Circular 7/2016

11th May 2016

To: 1) National Director of Human Resources
    HSE
    Dr. Steevens Hospital
    Dublin 8

2) CEOs of NCSSBs

Initiation of Single Scheme Administration Project

Dear Sir/Madam

As you are aware there has been a fundamental change to pension arrangements for Public Service employees that commenced employment after 2012. The Single Public Service Pension Scheme (the Single Scheme), under which pension benefits are calculated based on career average earnings rather than final salary, was introduced by the Public Service Pension (Single Scheme and Other Provisions) Act 2012. With effect from 1st January 2013 all new employees across the public service have and will become members of this scheme, and over time the Single Scheme will therefore displace all previous pension schemes.

The Single Scheme is currently being administered by the various public service employers or ‘Relevant Authorities’ (377 are set out by Statutory Instrument). Each of the Relevant Authorities (RA) remits the pension contributions of its Single Scheme employees to the Exchequer. In addition, the Act imposes considerable requirements on public service employers in recording and calculating pension benefits earned by employees on an annual basis, and the issuing of annual benefit statements to members. For this reason, the Single Scheme requires the creation and implementation of a distinctly different pension administration framework than that which currently services pre-2013 recruits and pensioners.

As a consequence, the Single Scheme Administration Project (SSAP) has been initiated within the Department of Public Service and Reform, with the intention of conducting a Feasibility Study into...
various administrative options this year, building on a Baseline Study completed in 2014. These options vary in terms of the level of distribution or centralisation of operations possible, and will be evaluated against the work involved in implementation, benefits to members, ability to meet legislative requirements and estimates of costs involved. A Programme Board, comprising senior management across the largest sectors, has been established to provide advice and guidance to the project team.

The Feasibility Study will lead to a recommendation to Government on the preferred option for implementation which, if approved, will lead to further phases of work in the coming years (design, build, test and implementation).

Given the scope of the planned project, involving all state organisations, a strong commitment to support the work at all stages will be needed from senior management across the public service, in order to ensure successful identification and implantation of an optimal long-term solution. It will also provide an opportunity to identify best practice relating to Single Scheme implementation, which will be of early benefit to all participants.

Your co-operation, and that of relevant officials within your agency, is requested in order to facilitate the process. The contents of this circular should be brought to the attention of all relevant employees (HR, Payroll, Finance and Pensions Units) in the HSE, Section 38 agencies and the NCSSBs.

Yours sincerely

[Signature]

Lara Hynes
Principal
National HR Unit