

**Circular Number:** Circular 21/2017

**Circular Title:** A Temporary Circular to allow for certain Civil Servants to be retained beyond their Compulsory Retirement Age of 65 years until they reach the age of eligibility for the Contributory State Pension.

**To:** All Government Departments and Offices employing Civil Servants

I am directed by the Minister for Public Expenditure and Reform to advise you of the arrangements set out in this Circular for certain Civil Servants to be retained beyond their Compulsory Retirement Age of 65 years until they reach the age of eligibility for the Contributory State Pension, which is currently age 66 but is due to increase to age 67 on 1/1/2021 and to age 68 on 1/1/2028.

**Circular Application:** All Civil Servants, other than Prison Officers

**Date:** 15<sup>th</sup> December 2017

**Purpose:** To clarify the position in relation to the temporary retention of certain Civil Servants beyond the Compulsory Retirement Age of 65 years.

**Relevant Legislation:**

Civil Service Regulation Act 1956

Public Service Superannuation (Miscellaneous Provisions) Act 2004

Public Service Pensions (Single Scheme and Other Provisions) Act 2012

**Status:** This Circular is deemed effective from 5th December 2017. The version of this Circular which issued by e-mail on 6 December (but was not published on the Circulars website) is hereby revoked.

## **A TEMPORARY CIRCULAR TO ALLOW FOR CERTAIN CIVIL SERVANTS TO BE RETAINED BEYOND THEIR COMPULSORY RETIREMENT AGE OF 65 YEARS UNTIL THEY REACH THE AGE OF ELIGIBILITY FOR THE CONTRIBUTORY STATE PENSION**

### **1. Retirement Ages in the Civil Service**

#### ***(a) Civil Servants Appointed Before 1 April 2004***

In the case of civil servants appointed prior to 1 April 2004, section 8(1) of the Civil Service Regulation Act 1956 provides for a retiring age of 65. Section 8(3) provides that every civil servant shall retire on attaining the retiring age.

#### ***(b) Civil Servants Appointed on or after 1 April 2004***

In the case of public servants, including civil servants, appointed on or after 1 April 2004 but before 1 January 2013, section 3(1) of the Public Service Superannuation (Miscellaneous Provisions) Act 2004 removed the compulsory retirement age and section 8 of the Act of 1956 was amended accordingly in respect of civil servants who are new entrants appointed on or after 1 April 2004.

#### ***(c) Civil Servants Appointed on or after 1 January 2013***

In the case of public servants, including civil servants, appointed on or after 1 January 2013, section 13 of the Public Service Pensions (Single Scheme and Other Provisions) Act 2012 makes provision for a maximum retirement age of 70, subject to a limited number of exceptions.

### **2. Interaction between Civil Service Pension and the Department of Employment Affairs and Social Protection Pension**

The cohort of civil servants appointed between 6 April 1995 and 31 March 2004 are subject to both compulsory retirement at 65 and coordinated pension arrangements. A coordinated pension means that the employee receives the Contributory State Pension (CSP), subject to meeting eligibility requirements, from the Department of Employment Affairs and Social Protection and receives the balance of their pension from their employer. While this cohort is required to retire at 65, they are not eligible for the CSP until their 66<sup>th</sup> birthday and the age of eligibility for the CSP is due to rise to 67 in 2021 and then to 68 in 2028.

### **3. Purpose of this Circular**

The Government recently agreed to increase the compulsory retirement age to age 70 for public service employees recruited before 1 April 2004, other than the uniformed pension fast accrual group (Gardaí, Prison Officers, Firefighters, Permanent Defence Force) and to the drafting of legislation to give effect to that decision. The Government also agreed that, in advance of the legislation coming into effect, interim arrangements could be introduced for serving public servants affected by that decision who reach the age of 65 between the date of the Government Decision and the coming into effect of the necessary legislation, to enable them to remain in place until they reach the age of eligibility for the CSP (age 66 at

present, rising to age 67 on 1 January 2021 and to age 68 on 1 January 2028). The purpose of this Circular is to detail the nature of those interim arrangements.

#### **4. Application of this Circular**

**(a)** This Circular applies only to civil servants recruited prior to 1 April 2004 who have a compulsory retirement age of 65 and who reach the age of 65 in the period between the Government Decision on Compulsory Retirement Age in the public service (ref S28603B of 5 December 2017) and the commencement of the necessary primary legislation to give effect to that decision. The Circular applies equally to pre 1 April 2004 civil servants appointed before and after 6 April 1995, regardless of the fact that civil servants appointed before 6 April 1995 will not be eligible for the CSP. For the avoidance of doubt, where a civil servant has already retired before the effective date of this Circular, retention under the terms of this Circular will not be possible.

**(b)** This Circular is designed to apply to civil servants only. Government Departments/ Offices should, however, ensure that the terms of the Circular, adapted as required, are made available to the public service bodies under their aegis.

#### **5. Procedure for Retention under this Circular**

**(a)** The sanction of this Department is not necessary in order for a retention to be approved under the terms of this Circular. Before a retention is approved, the Government Department or Office should, however, be satisfied that the officer's health, conduct and performance is satisfactory and that a business need exists to warrant the retention, i.e. that a continuing role is available for the applicant for the duration of the period up to the age of eligibility for the CSP. Subject to these conditions, an application for retention on the basis of this Circular should be considered favourably by the Government Department or Office concerned.

**(b)** Any civil servant who wishes to apply for retention under the terms of this Circular should apply to the appropriate person at least 8 weeks before reaching the age of 65, using the application form at Appendix A of this Circular. This 8 week requirement does not apply to civil servants reaching the age of 65 within the 8 weeks following the date of this Circular.

**(c)** Any civil servant whose retention is approved under this Circular must sign the undertaking at Appendix B of this Circular indicating that he/she accepts the terms and conditions of retention as set out in this Circular before the retention is commenced, and in particular their understanding that retention under this Circular does not confer any rights on the individual civil servant to any new arrangement that may be provided for in future legislation in relation to compulsory retirement age, whether or not the officer is still retained under the terms of this Circular on the date of commencement of that legislation.

#### **6. Retention Arrangements**

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

- Civil Servant retires at 65 years of age;

- The officer's lump sum is paid;
- Pension abatement rules will apply;
- Civil Servant is retained in an unestablished capacity;
- Civil 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 civil servant is based on the PPC scale 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);
- PRD will still be payable;
- Salary for all civil servants retained under this Circular to be paid at the minimum point of the non-PPC pay scale, adjusted for work pattern as required;
- Class A PRSI will apply;
- No applications for retention beyond the age of eligibility for the Contributory State Pension will be entertained.

Any queries from Departments/Offices relating to this Circular may be directed to [csrecruitmentpolicy@per.gov.ie](mailto:csrecruitmentpolicy@per.gov.ie) . Queries from individual officers should be directed to the HR Sections of their own Departments/Offices.

Mise le meas,

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David Cagney  
Chief Civil Service Human  
Resources Officer

## Appendix A

### Application for Retention for a period of up to 1 year under Terms of Circular 21/2017

Any civil servant who wishes to apply for retention under the terms of Circular 21/2017 should submit this application to the appropriate person 8 weeks before reaching the age of 65.

#### To be completed by applicant

Name	
Address	
Date of Birth	
Date of reaching age 66 (current age of eligibility for the Contributory State Pension [CSP])	
Department	
Section	
Grade	
PPSN	
Personnel No.	

Signed: \_\_\_\_\_ Date: \_\_\_\_\_

## Appendix B

### Acceptance by management and undertaking by staff to be signed where retention is approved under the terms of Circular 21/2017

#### Section A: to be completed by appropriate person:

I am satisfied that the officer's health, conduct and performance is satisfactory. I am also satisfied that a business need exists to warrant the retention, i.e. that a continuing role is available for the applicant for the duration of the approved retention period. Retention is approved for a period of 1 year from the officer's 65th birthday to the age of eligibility for the CSP, which is currently age 66.

Signed: \_\_\_\_\_

Date: \_\_\_\_\_

Department/Office: \_\_\_\_\_

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#### Section B: to be completed by applicant

I accept the terms and conditions of retention as set out in this Circular. In particular, I understand that retention under this Circular does not confer any rights on me to any new arrangement that may be provided for in future legislation in relation to compulsory retirement age, whether or not I am still retained under the terms of this Circular on the date of commencement of that legislation. I understand that retention is for a maximum of one year from the date of my 65<sup>th</sup> birthday until I reach the age of 66 (the current age of eligibility for the CSP). I also understand that retention under the terms of this Circular is at the minimum point of the relevant pay scale and that pension abatement rules will apply.

Signed: \_\_\_\_\_

Name [Block Caps]: \_\_\_\_\_

Date: \_\_\_\_\_