Circular 15/2017 - Addendum

19th December 2017

National Director of Human Resources, HSE
Non-commercial State Agencies (NCSA) CEOs

Addendum to Circular 15/2017 (issued 6th December 2017) - A temporary Circular to allow certain public servants in the health sector to be retained beyond their compulsory retirement age of 65 years until they reach the age of eligibility for the Contributory State Pension (CSP).

Dear Sir/Madam,

Further to Circular 15/2017 the following additional clarification has now been received from the Department of Public Expenditure and Reform.

- Pension Related Deduction (PRD) will continue to be payable.
- Class A PRSI will apply in all cases.
- Public Servant is retained on a work pattern with the same or fewer hours, subject to any reduction in hours being consistent with the business needs of the organisation.

As a result, the section of the original circular relating to ‘Retention Arrangements’ has been amended and now reads as follows;

Retention Arrangements

The following arrangements will apply to a public servant who is accepted for retention under the terms of this Circular:

- Public Servant retires at 65 years of age;
- The officer's lump sum is paid;
- Pension abatement rules apply or pension is suspended;
• Public Servant is retained on a work pattern with the same or fewer hours, subject to any reduction in hours being consistent with the business needs of the organisation;
• No pension contribution is payable and no public service pension benefits are accrued during the period of retention;
• If the salary of the individual public servant is based on the civil service PPC scale (applies in respect of certain NCSA posts) prior to retirement, following retention they will be placed on the non-PPC scale (to take account of the fact that no pension contribution is payable);
• Salary for all public servants retained under this Circular to be paid on the minimum point of the relevant pay scale, adjusted for work pattern as required. However Department of Health Circular 10/2016 and HSE Circular 18/2017 will continue to apply in respect of nursing and midwifery grades;
• Class A PRSI will apply in all cases;
• Pension Related Deduction (PRD) will continue to be payable;
• No applications for retention beyond the age of eligibility for the Contributory State Pension (currently age 66) will be considered.

In addition, employers are reminded that the employee undertaking should be signed and submitted as part of the application process by the employee.

While the Circular provides for public servants to apply for retention 8 weeks before they reach the age of 65, this will not be possible for those who reach the age of 65 within 8 weeks of the Government Decision. Employees should be made aware that this advance notice requirement will not apply in the period immediately following the date of the Government Decision. However, applications for retention must be submitted immediately.

Please bring this circular to the attention of relevant employees in your organisation. The HSE is also requested to bring this circular to the attention of Section 38 employers.

Any employee queries should be directed to the relevant employer. Requests for clarification from employers should be directed to national_hr_unit@health.gov.ie

Yours sincerely,

[Sorcha Murray's signature]
Sorcha Murray
Principal Officer
National HR