

Reference No: E109/2/77 ; **Date:** 16/01/78

Circular 1/1978:- Applications for payment of pensions and deductions from pensions.

A Chara,

I am directed by the Minister for the Public Service to say that it has been brought to his notice that some officers about to retire may not be sufficiently aware of the arrangements governing applications for the payment of pensions and the making of authorised deductions, of insurance premiums, for example, from them.

Applications for pensions

2. It happens from time to time that the first payment of pension is delayed because the pensioner does not appreciate that payment cannot commence until he completes a Pensions Declaration Form. I am to ask you, therefore, to arrange that when a pensioner is being advised of the amount of his award he is given, at the same time, a copy of the Declaration Form and told that he must forward it, duly completed, to the Paymaster General's Office, Agriculture House, Dublin 2, to ensure that payment of pension is commenced.

Deductions from pensions

3. When an officer retires he ceases to be paid by his Department and all arrangements in relation to authorised deductions on his behalf lapse. The Paymaster General's Office (PMG's) takes over responsibility for payment of his pension and if he wishes to have deductions made from this he must himself take steps, as indicated below, to ensure that they are made.

4. The PMG's Office makes deductions from pensions only in respect of -

Voluntary Health Insurance (VHI) contributions life insurance premiums and contributions to the Civil Service Society.

5. VHI: If the officer wishes to make his contributions to the VHI by way of deduction from pension he must notify the VHI specifically of this, as a different VHI group scheme is involved. The VHI will then make the necessary arrangements with the PMG's Office by including the newly retired officer in the register of pensioners which they send to the PMG's Office once a year only, around November, and which forms the basis for the deductions made by the PMG's Office for the next VHI year, which begins on the following 1 January. Under this arrangement, which is laid down by the VHI, a retired officer could, depending on the date of his retirement, have to wait for a year or so after retirement before coming within the PMG deduction arrangements. During that period VHI subscriptions would have to be paid by the pensioner direct to the VHI. The VHI explain the position in this regard when the officer notifies them of his retirement.

6. Life insurance premiums: Again the officer retiring must, if he wishes to have the premiums deducted from pension, get in touch with the relevant insurance companies and ask them to make arrangements accordingly. Deductions from pension in respect of life insurance premiums can begin at any time of the year.

7. Civil Service Society: Deductions in respect of subscriptions to the Society are made once each year, at the end of June. A retired officer who wishes to have subscriptions deducted from his pension must complete a new authorisation form in favour of the Society and send it to the PMG's.

8. Because of the serious consequences which may result from failure to keep up VHI or insurance premium payments, it is important that officers coming up to retirement should be told in good time of the position in relation to deducting these payments from pension. I am to request that you arrange accordingly in so far as your Department/Office, including sub-offices, is concerned.

Department of Posts and Telegraphs

9. The position in relation to the Department of Posts and Telegraphs, which is responsible for paying pensions to former members of its staff, is being considered separately.

Mise le meas
John Mc Gartoll