<td>€ 24,000</td>
<td>40.0000</td>
<td>€ 4,800</td>
<td>€ 1,079</td>
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</tr>
<tr>
<td>€ 27,000</td>
<td>40.0000</td>
<td>€ 5,400</td>
<td>€ 2,579</td>
<td></td>
</tr>
<tr>
<td>€ 30,000</td>
<td>40.0000</td>
<td>€ 6,000</td>
<td>€ 4,079</td>
<td></td>
</tr>
<tr>
<td>€ 33,000</td>
<td>40.0000</td>
<td>€ 6,600</td>
<td>€ 5,579</td>
<td></td>
</tr>
<tr>
<td>€ 36,000</td>
<td>40.0000</td>
<td>€ 7,200</td>
<td>€ 7,079</td>
<td></td>
</tr>
</tbody>
</table>
### Table

| € 39,000 | 40,0000 | € 8,579 | € 8,579 |
| € 42,000 | 40,0000 | € 10,079 | € 10,079 |
| € 45,000 | 40,0000 | € 11,579 | € 11,579 |
| € 48,000 | 40,0000 | € 13,079 | € 13,079 |

Effective from 20th December 2001 worksharing service is treated on a pro-rata basis and the pensionable remuneration is the notional full rate of pay for the job. This means that the period of jobsharing/worksharing service is reckoned pro-rata to whole time reckonable service and the salary base is the whole time equivalent salary.

**Example** – Member with 40 years service and pensionable remuneration of €300 per week.

\[
\frac{1}{80} \times €600 - (2 \times €209.30) \times 52.18 \times 20 = €2,366.25
\]

Revised integration formula will apply:

\[
\frac{1}{200} \times €600 \times 52.18 \times 20 = €3,130.80
\]

This member will receive an annual pension of €3,130.80 from the scheme.

Members paying Class A PRSI should contact the Department of Social and Family Affairs to determine eligibility to benefits under the Social Welfare Acts. Under the terms of this scheme a Supplementary Pension may be payable where the pension paid to a former member based on Class D PRSI service exceeds the combined occupational pension, Department of Social & Family Affairs benefit and income of a former Class A PRSI member. It represents the total of the pensions actually received by the person and the pension that would be payable if the occupational pension was not co-ordinated with the State Pension (Contributory). Your Human Resources / Superannuation Section will be able to assist in queries relating to supplementary pension.

13. **If I resign before normal retirement age what happens to my benefits?**

If you resign voluntarily with at least 2 calendar years’ reckonable service and do not transfer your service to another organisation where the superannuation scheme allows for the reckoning of your service you will qualify for a pension and lump sum at minimum retirement age. Your superannuation benefits will be based on pensionable remuneration at the date of resignation up-rated to take account of increases in pay and allowances applied to your former grade between resignation date and your retirement. It is your responsibility to notify your previous employer of the date when you reach minimum retirement age that you wish to draw down your superannuation benefits.

14. **What is the Actuarially Reduced Pension Scheme.**

An actuarially reduced pension is available to members (with at least two calendar years’ service) who wish to retire up to 10 years before reaching the minimum
retirement age. An actuarially reduced lump sum and pension are payable in lieu of preserved benefits at a later date. Under this scheme the pension is actuarially reduced for the lifetime of the pension payable. You must indicate if you are availing of an actuarially reduced pension prior to leaving your employment. Actuarially reduced retirement was introduced in 2005 and applies to resignations effective from 1st April 2004.

Members availing of an actuarially reduced pension should take account of the following points:

- Any supplementary benefit payable will be reduced by the same actuarial factor applying to the pension paid.
- Return to the public service is only possible by general recruitment procedures. (A return to previous employment is not permitted).
- Abatement rules will be applied where a member takes up employment in an organisation where the same superannuation scheme is available.

(Circular 5/2005 refers)

15. What is the position if I become too ill to continue in employment?

Subject to certain conditions you may be able to retire on ill-health grounds. A pension and lump sum, calculated in the same way as an age retirement pension and lump sum will be paid to you immediately at retirement provided you have a minimum of 5 years reckonable service. As well as your actual service you may be allowed an additional period of notional service. This added service which is calculated by reference to the length of your actual service, is to compensate in the
event that you retire on ill-health grounds. Depending on age and service, generally, an addition of up to $\frac{6}{3}$rd years is fairly common.

The application of these rules to worksharers/part timers has not yet been finalised. In the meantime the Department of Health and Children will consult the Department of Finance as appropriate.

The following table outlines the notional added years available under the schemes.

<table>
<thead>
<tr>
<th>Service (Years)</th>
<th>Added years</th>
</tr>
</thead>
<tbody>
<tr>
<td>05 – 10</td>
<td>Actual service subject to limit of potential service to age 65</td>
</tr>
<tr>
<td>10 – 20</td>
<td>Better of</td>
</tr>
<tr>
<td></td>
<td>(i) Total service not exceeding 20 years, subject to limit of potential service to age 65 or</td>
</tr>
<tr>
<td></td>
<td>(ii) $6\frac{1}{3}$ years, subject to potential service to age 60</td>
</tr>
<tr>
<td>20+</td>
<td>$6\frac{1}{3}$ years, subject to potential service to age 60</td>
</tr>
</tbody>
</table>

**Short Service Gratuity**

If you retire on the grounds of ill health with between one and two years service a short service gratuity equal to $\frac{1}{12}$th of pensionable pay for each year of service may be payable. If you have between two and five years’ actual service you may be eligible to receive a gratuity of $\frac{1}{12}$th of pensionable remuneration for each year of pensionable service and, in addition, a gratuity equal to $3/80$ths of pensionable remuneration for each year of pensionable service.

If you are a new entrant and have completed at least two years’ actual service and retire or are retired after attaining the age of 65 you will be eligible to receive a gratuity at the rate of $3/80$ths of pensionable remuneration for each year of pensionable service subject to a maximum of $120/80$ths.

If you are a non new entrant and have completed at least two years’ actual service and retire or are retired on grounds of ill health, you can choose between taking a short service gratuity or opting to preserve benefits payable in the normal way to age 60.

If you are a non new entrant and have completed at least two years’ actual service and retire or are retired after attaining the age of 60 you shall be eligible to receive a gratuity at the rate of $3/80$ths of pensionable remuneration for each year of pensionable service subject to a maximum of $120/80$ths.

16. **For how long is my pension paid?**

Your pension is payable for the period of your lifetime.
17. **Is there any provision for my pension to be increased to take account of inflation?**

There is no provision for a pensioner to be paid an increase in advance of any such increase having been paid to their serving counterpart. In practice, all general pay increases since 1986 have been passed on to pensioners on the same basis as to serving staff. In the case of special pay increases for serving staff, some are passed on to pensioners, others are not.

Some of the conditions which may have to be met before special pay increases are passed on to pensioners are:

- The increase must apply to all staff serving in the grades or posts concerned;
- Assimilation of serving staff to the revised pay scales must be on the basis of “corresponding points” (i.e. not on “starting pay on promotion” or “re-grading” terms);
- The increase must not have been awarded in consequence of a substantial restructuring or alteration of duties which, in effect, constitutes re-grading of the posts or grades concerned;
- The increase must not have been awarded in respect of increased productivity from serving staff and
- The increase must be a permanent feature of the pay scale

In addition, if an allowance becomes pensionable from a particular date, the benefit is not passed on to pensioners who retired before that date. If a new pensionable allowance is introduced, it does not apply to pensioners who never held that allowance while serving.

18. **What happens if I die in service?**

Probate or letters of administration are required to be produced.

(a) **What benefits would apply?**

Your legal personal representative will receive the greater of:

Where you are working full time:

- One year’s pensionable remuneration (at the rate applicable on the date of death), or
- The lump sum that would have been paid to you had you retired on ill-health grounds on date of death subject to a maximum of 150% of pensionable remuneration at the date of death, or
- 97.43% of the 2nd point of the Department of Health & Children’s Consolidated Craftsman’s Pay scale at the date of death.

The application of these rules to worksharers/part timers has not yet been finalised. In the meantime the Department of Health and Children will consult the Department of Finance as appropriate.

NOTE: Outstanding contributions due to the Spouses’ and Children’s Scheme and for pre-scheme service will be deducted from any lump sum payable.
(b) **What benefits apply on death after retirement?**

If at the time of death the total pension received since retirement, together with the amount of the retirement lump sum, comes to less than one year’s pensionable remuneration at the date of retirement, a balancing gratuity sufficient to bring the total up to the equivalent of one year’s pensionable remuneration is payable to the officer’s legal personal representative. This does not apply in the case of persons who are paid a preserved pension. Spouses' and Children’s benefits are also payable where appropriate (see Part B question 4).

19. **How will my benefits be affected if I separate or divorce?**

Your pension will only be affected by divorce or judicial separation if there is a Pensions Adjustment Order in force apportioning some of the superannuation entitlements to the spouse or dependant children (See question 7 in Spouses’ and Children’s). Death gratuity and spouses pension entitlements may also be affected by a Pensions Adjustment Order. Where there is no PAO then benefits will be payable in accordance with the rules of the scheme.

20. **What happens if I leave employment other than by reason of age or ill-health retirement?**

If you resign voluntarily and have at least 2 calendar years reckonable service, you may qualify for:

- **Transfer of service**: If you change employment to another organisation that is a member of Public Sector Transfer Network arrangements can be made to transfer your superannuation entitlements to your new employment.
- **Preserved Benefits**: You may on application, at age 65 (60 non new entrant) be paid preserved benefits (question 21).
- **Actuarially Reduced Benefits**: You may qualify to take an actuarially reduced pension where you leave employment within 10 years of your minimum retirement age (question 14).

If you have less than 2 calendar years of service contributions will be returned less appropriate income tax deduction.

21. **How or when do I qualify for preserved benefits?**

If you resign before minimum retirement age (other than on grounds of ill-health or actuarially reduced pension) and have at least 2 calendar years’ reckonable service your pension and lump sum benefits will be preserved. You must apply in writing to your former employer for these benefits on reaching minimum retirement age. Benefits will be based on your reckonable service and reckonable pay on the date of your resignation up-rated by the appropriate increases between that date and your retirement.

In the event that a member dies before reaching the minimum retirement age preserved pension and lump sum benefits will become payable immediately to your legal
personal representative. If the former member becomes seriously ill, payment of superannuation benefits may be permitted on ill-health grounds.


<table>
<thead>
<tr>
<th>Scenario 1</th>
<th></th>
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</thead>
<tbody>
<tr>
<td>Join Scheme <strong>after</strong> 1/7/1995</td>
<td>Leave Scheme <strong>before</strong> 2/6/2002</td>
</tr>
<tr>
<td>Less than 5 years contributions</td>
<td>Refund of contributions</td>
</tr>
<tr>
<td>More than 5 years contributions</td>
<td>Preservation compulsory</td>
</tr>
</tbody>
</table>

**Scenario 2**

| Join Scheme **before** 1/7/1995 | Leave Scheme **before** 2/6/2002 |
| Less than 5 years contributions | Refund of contributions |
| More than 5 years contributions | Option of refund – waiver form |

**Scenario 3**

| Join Scheme **after** 1/7/1995 | Leave Scheme **after** 2/6/2002 |
| Less than 2 years contributions | Refund of contributions |
| More than 2 years contributions | Preservation compulsory |

**Scenario 4**

| Join Scheme **before** 1/7/1995 | Leave Scheme **after** 2/6/2002 |
| Less than 2 years contributions | Refund of contributions |
| More than 2 years contributions | Option of refund – waiver form |

**Note:** Please refer to Department of Finance circular letter P18/27/90 of 31st May 2002 and Department of Health and Children circular letter of 26th June 2002. Subject to the provisions of the Pensions Amendment Act 2002 it is possible in certain cases to get a refund of contributions on termination of service.

23. **Can my service be transferred?**

If you change employment from one public sector organisation to another covered by the Local Government Superannuation Code (LGSS) or Irish Public Service Transfer Network (PSTN) you may transfer your previous reckonable service to your new employment.
Members with such service (in a LGSS or PSTN organisation) should notify the Human Resources / Superannuation Section to assist in arranging the transfer of service.

(a) Can I transfer service from a private scheme or from a U.K scheme?

Where a member has preserved benefits arising from contributions made to a private occupational pension scheme in a previous employment in Ireland or the UK it may be possible to assess a **transfer value** that will facilitate the purchase of notional years in these schemes. Transferring of value is dependant on the agreement of the private pension company to pass accrued contributions to the administrators / trustees of the public sector scheme. When a transfer value from a former scheme is notified to the trustees an estimate of the amount of service that can be purchased under the public health sector schemes will be calculated.

(b) Can I get a transfer value for my public health sector service?

No. This is a non funded pension scheme. Benefits only become payable on reaching minimum retirement age.

24. *What is Abatement of pension?*

Abatement of pension applies where a retired former member, in receipt of a pension from the scheme, returns to work in an organisation in which the scheme is available. (Generally, it is applied to retired members returning to work after retirement). The abatement provisions provide that for a period of re-employment, the employee cannot earn more by way of pension and pay on re-employment than the up-rated remuneration of the former post. (Circular 21/2005 refers)

The nature of **the contract of employment** determines the extent of abatement, if any. For example if the ‘specified period’ of re-employment is identified in the contract of employment as:

1. **Full time over six months**
   The individual is employed on a full time basis over a specified period of six months. Therefore no pension is payable as the remuneration for the specified period is equal to the up-rated remuneration of the former post.

2. **Full time for six months over the course of one year (including working week on/week off, mornings only etc)**
   The period of re-employment is one year and no reduction in pension will occur

3. **If and when required over the course of a specified period**
   Where the period of re-employment is stated and provided their re-employment does not exceed half the whole time equivalent for that period the pension will not be reduced.

It is the responsibility of Superannuation Officers to notify the trustees of the re-employment (post-retirement) of pensioners. The trustees will indicate the rate of pension payable in each case. If the period of re-employment fluctuates the trustees should be notified.
25. **How are benefits and contributions treated for income tax purposes?**

Under the current rules, the retirement lump sum, marriage or death or balancing gratuities are currently exempt from income tax. Pensions are subject to income tax in the normal way.

Contributions for personal benefits, Spouses’ and Children’s Contributory Pension Scheme and Purchase Scheme contributions (subject to certain limits) would normally qualify for income tax relief.

26. **Can I appeal decisions made by my employer?**

Where an employee makes a complaint or is unhappy with a determination, they can exercise their right to appeal.

Appeals in the first instance should be made to the Appeals Officer for the scheme. The administrator of the scheme will provide you with the details of the Appeals Officer.

27. **What avenues of appeal are available if I am dissatisfied with any decision made by the trustees or administrators?**

Where a member makes a complaint or is unhappy with any decision made by the trustees or administrators they can exercise their right to appeal to the Pensions Ombudsman. Department of Health and Children circular ref: 21/2004 of 12 May 2004 refers – Pensions Ombudsman Procedures for Internal Resolution of Disputes.

28. **Is there any other information available regarding my pension entitlement?**

You should contact the Human Resources / Superannuation Section of your employing organisation if you require any further details. The Irish Pensions Board provides comprehensive information that is easily accessible at www.pensionsboard.ie
### Summary of Principle Provisions of the Main Scheme

1. **Contribution rate**  
   
   - **Class D PRSI:**  
     - **Lump sum:** 1½% of gross pensionable earnings, Plus  
     - **Pension:** 3½% of gross pensionable earnings.  
   
   - **Class A PRSI:**  
     - **Lump sum:** 1½% of pensionable earnings, Plus  
     - **Pension:** 3½% of net pensionable earnings. (full salary less twice SPC)

2. **Allowances**  
   Allowances which are in the nature of pay will be taken into account as pensionable allowances for the purpose of both superannuation contribution and benefits, subject to certain exclusions.

3. **Normal qualification for lump sum and pension**  
   2 calendar years service at normal retirement age.

4. **Amount of Lump sum**  
   3/80th of annual pensionable pay multiplied by the number of years service (subject to a maximum of 1½ times pensionable remuneration). Maximum reckonable service is forty years.

5. **Amount of Pension**  
   - **Class D PRSI:**  
     1/80th of annual pensionable remuneration multiplied by the number of years service (subject to a maximum of ½ pensionable remuneration). Maximum reckonable service is forty years.
   
   - **Class A PRSI:**  
     1/80th of net pensionable remuneration multiplied by the number of years (subject to a maximum of ½ pensionable remuneration. Maximum reckonable service is forty years

Class A PRSI:

The pension of a member will be based on pensionable remuneration on last day of service reduced by twice the SPC payable to a person who has no adult dependent or qualifying children.

- A supplementary pension is payable where the co-ordinated pension is less than the un-coordinated pension (based on Class D PRSI).
- A co-ordinated pension is made up of the occupational pension and the benefits payable to the member under the Social Welfare Acts.
- From 1\textsuperscript{st} January 2004 a revised formula is used to calculate the pension for members’ whose salary is less than 3 1/3\textsuperscript{rd} the maximum single rate of SPC.

7. Averaging

Where an employee changes grade or receives an increase in salary within the last three years of pensionable service, benefits payable are based on average pay over the three year period. Such averaging will not apply in certain circumstances e.g. retirement on grounds of permanent infirmity.

8. Part-time service

An employee who had prior part-time non-pensionable service may have that service reckoned (subject to eligibility and the payment of contributions).

9. Purchase of notional service

A member with potential service at age 65/60 of less than 40 years may purchase additional years of service at full actuarial cost.

10. Additional Voluntary Contributions (AVC’s)

The purchase of an AVC is an agreement between a member and a private pension operator and is separate from purchasing pre-scheme service, notional service or repaying a marriage gratuity, etc.

(Details of AVC schemes available in your employment may be obtained direct from your Human Resources / Superannuation Section).

11. Preserved benefits

An employee with over 2 calendar years pensionable service, who ceases to hold office and is not employed in another position in which service may be reckoned, will have benefits preserved until age 65 (60 for non new entrants).
12. **Short service gratuity**

A gratuity may be granted to an employee with less than 5 years’ pensionable service who ceases to hold his office because of permanent infirmity. Where the employee has more than 2 years wholetime equivalent service, the amount of gratuity payable may equal to $\frac{1}{12}$ of pensionable pay for each year of service plus $\frac{3}{80}$ of such pay for each year of service. Where a member has between one and two years service a short service gratuity equal to $\frac{1}{12}$ of pensionable pay for each year of service is payable. (Any odd fraction of a year will be taken into account in calculating the gratuity).

13. **Death Gratuity**

There is no qualifying period of service for payment of a death in service gratuity. In the case of a full time employee the gratuity will be the maximum of:

- one year’s actual pensionable remuneration,
- the amount of the lump sum that would be payable to the members legal personal representative if the employee had ceased to hold office on the grounds of permanent infirmity at the date of death. Death gratuity may be subject to deduction in respect of contributions due to the Main Scheme or Spouses’ and Children’s’ Scheme from date of death to age 65, if applicable or
- $97.43\%$ of the existing 2$^{\text{nd}}$ point on the Craftsman’s Rate or

The application of these rules to worksharers/part time employees has not been finalised. The Pension Policy Unit of the Department of Health and Children should be consulted in the first instance where guidance is required.

14. **Repayment of contributions and gratuities**

A member who received a refund of contributions or gratuity on ceasing previous employment may have that previous service reckoned for superannuation purposes by repaying the refund and/or gratuities. The repayment will be subject to compound interest applied from the date of the refund of contribution to the date of the repayment.

The member is offered an option to repay by lump sum, instalment or periodic contribution within two years of the date of the costing. An option to reckon such service by way of percentage deduction against current pensionable remuneration can also be arranged, with the expense being determined by the rate of contributions (in addition to existing contributions).
1. **What is the Spouses’ and Children’s’ Pension Scheme?**

   It is a scheme to provide pensions for the spouse and/or dependent children of a deceased member of the scheme.

2. **Who does the Scheme apply to?**

   The scheme applies to any person, who becomes pensionable on or after 1st January, 1986.

   (Any employee in a pensionable post immediately prior to that date had an option to join the scheme. Some employees would have decided to remain in an earlier Spouses’ and Children’s Scheme (1984) or in the Widows’ and Orphan’s Scheme, both of which are broadly similar to the current scheme. Persons who did not exercise their option to join the 1986 Scheme at that time currently have no further option to join).

3. **Can I leave the Scheme?**

   No. Membership is mandatory for all pensionable employees.
4. How are spouses’ and children’s pensions calculated?

One month’s salary is payable to the spouse for the first month after death. If you die in service or after retirement on ill-health grounds the spouses’ and children’s pensions will be calculated by reference to the pension you would have received had you continued in pensionable employment up to age 65, subject to a maximum of 40 years.

In all other cases the spouses’ and children’s pensions will be calculated by reference to your actual pension entitlement.

Spouses’ and Children’s Pensions are calculated according to the following:

<table>
<thead>
<tr>
<th>Details of Dependents</th>
<th>Pension payable to spouse</th>
<th>Pension payable to children</th>
<th>Total pension payable</th>
</tr>
</thead>
<tbody>
<tr>
<td>Spouse</td>
<td>One-half</td>
<td>----</td>
<td>One-half</td>
</tr>
<tr>
<td>Spouse &amp; 1 child</td>
<td>One-half</td>
<td>One-sixth</td>
<td>Two-thirds</td>
</tr>
<tr>
<td>Spouse and 2 children</td>
<td>One-half</td>
<td>One-third</td>
<td>Five-sixths</td>
</tr>
<tr>
<td>Spouse &amp; 3 children</td>
<td>One-half</td>
<td>One-half</td>
<td>The whole</td>
</tr>
<tr>
<td>1 child</td>
<td>----</td>
<td>One-third</td>
<td>One-third</td>
</tr>
<tr>
<td>2 or more children</td>
<td>----</td>
<td>One-half</td>
<td>One-half</td>
</tr>
</tbody>
</table>

An enhanced rate of pension is payable for the first month after your death. This amounts to one month’s pay if you die in service and one month’s pension (your pension rate on the date of death) if you die after retirement.

5. Who is regarded as a child for the purpose of the scheme?

For the purposes of the scheme a Child is a person under the age of 16 (22 if in full-time education or training). A child’s pension may also be granted where a child is permanently incapacitated from maintaining him/herself by reason of disability. There is no age limit provided the disability was there from birth or arose before the child reached the age of 16 years (22 if in full-time education or training).
6. **If my spouse predeceases me will my children be provided for under the scheme?**

Yes- all of your children are covered under the scheme (subject to 5 above).

7. **What provisions exist if I have more than three children?**

The children’s pension is for the joint benefit of all your children. If you leave a spouse and three or more children, the maximum children’s pension will be payable. Similarly, if you are unmarried at death the maximum children’s pension of $\frac{1}{2}$ will be payable as long as at least two children remain eligible. Children’s pension is divided equally among all eligible children. Pension is apportioned equally to each qualifying child.

8. **Are Spouses’ and Children’s Pension Scheme benefits affected if I separate or divorce?**

Your pension will only be affected by divorce or judicial separation if there is a Pensions Adjustment Order (PAO) in force apportioning some of the superannuation entitlements to the spouse or dependant children. Where there is no PAO then benefits will be payable in accordance with the rules of the scheme.

It is the responsibility of the trustees to deal with pension adjustment orders under the Family Law Acts. The trustees will furnish information on a member’s superannuation entitlements and, with the member’s consent to the other party or their legal representatives. The trustees will also make available draft pension adjustment orders.

It is the responsibility of the parties concerned to decide whether or not to seek pension adjustment orders. The trustees will not advise the party on whether or not to do so but will give them all the factual information necessary to frame orders to reflect whatever agreements they reach on appropriation of superannuation benefits.

9. **If my spouse dies what happens to the children’s pension?**

In the event of the death of a spouse the spouse’s pension ceases. A single child under the age of 16 (22 if in full-time education) will thereafter receive $\frac{1}{3}$ of children’s pension. If there is a second such child $\frac{1}{2}$ children’s pension will be paid. If there are 3 or more such children the total amount of the children’s pension remains unchanged.

10. **If my spouse re-marries, what happens to the pension?**

In the event of the spouse re-marrying, the pension automatically ceases.
11. **Do I have to contribute if I do not have a spouse or child(ren)?**

Membership of the Scheme is mandatory.

**Periodic contributions rates** are as follows;

- **Class D PRSI** 1½% of gross pensionable earnings. (VHSS and NHASS)
- **Class A PRSI** 1½% of gross pensionable earnings. (Officer, VHSS)
- **Class A PRSI** 1½% of net pensionable earnings. (Non-Officer, VHSS and members of the NHASS)

**Retirement \ Death in Service Contributions** (deducted from retirement lump sum or death gratuity for service where periodic contributions were not made) are as follows;

- **Class D PRSI** 1% of gross pensionable remuneration at retirement for the relevant period of service.
- **Class A PRSI** 1% of net pensionable remuneration at retirement for the relevant period of service.

If you have reckonable service prior to joining the scheme the relevant contributions due will be deducted from the lump sum or death gratuity. However, you may instead opt to contribute for that service by way of additional contributions from salary.

12. **For how long do I have to contribute?**

Your spouse and children qualify for payment of a pension calculated on your actual pensionable service plus, if you die in service or after retirement on ill-health grounds, potential pensionable service to age 65. The total is your ‘reckonable service’ and you must therefore pay contributions to cover the whole of that service.

13. **Please tell me more about the system of contributions?**

Membership of the scheme is mandatory and contributions are made until retirement, resignation or death and as a member you are required to pay contributions irrespective of your marital status. If however a member is single or unmarried at retirement, non-periodic contributions are not collected.

14. **Are there provisions for refund of contributions under the spouses’ and children’s scheme?**

Subject to the provisions of the Pension Amendment Act, 2002, it is possible in certain cases to get a refund of contributions on termination of service. Under the 1971 scheme (men) and 1984 scheme (women) there is an option for a refund of contributions where the member is single on retirement. For members of the 1986 scheme there is no provision for a refund of contributions.
15.  *Do I have to go on contributing if my spouse dies while I am serving?*

Yes, contributions secure benefits for spouse and children subsequent to the death of a member or scheme pensioner. Should you marry again benefits will be payable under this scheme.

16.  *Does joining the Scheme affect my own pension?*

No; the scheme is designed to provide a pension to your surviving spouse and eligible children. Benefits are payable based on your pension entitlements from your membership of the main scheme.
Summary of the Principal Provisions of the Spouse’s and Children’s Contributory Pension Scheme

A. **Beneficiaries:**

A Spouses’ and Children’s pension is payable in the event of the death of a member. Benefits include a pension for:

- Spouse of member, and
- All dependent children of member.

B. **Benefits:**

1. Where a member dies in service or after retirement on ill-health grounds, a pension of one half of the member’s accrued pension (with credit for potential service to age 65) is payable to a spouse.

2. Where a member dies after retirement, pension of one half of the member’s pension is payable to the spouse.

3. Where a member dies, having resigned with preserved pension rights, pension of one-half of the member’s pension entitlement (credit for actual service only) is payable to the spouse.

4. Where a spouse’s pension is payable an additional allowance of one-third of the member’s pension is payable for each eligible dependent child (up to a maximum of one-half of the member’s pension).

5. Children under the age of 16 (22 if in full-time education or training) are eligible. A child’s pension may also be granted where a child is permanently incapacitated from maintaining himself or herself arising from a disability, provided the disability was there from birth or arose before the child reached the age of 16 (22 if in full-time education or training).

6. A refund of periodic contributions (less deduction for tax) is payable where a member resigns without entitlements to pension or preserved pension and does not transfer to another employment in which this service can reckon for superannuation purposes.

7. A partial refund of periodic contributions (less deduction for tax) is payable where the member retires on pension or dies and had paid periodic contributions for a period in excess of the maximum 40 years service. A refund of the contributions paid in the initial years of membership is paid, with contributions in respect of the final 40 years of membership retained.
8. No refund is payable on the basis that a non-member spouse predeceases the member.

C. **Contributions:**

Contributions must be paid for all reckonable service that will be taken into account for the purposes of calculating benefit. Periodic contribution rate of 1½% of gross pensionable earnings for Class D PRSI employees and Class A VHSS officers. The rate for non-officers and members of NHASS is 1½% of net pensionable earnings for Class A PRSI employees. Where pre scheme service is taken into account, the charge levied for such service can be paid by periodic deduction as above.

Where deductions are taken from retirement lump sum or death in service gratuity a contribution applies for the relevant period. The contribution rate applicable for Class D PRSI members and Class A VHSS officers is 1% of gross pensionable remuneration. The rate applicable for Class A PRSI non-officers and members of NHASS is 1% of net pensionable remuneration.

The member is required to pay contributions irrespective of marital status.

*THIS BOOKLET IS NOT A LEGAL DOCUMENT AND IS DESIGNED ONLY AS A GENERAL SUMMARY AND EXPLANATORY NOTE FOR INFORMATION OF MEMBERS AND IS SUBJECT TO CHANGE IN LINE WITH PENSION REFORMS.*
### Glossary

The following terms are used in the booklet.

<table>
<thead>
<tr>
<th>Term</th>
<th>Description</th>
</tr>
</thead>
<tbody>
<tr>
<td>Abatement</td>
<td>Reduction in pension paid to retirees continuing / resuming employment with an organisation where the scheme is available.</td>
</tr>
<tr>
<td>Actuarially Reduced Pension</td>
<td>Whereby a member can within ten years of normal retirement age opt to avail of a reduced pension for life rather than a preserved pension at normal retirement age.</td>
</tr>
<tr>
<td>Calendar year</td>
<td>Qualification for benefits is dependent on a minimum of 2 calendar years of membership, i.e., 2 years from the date of joining the scheme, regardless of whether service is WTE or less.</td>
</tr>
<tr>
<td>Class A PRSI</td>
<td>This is the rate of PRSI paid by non-officer members of the VHSS, almost all members of the NHASS and all public sector employees recruited since 06 April 1995.</td>
</tr>
<tr>
<td>Class D PRSI</td>
<td>Reduced rate of PRSI is paid by Officers in continuous pensionable employment prior to 06 April 1995. Officers paying class D rate of PRSI in general do not qualify for a number of the benefits payable under the Social Welfare Acts.</td>
</tr>
<tr>
<td>Normal retirement age</td>
<td>The earliest age at which members may retire; 65 (60 for non new entrants)</td>
</tr>
<tr>
<td>New entrant</td>
<td><strong>A new entrant</strong> is a person who takes up employment as a public servant on or after the 1 April 2004. Or A person who was serving in a public service body prior to the 31 March 2004 and left such an office for a period greater than 26 weeks.</td>
</tr>
<tr>
<td>Net pensionable remuneration</td>
<td>Gross Pensionable remuneration less twice the maximum SPC</td>
</tr>
<tr>
<td>Net pensionable earnings</td>
<td>Gross Pensionable earnings less twice the maximum SPC</td>
</tr>
<tr>
<td>Term</td>
<td>Definition</td>
</tr>
<tr>
<td>----------------------</td>
<td>-------------------------------------------------------------------------------------------------------------------------------------------</td>
</tr>
<tr>
<td>Notional Service</td>
<td>Service not actually given</td>
</tr>
<tr>
<td>Pensionable Allowances</td>
<td>Allowances which are reckonable for Pension purposes.</td>
</tr>
<tr>
<td>Pensionable Remuneration</td>
<td>Final salary/wages plus the average of the best three years’ pensionable allowances in the final ten years of service</td>
</tr>
<tr>
<td>Pensionable Salary</td>
<td>Salary plus pensionable allowances</td>
</tr>
<tr>
<td>Pro Rata</td>
<td>Proportion of service of salary in relation to whole-time value.</td>
</tr>
<tr>
<td>PSTN</td>
<td>Public Service Transfer Network</td>
</tr>
<tr>
<td>Reckonable Service</td>
<td>Service in relevant employment during membership of any pension scheme</td>
</tr>
<tr>
<td>SPC</td>
<td>State Pension (Contributory) paid by the Department of Social and Family Affairs</td>
</tr>
<tr>
<td>Temporary Service</td>
<td>Service that is not permanent. Up to December 2002 persons employed on a temporary basis could not access the scheme.</td>
</tr>
<tr>
<td>Uprated Salary</td>
<td>Current salary for grade held previously.</td>
</tr>
<tr>
<td>Whole-Time Equivalent</td>
<td>Whole-time value of salary or service</td>
</tr>
</tbody>
</table>
Appendix 1

Cost of Restoring Service.

Where a member rejoins employment in the public service he/she may restore previous public service by repaying a marriage gratuity or refund of contributions. The cost of restoring the service is subject to a compound interest charge. The rate of interest charged is dependent upon the period when service was given. Interest is calculated from the day following payment of gratuity or refund up to the date of repayment. The member has a period of two years from the date of costing to restore the service by

- Single once-off payment of full cost
- Instalments over a two year period
- Additional contributions from salary.
- Deduction from benefit at retirement.

If restoration is not completed within two years of issue of costing, additional compound interest is levied.

The rates of compound interest and effective dates applying to restoration of service in the schemes are

<table>
<thead>
<tr>
<th>Rate</th>
<th>Effective Date</th>
</tr>
</thead>
<tbody>
<tr>
<td>7%</td>
<td>For service prior to 01/05/1989</td>
</tr>
<tr>
<td>6%</td>
<td>For service from 01/05/1989 to 14/11/2000</td>
</tr>
<tr>
<td>4%</td>
<td>For service after 14/11/2000.</td>
</tr>
</tbody>
</table>
Appendix 2 - Contribution Examples

Part-time Circular 2005 - Calculation of Contributions

Examples for Salaries / Wages Integrated with Social Welfare Benefits Etc.

(Contributions are based on current PE and OACP Rates for both full and pro-rata integration methods.)

Public Health Sector Superannuation Schemes (DoH&C 23/2005)

<table>
<thead>
<tr>
<th>Case 1</th>
<th>Case II</th>
<th>Case III</th>
<th>Case IV</th>
</tr>
</thead>
<tbody>
<tr>
<td>LGSS, NHASS, VHSS</td>
<td>LGSS, NHASS, VHSS</td>
<td>LGSS, NHASS, VHSS</td>
<td>LGSS, NHASS, VHSS</td>
</tr>
<tr>
<td>Whole-time equivalent (WTE) for grade</td>
<td>33.00</td>
<td>39.00</td>
<td>39.00</td>
</tr>
<tr>
<td>Hours worked by member</td>
<td>19.80</td>
<td>15.60</td>
<td>19.50</td>
</tr>
<tr>
<td>% of WTE worked by member</td>
<td>60.00%</td>
<td>40.00%</td>
<td>50.00%</td>
</tr>
<tr>
<td>Gross Weekly Pensionable Earnings (PE)</td>
<td>€ 1,724.80</td>
<td>€ 358.60</td>
<td>€ 1,366.20</td>
</tr>
<tr>
<td>2 * OACP</td>
<td>€ 358.60</td>
<td>€ 358.60</td>
<td>€ 358.60</td>
</tr>
<tr>
<td>Net Pensionable Earnings (PE)</td>
<td>€ 1,366.20</td>
<td>€ 358.60</td>
<td>€ 1,366.20</td>
</tr>
<tr>
<td>Lump Sum (1½% of PE)</td>
<td>€ 25.87</td>
<td>€ 6.00</td>
<td>€ 3.57</td>
</tr>
<tr>
<td>Pension (3½% of Net PE)</td>
<td>€ 47.85</td>
<td>€ 1.45</td>
<td>€ 0.77</td>
</tr>
<tr>
<td>S &amp; C (1½% of PE or Net PE) *</td>
<td>€ 25.87</td>
<td>€ 6.00</td>
<td>€ 6.00</td>
</tr>
<tr>
<td>Total Weekly Contributions</td>
<td>€ 99.56</td>
<td>€ 13.45</td>
<td>€ 13.45</td>
</tr>
<tr>
<td>Outcome (Increase in contributions)</td>
<td>€ 5.02</td>
<td>€ 2.53</td>
<td>€ 10.76</td>
</tr>
</tbody>
</table>

* LGSS Non-Officers, NHASS Members and VHSS Non-Officers pay 1½% of Net PE towards Spouses' & Children's Contributory Pension Scheme. All other public health sector members pay 1½% of Gross PE.

Calculation of contributions in public health sector superannuation schemes is already provided for on an administrative basis under circular S.4/2002 (LGSS) and circular 64/2002 (NHASS & VHSS).

Existing job-sharers are currently subject to pro-rata contributions and will retain these arrangements.

OACP is the rate on 07 January 2005 payable to an adult with no dependant(s) (€179.30 per week). 2 * OACP equals €358.60 per week.

For more information please contact the superannuation officer in your organisation.

Issued by the Pension Policy Unit of the Department of Health & Children

<table>
<thead>
<tr>
<th>OACP Single</th>
<th>€9,355.87</th>
<th>€179.30</th>
</tr>
</thead>
<tbody>
<tr>
<td>OACP * 2</td>
<td>€18,711.74</td>
<td>€358.60</td>
</tr>
<tr>
<td>OACP * 3 1/3</td>
<td>€31,186.23</td>
<td>€597.67</td>
</tr>
</tbody>
</table>
Appendix 3  Employee (aged 65 on 08 December 2005) – Options on Ex-Gratia Vs. Scheme Membership.


Examples for Varying Public Health Sector Grades, Lengths of Service, Remuneration Etc.

<table>
<thead>
<tr>
<th>Case</th>
<th>Case 2</th>
<th>Case 3</th>
<th>Case 4</th>
<th>Case 5</th>
<th>Case 6</th>
<th>Case 7</th>
<th>Case 8</th>
<th>Case 9</th>
</tr>
</thead>
<tbody>
<tr>
<td>Service (Period of Years in Service)</td>
<td>40.0000</td>
<td>37.5000</td>
<td>35.0000</td>
<td>32.5000</td>
<td>30.0000</td>
<td>27.5000</td>
<td>25.0000</td>
<td>22.5000</td>
</tr>
<tr>
<td>WTE Service (Years)</td>
<td>30.0000</td>
<td>27.0000</td>
<td>24.0000</td>
<td>21.0000</td>
<td>18.0000</td>
<td>15.0000</td>
<td>12.0000</td>
<td>9.0000</td>
</tr>
<tr>
<td>WTE Commitment</td>
<td>75.00%</td>
<td>72.00%</td>
<td>68.57%</td>
<td>64.62%</td>
<td>60.00%</td>
<td>54.55%</td>
<td>48.00%</td>
<td>40.00%</td>
</tr>
<tr>
<td>Actual PR (Salary + Pensionable Allowances)</td>
<td>€ 30,000</td>
<td>€ 28,000</td>
<td>€ 16,000</td>
<td>€ 14,000</td>
<td>€ 12,000</td>
<td>€ 10,000</td>
<td>€ 8,000</td>
<td>€ 6,000</td>
</tr>
<tr>
<td>WTE PR</td>
<td>€ 40,000</td>
<td>€ 36,889</td>
<td>€ 23,333</td>
<td>€ 21,667</td>
<td>€ 20,000</td>
<td>€ 51,333</td>
<td>€ 60,000</td>
<td>€ 60,000</td>
</tr>
<tr>
<td>Lump Sum</td>
<td>€ 45,000</td>
<td>€ 39,375</td>
<td>€ 21,000</td>
<td>€ 17,063</td>
<td>€ 13,500</td>
<td>€ 28,875</td>
<td>€ 24,375</td>
<td>€ 20,250</td>
</tr>
<tr>
<td>Current Arrangement</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Service (Period of Years in Service)</td>
<td>40.0000</td>
<td>37.5000</td>
<td>35.0000</td>
<td>32.5000</td>
<td>30.0000</td>
<td>27.5000</td>
<td>25.0000</td>
<td>22.5000</td>
</tr>
<tr>
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<tr>
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<td>75.00%</td>
<td>72.00%</td>
<td>68.57%</td>
<td>64.62%</td>
<td>60.00%</td>
<td>54.55%</td>
<td>48.00%</td>
<td>40.00%</td>
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<tr>
<td>Actual PR (Salary + Pensionable Allowances)</td>
<td>€ 30,000</td>
<td>€ 28,000</td>
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<td>€ 14,000</td>
<td>€ 12,000</td>
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</tr>
<tr>
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<td>€ 40,000</td>
<td>€ 36,889</td>
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</tr>
<tr>
<td>Lump Sum</td>
<td>€ 45,000</td>
<td>€ 39,375</td>
<td>€ 21,000</td>
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<td>€ 13,500</td>
<td>€ 28,875</td>
<td>€ 24,375</td>
<td>€ 20,250</td>
</tr>
</tbody>
</table>

Service (Period of years) indicates the total period of service, regardless of full-time or part-time.
WTE Service (Years) indicates the whole-time equivalent years for the period of reckonable service (E.g. 19½ / 39 hours represe nts ½ WTE year).
WTE Commitment calculates the percentage of WTE Service (Years) to Service (Period of years).
Actual PR is pensionable remuneration
Actual PR is the final salary plus 3 years' pensionable allowances.
WTE PR is the Actual PR divided by the WTE Commitment.
Lump sum is the retirement gratuity payable; i.e. 3/80ths of WTE PR.
Revised Integration Formula calculates pension payable to retiring employees whose WTE PR is less than 3.333333 times the current rate of OACP.
For more information please contact the superannuation officer in your organisation.

Issued by the Pension Policy Unit of the Department of Health & Children, October 2005

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Example: For a typical employee with 30 years of service, WTE service of 25 years, and a WTE commitment of 75%, the current arrangement calculates the pension payable to retiring employees with part-time service based on Actual Service and Actual PR. Revised arrangement calculates pension payable to retiring employees with part-time service based on WTE Service (Years) and WTE PR. Revised Integration Formula calculates pension payable to retiring employees whose WTE PR is less than 3.333333 times the current rate of OACP.
## Abatement Calculation - Examples for Varying Public Health Sector Grades, Lengths of Service

<table>
<thead>
<tr>
<th>PRSI Class Pre-Retirement</th>
<th>Case 1</th>
<th>Case 2</th>
<th>Case 3</th>
<th>Case 4</th>
<th>Case 5</th>
<th>Case 6</th>
<th>Case 7</th>
<th>Case 8</th>
<th>Case 9</th>
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<tbody>
<tr>
<td>Grade</td>
<td>Chief Officer</td>
<td>Medico Officer</td>
<td>Nurse</td>
<td>Care Worker</td>
<td>Director</td>
<td>Caterer</td>
<td>Porter</td>
<td>Manager</td>
<td>Doctor</td>
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<tr>
<td>D-O-B</td>
<td>01/05/1941</td>
<td>03/09/1941</td>
<td>06/01/1942</td>
<td>11/05/1942</td>
<td>13/09/1942</td>
<td>16/01/1943</td>
<td>21/05/1943</td>
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<td>32.5000</td>
<td>30.0000</td>
<td>27.5000</td>
<td>25.0000</td>
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<td>20.0000</td>
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<tr>
<td>Age at retirement</td>
<td>60.69 years</td>
<td>60.72 years</td>
<td>60.75 years</td>
<td>60.77 years</td>
<td>60.80 years</td>
<td>60.83 years</td>
<td>60.86 years</td>
<td>60.88 years</td>
<td>60.91 years</td>
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<td>Contract Period (Months, Max 12)</td>
<td>12</td>
<td>11</td>
<td>10</td>
<td>9</td>
<td>8</td>
<td>7</td>
<td>6</td>
<td>5</td>
<td>4</td>
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<tr>
<td>Uprated Remuneration (Annual) for grade</td>
<td>€ 100,000</td>
<td>€ 80,000</td>
<td>€ 43,210</td>
<td>€ 37,500</td>
<td>€ 76,543</td>
<td>€ 100,000</td>
<td>€ 39,000</td>
<td>€ 100,000</td>
<td>€ 80,000</td>
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<tr>
<td>Pension Factor (Max 50.0000%)</td>
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<td>46.8750%</td>
<td>43.7500%</td>
<td>40.6250%</td>
<td>37.5000%</td>
<td>27.3782%</td>
<td>15.3518%</td>
<td>22.5447%</td>
<td>19.0693%</td>
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<tr>
<td>Current Remuneration (Annual)</td>
<td>€ 80,000</td>
<td>€ 80,000</td>
<td>€ 43,210</td>
<td>€ 40,000</td>
<td>€ 76,543</td>
<td>€ 80,000</td>
<td>€ 39,000</td>
<td>€ 80,000</td>
<td>€ 80,000</td>
</tr>
<tr>
<td>Commitment (0.00% of WTE)</td>
<td>50.00%</td>
<td>40.00%</td>
<td>45.00%</td>
<td>60.00%</td>
<td>62.50%</td>
<td>65.00%</td>
<td>100.00%</td>
<td>80.00%</td>
<td>100.00%</td>
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<tr>
<td>Uprated WTE (Contract Period)</td>
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<td>€ 36,008</td>
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<td>€ 51,029</td>
<td>€ 58,333</td>
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<td>€ 16,204</td>
<td>€ 18,000</td>
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<td>€ 30,333</td>
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<tr>
<td>Unabated Pension (Contract Period)</td>
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<td>€ 34,375</td>
<td>€ 15,754</td>
<td>€ 11,426</td>
<td>€ 19,136</td>
<td>€ 16,179</td>
<td>€ 2,994</td>
<td>€ 9,394</td>
<td>€ 5,085</td>
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<td>Actual Pension (Contract Period) Max</td>
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<td>€ 15,754</td>
<td>€ 10,125</td>
<td>€ 19,136</td>
<td>€ 16,179</td>
<td>€ 0</td>
<td>€ 9,394</td>
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<td>Total (Contract Period) Remuneration</td>
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<td>€ 0</td>
<td>€ 2,994</td>
<td>€ 0</td>
<td>€ 5,085</td>
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</tbody>
</table>

Contract period may not exceed 12 months.

Uprated Remuneration (Annual) is the current remuneration for the former grade in respect of the contracted period of re-employment.

Current Remuneration (Annual) is the estimated / actual annual remuneration on which the individual is returning to work for the contracted period of re-employment.

Current Remuneration (Annual) may be less than the WTE if the individual is re-employed with less allowances, different work patterns, lower grade etc.

Uprated WTE (Contract Period) is the remuneration payable if the individual was to work the WTE for the grade over the contracted period of employment.

Period Remuneration is calculated from the amount estimated / paid for the contracted period of re-employment.

Unabated Pensions (Contract Period) is the pension calculated as due based on uprated remuneration and pension factor for the contracted period of re-employment.

Actual Pension (Contract Period) Max is the pension payable preventing current pension plus current remuneration exceeding uprated remuneration for the contracted period.

Total (Contract Period) Remuneration is the maximum payable in remuneration and pension.

Period Remuneration plus Unabated Pension (Contract Period) may not exceed Uprated WTE for the contract period.

Abatement is the impact on the individual's pension in the period of re-employment.

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