

Reference No: P18/16/89; **Date:** 09/02/90

Circular 1/1990:- Revised Scheme for Purchase of Notional Service

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, about the introduction of a revised Scheme for the purchase of notional service for superannuation purposes by officers serving in an established capacity (General Council Report 1136 refers).

2. Details of the revised Scheme, together with instructions on its implementation, are being issued to Personnel Officers.

3. The main differences between the existing and revised Schemes are as follows:

(a) where service is being purchased by periodic deductions from salary, these deductions will be payable up to age 65 (rather than age 60 as heretofore);

(b) an option to purchase by periodic contributions may be exercised at any time up to age 63 (formerly age 58);

(c) officers may exercise lump sum purchase options within two years of appointment or during their final two years of service or (subject to certain conditions) on return to duty following a period of special leave without pay;

(d) where an officer retires or resigns before age 65 (whether on grounds of ill-health or otherwise) service actually purchased by the last day of service will be subject to an actuarial reduction to reflect the fact that benefits accruing from that service are being paid earlier than anticipated; and

(e) new contribution rates are being introduced.

4. The revised Scheme will apply in the case of all options to purchase notional service where payment of contributions commences on or after 1 February 1990. The existing Scheme (details of which are contained in Circular 16/79) will continue to apply to any cases where lump sum payments have been made, or periodic contributions have commenced, before that date.

5. Officers interested in obtaining further information about the revised Scheme should contact their own Personnel Units.

Mise le meas,
J McGovern
Assistant Secretary