

Department of Education and Skills

Note for Education sector employers and management authorities

Temporary arrangements relating to compulsory retirement age

Government Decision

On the 5th December 2017, the Government agreed to accept a proposal from the Minister for Public Expenditure and Reform to make changes which will affect the compulsory retirement ages of some public servants. In summary, the effects will be:

- The compulsory retirement age for public servants recruited before 1st April 2004 will be increased to 70 years – to be the same as the compulsory retirement age of Single Scheme members;
- Any additional service above age 65 would be pensionable but subject to a maximum of 40 years pensionable service.

In making these changes:

- No change is proposed to minimum retirement ages where they exist;
- No change is proposed for the cohort of “New Entrants” – those who were recruited between 1st April 2004 and 31st December 2012 and who have no compulsory retirement age.

Status of the proposed changes

At this time the proposed changes have no legal effect. It is intended that the changes will become legally operative by way of an amendment to the Public Service Superannuation (Miscellaneous Provisions) Act 2004. Until that happens, compulsory retirement ages currently in effect will remain in effect. Once the legislation is passed, this Department will implement the changes for all relevant staff in the education and training sector.

It should be noted that the changes will only be applicable to staff who retire on or after the date of commencement of the legislation.

Interim measures

Pending the introduction of the legislation to give effect to the proposed changes, interim measures are being put in place to facilitate public servants who may seek to be employed for a period of time beyond their compulsory retirement date. This Department is currently working on interim measures to be applied in the education and training sector with a view to issuing directions to the sector in the coming weeks.

In the meantime, employers may encounter situations in which individual members of staff are due to retire compulsorily and request to be employed for a period of time beyond their compulsory retirement date. As an aid to such employers, the Department will operate temporary arrangements to make decisions on such requests on a case-by-case basis. These arrangements are set out below.

Temporary arrangements for processing individual requests in the education sector

The Department of Public Expenditure and Reform has issued a circular (21/2017) which sets out the measures which will apply to civil servants pending the change to legislation outlined above. These measures will only apply to those who are affected between the date of the Government decision (5th December) and the changes to the legislation. The temporary arrangements in the education and training sector will echo these interim measures for the civil service

The full details of the interim measures are set out in Circular 21/2017. However the key features of the temporary arrangements for the education and training sector are:

- They will only permit applicants to stay until they reach Contributory State Pension age (currently 66);
- Applicants who are given approval to be employed beyond their compulsory retirement date will retire, take their lump-sum and their pension will be abated in accordance with normal pension scheme abatement rules;
- Applicants who are given approval to be employed beyond their compulsory retirement date will be engaged at the same grade on the same work pattern with the same or fewer hours subject to the business need of the organisation;
- Applicants who are given approval to be employed beyond their compulsory retirement date will be paid on the first point of the pay scale for their grade;
- No pension contributions will be payable and no pension benefits accrued;
- Pension Related Deductions will continue to apply;
- Regardless of their PRSI classification before they retired, applicants will become Class A for the duration of their re-engagement;
- Currently, certain staff may work to the end of the school/academic year in which they reach the age of 65 (rather than retiring on the date that they reach 65). Such staff who avail of these arrangements may work to the end of the school/academic year in which they reach the age of 66.

The above arrangements will not apply to staff whose compulsory retirement age is already 66 or higher.

The above arrangements will not apply in the case of any staff member who retires before their compulsory retirement date.

The above arrangements will only apply to staff members who retire on or after December 5th, 2017.

A staff member who wishes to be employed by their employer for a period of time beyond their compulsory retirement date may apply to their employer seeking this.

Where an employer receives a valid application, the employer must forward it to the Department with the following information:

- Employee name, grade, salary scale and point, date of birth, due retirement date;
- Employer confirmation that the post in question is continuing in place for at least the following year;
- Employer indication of consent or objection to the application;
- In the event of objection, employer statement of grounds for objection;
- Confirmation of proposed re-engagement grade, salary point, and end date;
- Contact person in the employer to deal with queries arising from the application.

The information should be transmitted to the Department electronically by email to:

retirementage@education.gov.ie

The applicant must retire in the normal way and the retirement must be processed in the normal way. An employer must not engage an applicant beyond their retirement date, and must not make any offer of re-engagement to an employee, without the express written sanction of this Department.

The above email address is only to be used by employers for the purposes of forwarding applications. It is not for use by persons other than employers. It is not a general query address. The Department will respond to queries from employers in respect of specific applications once they have been made and transmitted to the Department. Employees who have queries must raise those with their employer.

To be valid, an application must be made before the due retirement date. In the case of retirements which occurred between December 5th, 2017 and the date of this memo applications must be made as soon as possible and in any event no later than January 31st, 2018.

The applicant is solely responsible for ensuring that the application is made in reasonable time to allow a decision to be made in advance of the due retirement date. Otherwise an applicant whose application is approved may find that there is a delay between the date of their retirement and the date of their re-engagement. Neither the Department nor the employer will have any liability in this regard.

Philip Crosby
External Staff Relations

Martina Mannion
Pensions Unit

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