

P18/34/94

12/97 (PC201)

19 March, 1997

**Circular 12 /97: Revised schemes for the award of professional technical and specialist added years to certain civil servants**

A Dhuine Uasail

I am directed by the Minister for Finance to say that he has accepted an agreed recommendation made by the General Council under the Scheme of Conciliation and Arbitration for the Civil Service, concerning the revision of the ad-hoc scheme and introduction of a new scheme for the award of added years to professional, technical and specialist civil servants (General Council report 1308 refers).

**Amendment of regulations**

2. A statutory scheme incorporating the new arrangements will be made under the Superannuation and Pensions Act, 1976 in due course. Pending the making of that scheme, the decision of the Minister for Finance on any question of interpretation will be final.

To/All Departments etc.

### **Summary of revised arrangements**

3. The existing arrangements will be amended as follows:

- (i) Gross awards shall not exceed actual service in the case of officers with between 5 and 10 years service. As at present, an officer must have 5 years actual reckonable service in order to qualify for superannuation benefits.
- (ii) Gross awards will not be abated where voluntary contributions secure a Social Welfare retirement or old age pension or corresponding State benefits from any other country.
- (iii) There will be reduced abatement of awards in respect of transferred service in certain circumstances.
- (iv) Compulsory refunds of superannuation contributions will be ignored in certain specified cases.
- (v) Awards will be abated pro-rata instead of year-for-year in the case of career breaks/unpaid leave/job sharing.
- (vi) Awards (abated on a pro-rata basis) may be granted in the case of officers who resign before age 60.
- (vii) Awards will not be abated in respect of retirement between age 60 and 65.

4. A new scheme will be introduced which will incorporate the above and also provide for:-

- (i) a revised method of calculating gross awards i.e. on the basis of  $19+Q+E-25$  where:

Q = the minimum number of years in which the required qualifications can be obtained; and

E = the minimum number of years essential experience required

- (ii) A special award of up to five years may be applicable for certain grades where particular special considerations apply. The relevant qualifying grades are Local Government Auditor, County Development Team Secretary, Industrial Inspector (Marine Engineer) and officers appointed as Placement Officer. The list of grades in this category will be reviewed periodically.

- (iii) Staff compulsorily redeployed into the civil service during the period 1987-1990 will retain their original award or, where more favourable, have awards recalculated under the new civil service scheme.

### **Application of new arrangements**

5. This Circular should be brought to the attention of all officers serving in professional, technical or specialist grades as and from 1 January 1993 who may possibly benefit from its terms.

6. Relevant staff serving at any time between 1 January 1993 and 31 March 1997 may opt for the revised arrangements described at 3 above, or the new scheme described at 4 above. The new scheme will apply to all relevant staff appointed on or after 1 April 1997.

7. Enquiries from individual officers about this circular or fuller details of the scheme, should be made to the Personnel Section in the employing Department or Office. Detailed instructions on the application of the circular will be issued in a Letter to Personnel Officers.

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Joe McGovern  
Assistant Secretary  
Personnel and Remuneration Division

P18/34/94

19 March, 1997

To each Personnel Officer

**Letter to Personnel Officers - Revised schemes for the award of professional technical and specialist added years to certain civil servants**

1. I am directed by the Minister for Finance to refer to Circular 12/97 dated 19 March 1997 about revisions to the ad-hoc scheme and the introduction of a new scheme for the grant of added years to professional technical and specialist civil servants. This letter contains instructions for the implementation of the new arrangements. Summary details of the amendments to the ad-hoc scheme are shown hereunder. Full details of the new scheme are set out in Appendix 1. It should be noted that the revised ad-hoc scheme is the same as the new scheme with the exception of the provisions set out at Appendix 2 to this Letter and, accordingly, further reference to the instructions contained in the Letter to Personnel Officers of 21 December 1988 is not necessary.

**Revised arrangements**

2. Amendments to the ad-hoc scheme can be summarised as follows:-

(i) Gross awards shall not be such as to exceed actual service in the case of officers with between 5 and 10 years service and shall in no case exceed 10 years.

(ii) Gross awards will not be abated where voluntary contributions secure a Social Welfare retirement or old age pension or corresponding State benefits from any other country.

(iii) Where an officer's relevant experience for the purposes of qualification for the added years post includes both non-transferable and transferable service, the gross added years award will be abated by reference to transferable service only to the extent that relevant experience in a non-transferable post was not adequate to meet the minimum period of relevant experience required for the post.

(iv) Where an award is subject to abatement by reference to a refund of contributions the refund may be disregarded where it is of an amount less than £600 made prior to 1/6/73 and where there was no option for transfer of service or preserved benefits at the time of resignation. Where resignation occurred between 1/6/73 and 31/3/97, in similar circumstances, corresponding arrangements will apply, with the figure of £600 being adjusted in accordance with the CPI.

(v) Where an officer goes on career break or on special leave without pay the net award will be reduced on a pro-rata basis in accordance with the appropriate formula.

(vi) Except in cases of ill-health, where an officer resigns before age 60 with preserved benefits the net award will be reduced in accordance with the appropriate formula.

(vii) Where an officer retires between age 60 and 65 there will be no abatement of the net award by virtue of such retirement.

3. The new scheme incorporates the above and provides for:-

(a) a revised method of calculating gross awards (see para 9(a) of Appendix 1)

(b) a special award of up to five years for certain grades where particular special considerations apply (see para 9 (e) of Appendix 1)

(c) retention of original awards by staff compulsorily redeployed to the civil service during the period 1987-1990 or, if more favourable, recalculated awards under the new scheme (see para 25 (ii) and (iii) of Appendix 1). Any difficulties arising in this context should be referred to this Department.

#### **Application of new arrangements**

4. The contents of Circular 12/97 should be brought to the attention of all officers serving in professional, technical or specialist grades as and from 1 January 1993 who may possibly benefit from its recommendations.

5. Relevant staff serving at any time between 1 January 1993 and 31 March 1997 may opt for the revised ad-hoc scheme (which is the scheme at Appendix 1, subject to the differences indicated at Appendix 2) or the new scheme (Appendix 1) and may indicate their preference, in writing, at any time up to resignation/retirement. Relevant staff who were serving at any time since 1 January 1993 who have retired should be asked to indicate their preference as soon as possible. The new scheme (Appendix 1) will apply to all relevant staff appointed on or after 1 April 1997.

#### **Statutory amendment**

6. A statutory scheme incorporating the new arrangements will be made under the Superannuation and Pensions Act 1976 in due course. Pending the making of that scheme the decision of the Minister for Finance on any question of interpretation will be final.

#### **Priority for dealing with cases**

7. To ensure that applications are dealt with in the most equitable manner it is suggested that cases should be dealt with in the following order:

(a) officers who retired on or after 1 January 1993 or are about to retire.

(b) officers eligible for retirement i.e. aged 60 and over.

(c) officers who have purchased or are about to purchase notional service.

**Queries concerning this Letter**

8. Queries may be addressed in writing to Pensions (Special Schemes) Section, Department of Finance, 73-79 Lower Mount Street, Dublin 2. The Department appreciates that the complex nature of the scheme can give rise to difficulties in administering it. Therefore, in order to facilitate Departments and Offices concerned, it is intended that a series of workshops for Personnel staff involved in the implementation of the added years schemes will be run in the Centre for Management and Organisation Development, Lansdowne House, Dublin 4. Details on these will be forwarded to each Personnel Officer in the near future, and it is hoped that the relevant staff will be able to attend.

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Michael Murphy  
Principal  
Pensions Section

## **APPENDIX 1**

### **DRAFT SCHEME FOR THE GRANT OF PROFESSIONAL, TECHNICAL AND SPECIALIST ADDED YEARS TO CERTAIN CIVIL SERVICE GRADES**

#### **Scope**

1. This Scheme applies to:-

(i) any officer appointed to an established professional, technical or specialist post on or after 1 April, 1997; and

(ii) officers recruited in a professional, technical or specialist capacity serving as established civil servants at any time between 1 January 1993 and 31 March 1997 who opt for its terms.

2. To be eligible for an award of professional added years under this Scheme, officers must hold an established professional, technical or specialist post where:-

(i) the appointment to such post was made as a result of a competition held by the Civil Service Commissioners; and

(ii) (a) minimum professional, technical or specialist qualifications and/or a minimum number of years essential experience were required for entry;

or

(b) the minimum entry age specified in the competition was over 25;

and

(iii) by reason of such entry requirement it is not possible for the officer to secure 40 years' service by the maximum retiring age of 65 years.

Modifications to these rules may be necessary in certain exceptional cases including in respect of categories of staff where normal maximum retirement age is not 65. Such cases should be referred to the Department of Finance for determination.

3. Only established civil servants will be covered by the scheme.

4. The scheme applies to any officer who is originally appointed in a professional, technical or specialist capacity but is subsequently regraded or promoted to an administrative post and retires therefrom.

5. Professional and technical posts are those for which third level degrees and/or diplomas are required for appointment. The "specialist" category includes officers who, while they do not need third level degrees or diplomas, are required nevertheless to be of a certain age and/or have certain relevant experience before being eligible for appointment. Administrative grades are not "specialists" for the purposes of the scheme.

6. An award of added years under this scheme can only be formally made at retirement.

7. Applications for added years will be dealt with by reference to the particular competition from which an officer is recruited and not by reference to the officer's individual circumstances.

8. The scheme will not apply in any case where an officer was actually appointed before age 25. Even where an officer was appointed after age 25 the scheme will apply only where the individual could not, by reason of the requirements for appointment to the post, have been appointed before age 25.

#### Calculation of awards

9. The gross added years' entitlement, before appropriate adjustments, will be as follows:

(a) In any case where the required minimum qualifications and/or experience would have precluded appointment by age 25, the aggregate of  $19+A+B-25$ , where

A is the minimum number of years in which the qualifications can be obtained; and

B is the minimum number of years essential experience required.

Experience normally gained during a period of qualification may not give rise to double counting of periods under A and B. For example, a period of training which includes practical experience may not be counted twice for the purpose of this calculation.

(b) In any case where a minimum age of 25 is specified for entry to the competition, the period between the date specified in the competition by which candidates had to have attained age 25 and the individual's actual date of appointment (provided that any delay in taking up appointment was outside the individual's control).

(c) In any case where a minimum age in excess of 25 is specified for entry to the competition, the sum of

(i) the minimum age limit reduced by 25; and

(ii) the period between the individual's date of appointment and the date by which candidates at the competition had to have attained the specified minimum age (provided that any delay in taking up appointment was outside of the individual's control).

(d) in any case where the required minimum qualifications and/or experience would have precluded appointment by age 25 and a minimum entry age equal to or in excess of 25 was specified, the greater of the awards calculated under subparagraphs (a) and (c) above.

(e) Special award for certain grades

In the case of certain Professional, Technical and Specialist grades who are within the ambit of the scheme and where

(i) virtually all appointees are over age 25 on appointment; and



(ii) a substantial majority are aged 30 or over on appointment;  
and

(iii) in practice, it is reasonable to draw the inference that for the purposes of this Scheme the de facto requirements for the post exceeded those specified in the relevant competition regulations

the gross added years entitlement will be as follows:

(iv) 5 years in the case of officers who enter at age 30 or older;

(v) 5 years, reduced by an amount equal to the difference between the age at appointment and age 30, in the case of those who take up appointment prior to age 30.

The grades currently meeting these requirements are listed in Table A.  
This list will be reviewed periodically.

10. The "minimum number of years in which the qualifications can be obtained" does not necessarily relate to the actual qualifications of the appointee; it means the minimum number of years required to obtain the qualification specified in the competition regulations - where alternative qualifications are specified the qualification which can be obtained in the least number of years should be used.

11. Where competition regulations state that "at least X years' experience", or "a minimum of X years' experience", are required, the lowest figure so indicated should be used in the calculation of the added years award.

12. Reference in job advertisements to "requisite knowledge and ability", "a high degree of professional expertise in .....", "a knowledge of .....", etc. cannot be construed as experience requirements for the purposes of the scheme. Any cases of doubt or difficulty should be referred to the Department of Finance.

13. Where an unspecified number of years experience is required, the lowest number of years of relevant experience among the candidates actually offered appointment on foot of the competition is deemed to be the minimum number of years of essential experience required.

14. Where there is only one "successful candidate" (i.e. which means a candidate actually offered appointment) in a competition for which an unspecified period of experience was required, that candidate's relevant experience is deemed to be the minimum number of years experience required.

#### Limits of entitlement and abatement

15. The gross award calculated under paragraph 9 above shall not be such as to exceed actual service in the case of officers with between 5 and 10 years service and shall in no case exceed 10 years.

16. In order to avoid any benefit on the double, the gross added years entitlement (after applying the specified limits at paragraph 15 if necessary) will be appropriately reduced:-

(a) where pensionable service was given in the civil service prior to appointment to the added years post;

(b) where service is transferred or could have been transferred into the civil service;

(c) where, prior to becoming a civil servant, an officer has been in pensionable employment and received or retains an entitlement to a pension, preserved pension or other superannuation benefit (including a refund of superannuation contributions (subject to 17 (iii) beneath)) in respect of that employment;

(d) where (in the case of officers on modified PRSI) there are retirement or old age pension entitlements arising from contributions under the Social Welfare Acts or corresponding State benefits from any other country. In such cases awards will be reduced by the value of the personal rate benefit only. Awards will not be reduced where voluntary contributions secure a Social Welfare retirement or old age pension or corresponding State benefits from any other country.

17. (i) A straightforward year for year or proportion thereof reduction is made in respect of service at 16 (a) and (b). However, where an officer's relevant experience for the purposes of qualification for an added years post includes both non-transferable and transferable service, the gross added years award will be abated by reference to transferable service only to the extent that relevant experience in a non-transferable post was not adequate to meet the minimum period of relevant experience required for the post.

Relevant experience for this purpose means experience the nature of which is such that it could have been regarded as meeting the experience requirement for the purposes of the relevant competition.

Where there are retained benefits (see (ii) beneath) in respect of the non-transferable service, the added years award will, of course, be abated by reference to the value of those benefits.

- (ii) In the case of entitlement to benefits at 16 (c) or (d) above the award is reduced by an amount based on the value of the benefits in question. Any cases arising under (c) or (d) should be referred to the Department of Finance.
- (iii) Where an award is subject to abatement by reference to a refund of contributions, the refund may be disregarded where it is of an amount less than £600 made prior to 1/6/73 and where there was no option for transfer of service or preserved benefits at the time of resignation. Where resignation occurred between 1/6/73 and 31/3/97, in similar circumstances, corresponding arrangements will apply, with the figure of £600 being adjusted in accordance with the CPI.

18. Special arrangements apply to officers with previous service in a local authority professional post which would have attracted added years under the provisions of the local government superannuation code if the officer had remained in local authority employment until retirement age: an award based on the initial local authority professional post may be made where this is greater than the net award due under this scheme (i.e. after the reductions at paragraph 16 have been made). In such cases the award would be equal to the number of years experience required for appointment to the initial local authority professional post reduced (subject to paragraph 17 if applicable) by the number of years, if any, of previous reckonable service (e.g. service in the local authority area in a non-added years post or service which was or could have been transferred into the local authority area)

### Career Breaks/Unpaid Leave

19. Where an officer goes on a career break or on special leave without pay the net award calculated under the foregoing paragraphs will be reduced in accordance with the formula:

$$C \times \frac{D}{E}$$

where

C = the net added years award

D = the period of service given in the civil service

E = the period between the date of the officer's appointment to the civil service and the date of his retirement,

and a period of service in a job-sharing capacity will be treated on an analogous basis.

### Resignation before age 60

20. Subject to paragraph 22, where an officer resigns before age 60 with preserved benefits, the net award calculated under the foregoing paragraphs will be reduced in accordance with the formula

$$C \times \frac{A}{(A + B)} \quad \text{where}$$

A = actual reckonable service at the date of resignation

B = the period between date of resignation and the officer's 60th birthday

C = the net added years award

### Retirement between age 60-65

21. Where an officer retires between age 60 and 65 there will be no abatement of the net award by virtue of such early retirement.

22. The provisions of paragraph 20 will not apply in the case of retirement before age 60 on grounds of ill-health. However, the aggregate of added years awarded under this scheme and any notional ill-health service may not exceed 10. This limit of 10 years also applies in the calculation of notional years for death-in-service lump sums but does not apply for the purpose of calculating benefits due under the Spouses' and Children's Scheme in death-in-service cases i.e. a Spouse may be awarded potential service to age 65 plus the full number of added years which the deceased would have been awarded had s/he served to age 65.

### Purchase of notional service: refunds

23. If, after the grant of added years, an officer would have more than 40 years' reckonable service at age 65 a refund may be made for purchased notional service over and above the 40 year maximum allowable. No interest will be payable on such refunds and, under the provisions of the relevant Tax legislation, an appropriate deduction in respect of tax will be made. In this connection the following should be noted:-

- (a) where service has been purchased by lump sum only, a refund will be made for the period of purchased notional service over and above the 40 year maximum allowable.

(b) if periods of notional service have been purchased by both lump sum and periodical deductions, then the period of non-reckonable service will be deemed to be the service most recently purchased.

(c) if the officer opted to purchase service by periodical deductions alone and none of the notional service being purchased would reckon for superannuation purposes then periodical deductions may cease forthwith and all contributions may be refunded.

(d) if the period of notional service being purchased is such that some, but not all, of the notional service would reckon for superannuation purposes, the rate of contributions will be adjusted on the officer's next birthday to allow the purchase of only the years which will be reckonable for superannuation purposes. Excess contributions paid under the original option will be offset against contributions owed under the revised option. Any remaining excess will be refunded.

### Other Conditions

24. The aggregate of added years awarded under this scheme and service otherwise reckonable shall in no circumstances exceed 40 years.

25. (i) Officers who enter the civil service in an unestablished or temporary capacity through a Civil Service Commission competition and are later made established (i) via certification or (ii) through a CSC establishment competition, may have their added years entitlements determined by reference to the competition regulations for the initial post where this is more favourable.

(ii) Staff compulsorily redeployed to the civil service in the interests of public service rationalisation during the period 1987-90 who carried earlier added years entitlements and are subsequently certified as civil servants will (a) retain those entitlements or, where more favourable, (b) have awards recalculated under this scheme by reference to their original recruitment to an added years post.

(iii) It will be necessary to make appropriate adjustments to added years awards arising under (ii) above in those cases where staff move from full PRSI into modified PRSI employment, etc. Any such cases should be referred to the Department of Finance.

26. Where an officer has held more than one added years post in the civil service only one award of added years may be made. It is necessary in such cases to establish which post would result in the greatest award (it is normally the initial added years post held) and to determine the award by reference to that particular post. Where an individual is eligible for an award under this scheme and is also entitled to added years for professional experience under the Superannuation and Pensions Act, 1963, only the greater of the added years entitlement under this scheme and under the 1963 Act will be granted.

27. Added years are not transferable under the Public Sector Transfer Scheme.

28. Spouses' and Children's Scheme contributions will be payable in respect of any added years awarded under this scheme.

29. A statutory scheme incorporating the arrangements outlined in this document will be made under the Superannuation and Pensions Act, 1976 in due course. Pending the making of that scheme, the decision of the Minister for Finance on any question of interpretation will be final.

## **TABLE A**

**Grades which qualify for an award under para 9 (e) of the Scheme.**

Local Government Auditor

County Development Team Secretary

Officers appointed as Placement Officer

Industrial Inspector (Marine Engineer)

## **APPENDIX 2**

### **PROVISIONS TO APPLY FOR CERTAIN STAFF SERVING BETWEEN 1 JANUARY 1993 AND 31 MARCH 1997 WHO DO NOT OPT TO BE TREATED UNDER THE SCHEME SET OUT AT APPENDIX 1**

1. The provisions of this Appendix apply to officers eligible for the grant of professional, technical and specialist added years serving at any time between 1 January 1993 and 31 March 1997, who do not opt to be treated under the terms of the Scheme set out at Appendix 1.

2. The Scheme applying to an officer who comes within the scope of this Appendix will be the same as the Scheme set out at Appendix 1, with the exception of the following:-

(a) Section 9(e) and Section 25 (ii) and (iii) of Appendix 1 will not apply to persons coming within the scope of this Appendix.

(b) The formula " $19+A+B-25$ " set out in Section 9(a) of Appendix 1 will not apply. Instead, the formula " $18+A+B-18$ " will apply.