



**To: Each Institute of Technology;
Each Vocational Education Committee**

Circular Letter 0024/08

Credit of service given by persons who are not fully qualified and who are employed by vocational education committees or institutes of technology to teach or lecture

1. INTRODUCTION

- 1.1 It has been decided to admit public servants employed by vocational education committees (VECs) or institutes of technology (IoTs) to a pension scheme who are teaching or lecturing State funded approved programmes of education on or after 1 September 2001 but who do not have the required qualifications. Subject to the conditions set out in this Circular Letter, each such person employed on or after 1 September 2001 will be given access to the Vocational Teachers Superannuation Scheme (in the case of VEC teachers) or the Education Sector Superannuation Scheme (in the case of IoT lecturers). The schemes are contributory, defined benefit schemes and provide standard public service pension benefits.
- 1.2 The scope of this Circular Letter is confined to eligibility for admission to a pension scheme only. It does not change or enhance any other term or condition of employment of a person engaged in teaching or lecturing functions.

2. CURRENT POSITION

- 2.1 Under Department of Education and Science Circular Letter PEN 30/99, a teacher employed by a VEC who is not fully qualified is not eligible for admission to the Vocational Teachers Superannuation Scheme. An exception to this exists for an eligible part-time (EPT) teacher who is not fully qualified but who holds a post which is not subject to annual advertisement. The EPT Scheme provides that EPT posts may be filled by unqualified teachers only where no suitable fully qualified applicant is available and that the VEC must advertise for a fully qualified applicant each year. Exceptionally, the EPT Scheme provides that unqualified teachers who have been in regular part-time service from a date prior to 1 September 1987 may continue to serve in their EPT post from year to year on the same basis as fully-qualified EPTs.
- 2.2 Under Department of Education and Science Circular Letter PEN 16/02, a lecturer employed by an institute of technology who is not fully qualified academically, as set out in the PCW Agreement, for the purposes of appointment to a permanent lecturing post with an IOT is not eligible for admission to the Education Sector Superannuation Scheme. There are 2 exceptions to this—

- (1) A lecturer in an eligible part-time (EPT) post who is not fully qualified but has been in regular part-time service without interruption from a

date prior to 1 September 1987, will be deemed eligible for admission to the Superannuation Scheme.

- (2) A lecturer holding the *pro rata* part-time post of Assistant Lecturer who is not fully qualified academically but was appointed to the post as a result of the special competition, confined to certain part-time teachers, which was held during the 1999/2000 academic year, will be deemed eligible for admission to the Superannuation Scheme.

- 2.3 A teacher employed by a VEC or a lecturer employed by an IoT must reckon his or her previous unqualified service upon him or her becoming qualified.

3. NEW ARRANGEMENTS

- 3.1 Having regard to the introduction of the Protection of Employees (Part-Time Work) Act 2001, the desirability of increasing pension coverage and pension reform generally, it has been decided to broaden the right to pensionability. The prohibition on unqualified people who are teaching in VECs or lecturing in IoTs from being pensionable is removed and they will now be permitted to reckon their unqualified service. This will apply to part-time and wholetime people and is subject to the rules of the relevant pension scheme.

- 3.2 This Circular Letter does not in any way amend or replace the Department's position on VECs or IoTs employing people with the appropriate qualifications. There is a longstanding and consistent public policy position that in all cases fully qualified teachers or lecturers should fill appropriate positions and that it is only in exceptional circumstances, where there is an unavoidable supply constraint, that a person not fully qualified can be employed in publicly funded positions in VECs or IoTs.

4. SATISFACTORY HEALTH

- 4.1 An unqualified teacher or lecturer who is serving on the date of this Circular Letter need not undergo a medical examination solely for the purpose of admission to the pension Scheme. VECs and IoTs are reminded that they should satisfy themselves that candidates for appointment to positions with them are of satisfactory health for the purpose of such appointment.

5. MEMBERSHIP

- 5.1 Subject to any existing scheme rules in relation to eligibility for membership, in order for an unqualified person to be admitted to membership of the Vocational Teachers or Education Sector Superannuation scheme, he or she must:

- (1) be a person employed by a VEC to teach or by an IoT to lecture,
- (2) be teaching a programme of education approved by the Department of Education and Science (in the case of VECs) or the Higher Education Authority (in the case of IoTs), and
- (3) be in service on or after 1 September 2001.

- 5.2 The effective date of admission to the relevant pension scheme is 1 September 2001 (or date of the person's first appointment if later). Service given before 1 September 2001 may be purchased in accordance with paragraph 7.3.

- 5.3 Membership of the relevant pension scheme will be compulsory with effect from 1 September 2001 for all eligible people.

- 5.4 Membership of the relevant pension scheme will be subject to the payment of appropriate contributions in respect of reckonable service given by a person (see paragraph 7). Contributions at the prescribed rates must be paid in respect of all service which is reckonable under the relevant pension scheme.

6. PENSIONABLE SERVICE

- 6.1 Unqualified service provided by an eligible person is reckonable subject to payment of the appropriate contributions (see paragraph 7), verifiability of service given and, in the case of service given before 1 September 2001, the person serving at least the minimum thresholds of service given and hours worked as may be required under the relevant pension scheme¹.
- 6.2 Each VEC or IoT will bring this Circular Letter to the attention of eligible people currently or previously employed by them informing them of their entitlement to reckon service, providing them with details of the reckonable service of which the VEC/IoT is aware, and inviting them to reckon service given before or after 1 September 2001 as an unqualified person. A form for this purpose is in **Appendix A** to this Circular Letter.
- 6.3 Where the unqualified person has provided the VEC or IoT with details of any service and the VEC or IoT has established to its satisfaction the overall amount of prior service which may be reckoned, the person will be informed of the details of reckonable service and contribution payable.

7. CONTRIBUTIONS

Contribution Rates

- 7.1 Both the Main Pension Scheme and the associated Spouses' and Children's Pension Scheme are contributory. The contribution rates are:

Main Pension Scheme: 3.5% of Co-ordinated Pay
plus
1.5% of Gross Pay

Spouses' and Children's
Pension Scheme: 1.5% of Gross Pay

- 7.2 For wholtime people, **Co-ordinated Pay** means Gross Pay less twice the maximum personal rate of State Pension (Contributory) (SPC). The SPC was previously known as the Social Welfare Old Age Contributory Pension or OACP. Contributions in respect of reckonable part-time service will be calculated on a *pro rata* basis.

Contributions for service given before ongoing contributions commence

- 7.3 When a VEC or IoT informs an eligible person of his or her reckonable service and contribution payable (in accordance with paragraph 6.3), he or she will have 2 months to decide on how he or she wishes to make payment. This can be done in one of 3 ways—

- (1) *Lump sum*
The lump sum must be paid within 6 months of receiving a demand for payment from the VEC or IoT. The rate of contribution payable will be—

¹ It should also be remembered that, in order to acquire a preserved benefit, an eligible person must have 5 years actual pensionable service where he or she retires before 2 June 2002 or 2 years actual pensionable service where he or she retires on or after 2 June 2002.

(1) for service given before 1 September 2001, based on the rate of pay applicable on 20 December 2001 (or on the first date of appointment if later), and

(2) for service on or after 1 September 2001, based on the historic salary and SPC rates applicable to the period in question.

(2) *Instalment*

The arrears will be recovered by increasing the ongoing contribution. This period of this increase will not continue beyond the length of previous service to which the arrears relate. This will be done as soon as practicable after the commencement of ongoing deductions.

The rate of contribution will be the same as that for a person paying by way of lump sum.

Where, through no fault of the VEC or IoT, the full liability is not discharged by the end of the stated period of the increase, the outstanding liability will be determined by the pensionable remuneration and SPC rates applicable on the date of payment. If the full outstanding liability is not discharged by the date of retirement the arrears payable will be calculated based on the pensionable remuneration and SPC rates applicable on that date and will be offset against the lump sum.

(3) *At retirement*

The arrears payable will be calculated based on the pensionable remuneration and SPC rates applicable on the date of retirement and will be offset against the lump sum.

7.5 Where an eligible person dies in service and the liability for service given before ongoing contributions commenced has not been discharged through no fault of the relevant VEC or IoT, then it will be calculated based on the pensionable remuneration and SPC rates applicable on the date of death and offset against the lump sum payable.

7.6 Contributions for service given prior to 1 September 2001 in respect of the Spouses' and Children's Scheme are payable only where the member is married at retirement or has been married at some time since 1 September 2001. An eligible person will have the option of paying the Spouses' and Children's contribution—

(i) at the rate of 1.5% of the current gross pay by making additional periodic contributions over a period of a least one school year, or

(ii) deferring payment to retirement and paying 1% of the person's retiring gross salary for each year of reckonable service or part thereof.

8. PEOPLE WHO HAVE BECOME QUALIFIED BETWEEN 1 SEPTEMBER 2001 AND THE DATE OF THIS CIRCULAR

8.1 Where a person who was unqualified, subsequently became qualified and was appointed to a pensionable post on or after 1 September 2001 but before the date of this Circular Letter, he or she would have paid a contribution for that unqualified service based on the salary on the date of appointment. Under the terms of this Circular Letter, such a person is now entitled to a refund of contributions for the difference between what he or she paid and the rate applicable for lump sums under paragraph 7.3.

9. PEOPLE WHO HAVE LEFT SERVICE SINCE 1 SEPTEMBER 2001

- 9.1 A person who was serving on or after 1 September 2001, who met the eligibility requirements specified in paragraph 5 and who left service before the date of this Circular Letter has an option to reckon service under the Vocational Teachers or Education Sector Superannuation Scheme, subject to payment of the appropriate contributions at the time of opting into the pension scheme. VECs and IoTs are asked to make all reasonable efforts to inform such people of this option, that it must be exercised on or before 1 September 2008.
- 9.2 Eligible service given by a person to whom the Circular Letter applies who has died prior to the commencement of ongoing deductions will also be regarded as pensionable. The personal representative of the deceased person will be entitled to apply on behalf of the deceased's estate.
- 9.3 Appropriate contributions will be offset against pension benefits. The contribution will consist of arrears in respect of the period from 1 September 2001 (or date of appointment if later) to date of retirement or death-in-service, and a contribution in respect of any reckonable service given before 1 September 2001. The contribution of pre-1 September 2001 service will be a co-ordinated contribution and will be based on pay applicable on 20 December 2001. In the case of a death in service or on ill-health retirement, a Spouses' and Children's Scheme contribution in respect of **potential service to 65 years of age** will also be charged if the person was married on or after 1 September 2001 and is survived by his or her spouse.
- 9.4 Where an eligible person retires on or after 1 September 2001, a lump sum and pension based on reckonable service and pay on his or her last day of service will be payable in accordance with the scheme rules. Where an eligible person dies in service on or after 1 September 2001, a death gratuity is payable to the eligible person's personal representative. Correspondingly, contributions under the Main Scheme and Spouses' and Children's Schemes in respect of reckonable service will be deducted from the lump sum in question. Arrangements will be made for payment of the net lump sum, *ie* the lump sum less contributions owed, as soon as possible after a person's reckonable service has been verified. The pension payable at the time of retirement will be up rated in accordance with certain approved pay increases.

10. ENQUIRIES

- 10.1 Enquiries by unqualified persons should be made to the relevant VEC or IoT. Enquires by VECs or IoTs should be directed to:

Pensions Section
Department of Education and Science
Cornamaddy
Athlone
County Westmeath
Tel: 090-648-3657/8

11. CIRCULATION

- 11.1 VECs and IoTs are asked to bring the contents of this Circular Letter to the attention of all eligible people currently or formerly employed by them on or after 1 September 2001, including those on career break or on other approved leave of absence and, in the case of deceased former employees, their families.

11.2 This circular should be retained for future reference in the VEC or IoT. It may also be accessed on the Department of Education and Science website at www.education.ie/pensions.

Pensions Section
21 May 2008

Appendix A

**CERTIFICATE OF PAID SERVICE AS AN UNQUALIFIED PERSON
EMPLOYED TO TEACH IN A VEC OR LECTURE IN AN IOT**

Part A – To be completed by VEC/IoT

Name of unqualified person: _____

PPSN: _____

In accordance with Circular 0024/2008 and according to relevant VEC/IoT records, you have the following service which can be reckoned for pension purposes:

Period of Service		Approved hours worked per week
Start Date	End Date	

Part B – To be completed by unqualified person

If you believe you have any other unqualified service which may be reckoned please provide details of it-

Period of Service		Approved hours worked per week
Start Date	End Date	

I certify that the details of employment listed above are true and correct in all respects to the best of my knowledge and belief.

Signed: _____
Unqualified person

Date: _____