

# **Circular 12/09: Incentivised Scheme for Early Retirement (ISER)**

## **Questions & Answers**

### **Q. Who can Apply for the Scheme?**

A. Employees 50 years of age and over by 11 September 2009 who have already accrued entitlement to preserved superannuation benefits under a public service scheme, and who have not yet reached normal preserved pension age.

### **Q. Are there public servants who are not eligible for this Scheme?**

A. The Scheme will not apply where the relevant pension scheme allows staff to retire with full pension after less than 40 years' actual service (for example Prison Officers, Garda Siochana); or where, excluding the Cost Neutral Early Retirement Scheme and retirement on the grounds of ill-health, the pension arrangements applicable to an employee make any kind of provision for retirement at an age earlier than the scheme's preserved pension age; or in areas where the recently announced moratorium on recruitment and promotion allows retiring staff to be replaced (for example primary and post-primary teachers).

### **Q. When can I apply?**

A. The Scheme is open to applications from 26 June 2009 **until 11 September 2009** after which the scheme will be reviewed in the context of Budget 2010.

### **Q. Can I choose my date of retirement?**

A. You may specify on the application form a preferred last day of service which must be a date at least 5 weeks after the date of application, but no later than 30 November 2009. However, it will be a matter for the Agency to determine the final date of service having regard to business requirements.

### **Q. How quickly will I know whether my application has been granted?**

A. You must be given a decision in writing no later than five weeks from the date your application is received by your Personnel Section.

**Q. How do I apply?**

A. You apply by submitting a completed Form B1 to your Personnel Section. Officers on loan should forward their application through the Personnel Section of the Agency in which they are serving to their parent Agency.

**Q. How do I know if my application has been successful?**

A. When approval to retire under the Scheme is offered you must complete Form B2 to accept the offer. Once the Form has been received by your Personnel Section the application will be formally approved and cannot subsequently be withdrawn.

**Q. Will the posts of retirees be filled?**

A. In accordance with the Government decision to introduce a moratorium on the filling of posts by recruitment or promotion, vacancies arising from this Scheme will generally not be filled.

**Q. How is my pension and 10% lump sum calculated, and when will they be paid?**

A. Superannuation benefits will be based on actual service, including transferred service, plus purchased service and any additional notional years of service awarded under the schemes of Professional Added Years (see separate question below).

The pension along with 10% of the retirement lump sum, based on the salary and any pensionable emoluments held at the date of retirement (subject to averaging where appropriate), will be paid immediately without actuarial reduction (but see question on Purchase of Notional Service). Supplementary pension, where appropriate, will be paid to persons availing of this Scheme on reaching the relevant normal preserved pension age (60 or 65 years, as appropriate).

**Q. How will the balance of my lump sum be calculated and when will it be paid ?**

A. The 90% balance of your lump sum will be based on the amount of service your pension is based on, and on the salary scale point applicable on the date you reach your normal preserved pension age. It will be paid on reaching that age and will be subject to the taxation provisions in force on the date your application under this Scheme was approved.

**Q. Are there any circumstances in which my application may be deferred or refused?**

A. Yes, applications may be deferred or refused where it is considered that the immediate loss of a particular member of staff will give rise to difficulties of a substantial nature in the management of the Agency. Any decision to defer or refuse

must be for business reasons and you will be advised in writing of the reason for the decision.

**Q. My application has been deferred/refused. Can I appeal?**

A. If a decision is made to defer or refuse your application, you may, within two weeks of receiving the decision, request the CEO to reconsider that decision. His or her decision, which will be given within three weeks, will be final.

**Q. If I am unhappy with the decision of my CEO in relation to a refusal or deferment of my application, can I appeal to the Department of Education and Science or the Department of Finance?**

A. No - decisions of CEOs are final in all cases and there is no provision for an appeal to the Department of Education and Science / Department of Finance. Government Departments/Offices will be reporting regularly to the Department of Finance on the take-up of the scheme, and levels of refusals and deferments will be monitored centrally.

**Q. How will purchased service be treated under this Scheme?**

A. In the case of officers who have availed of purchase of notional service facilities, the service purchased to the date of retirement under this Scheme will be reckoned in the normal way, i.e. pro rata and/or actuarial reductions will apply, as appropriate.

**Q. How will Professional Added Years be considered under this Scheme?**

A. The normal rules of the professional added years' scheme with regard to leaving early will apply (e.g. in the Civil Service and State Bodies, an award of added years will be reduced on a pro rata basis).

Note: The rules are different in the local authorities and for some grades in the health area – the treatment of professional added years will be dealt with specifically in the ISER for those sectors.

**Q. How will Spouses' and Children's contributions which are owed be considered in this Scheme?**

A. Spouses' and Children's contributions due in respect of earlier service and/or professional added years will be deducted from the balance of the lump sum payable at preserved pension age.

**Q. I am currently on career break/unpaid special leave. Can I apply?**

A. Yes. Eligible persons on any form of special leave, including career breaks, can apply to participate in the early retirement scheme. Any procedures necessary to end a career break or to resume work must still be followed, as otherwise you may be deemed to have resigned under the terms of the relevant leave or career break circular.

**Q. I am currently on career break/unpaid special leave. Can I now terminate my career break/special leave and immediately qualify for a pension and 10% lump sum under this Scheme?**

A. In general, early retirement under this Scheme cannot be approved from a date earlier than the date your career break/special leave is due to end, e.g. if the career break is not due to end until 30 November 2009 then a retirement under this Scheme cannot take place before that date. If your career break/special leave is not due to end within a year of your application under this Scheme being made, you should contact your Personnel Officer with a view to arranging for the termination of the career break/special leave at one calendar year from the date of your application and to avail of the Scheme with effect from that termination date.

**Q. I am a worksharer. Can I apply?**

A. Yes.

**Q. I am on sick leave. Can I apply?**

A. Yes.

**Q. I have applied for ill-health retirement. Can I apply?**

A. Yes, you can apply to retire under the terms of this scheme but your application to retire early on the grounds of ill-health would have to be withdrawn. However, you should consider this very carefully as retirement under the terms of this scheme would not be as favourable as retirement on the grounds of ill-health.

**Q. I am still on probation. Can I still apply?**

A. Yes, provided you have already accrued an entitlement to a preserved superannuation benefit in your current pension scheme, and have not yet reached normal preserved pension age.

**Q. I am on secondment. Can I apply?**

A. Yes. As the details of secondment arrangements may differ, you should discuss the issue with the Personnel Section of your parent Agency/Department in advance of making an application.

**Q. What happens if I want to work again after availing of this Scheme?**

A. If you retire under this Scheme you will not be eligible for appointment to a position in the same employment or the same sector of employment in the public service, e.g. a public servant who retires under this Scheme from a body under the aegis of the Department of Education and Science will be ineligible for employment in a body under the aegis of the Department of Education and Science at any time in the future.

If you are employed at any time in the future by any other public service body, you must notify your new employer that you are a beneficiary of this Scheme so that they may inform your former employer of such employment. In these circumstances, payment of the pension awarded under this Scheme will be abated with effect from the date of that appointment and abatement of pension will continue while you are employed in the public service, or until maximum pension age, as appropriate. Abatement of pension means that you would receive no more by way of pension and salary than the pay you would have received had you remained in your former employment. These provisions will also apply if you are re-employed under a contract for service. If the salary on re-employment equals or exceeds the salary you would have received had you remained in the former employment, your pension under this Scheme will cease altogether.

In the event of any such new employment, your superannuation entitlements in the public service will in aggregate be limited to 40 years, or equivalent, of reckonable service overall.

**Q. What happens if a person dies before they qualify for the balance of their lump sum?**

A. The normal rules relating to a preserved death gratuity apply - i.e. if a person who avails of the ISER dies before normal pension age, the 90% balance of the lump sum will be payable to the legal personal representative immediately, rather than at normal pension age.

**Q. I work in a State Agency. Am I eligible to I apply?**

A. Check with your own Personnel Section.