

|  |  |
|--|--|
| <b>Circular Number:</b>  | <b>Circular 03/2017</b>  |
| <b>Circular Title:</b>   | <b>Accrual of Referable Amounts under the Single Public Service Pension Scheme while on Sick Leave</b>   |
| <b>To:</b>   | <b>All relevant authorities under the Single Public Service Pension Scheme</b>   |
| <p>I am directed by the Minister for Public Expenditure and Reform to advise of the arrangements to apply in relation to the accrual of referable amounts in the case of a Single Scheme member who is or has been on sick leave and in receipt of sick leave remuneration at the half rate.</p> |  |
| <b>Circular Application:</b>   | <b>All Single Scheme Members</b>   |
| <b>Date:</b>   | <b>3 February 2017</b>   |
| <b>Purpose:</b>  | <b>To ensure the consistent application of the arrangements set out in this Circular whereby any Single Scheme member who is or has been on sick leave and in receipt of sick leave remuneration at the half rate will accrue Single Scheme pension benefits on the same basis as if they were absent on sick leave on full pay for that period.</b> |
| <b>Relevant Legislation:</b>   | <b>Public Service Pensions (Single Scheme and Other Provisions) Act 2012</b><br><br><b>Single Public Service Pension Scheme (Accrual of Referable Amounts while on Sick Leave) Regulations 2017 (S.I. No 16/2017)</b>  |
| <b>Status:</b>   | <b>This Circular is deemed effective from 1 January 2013</b>   |

**Circular 03/2017: Accrual of Referable Amounts under the Single Public Service Pension Scheme while on Sick Leave**

1. The Minister for Public Expenditure and Reform has made Regulations entitled Single Public Service Pension Scheme (Accrual of Referable Amounts while on Sick Leave) Regulations 2017 (S.I. No 16/2017) to provide that the referable amounts in respect of pension and retirement lump sum of Single Scheme members who are absent on sick leave on half pay will be accrued on the same basis as if they were absent on sick leave on full pay for that period or periods.

2. Background

An issue recently came to light in relation to the manner in which a member of the Single Scheme is treated for pension purposes when they avail of sick leave on half pay. A Single Scheme member's pension and lump sum benefits accrue by reference to their pensionable remuneration. While a member is on sick leave on half pay they are only being paid at half their normal pay rate. As a result, their pension and lump sum for that period accrue at less than the normal rate. This is at variance with the manner in which public servants are treated under pre-existing pension schemes and it was decided that this was an unintended consequence of the way in which pension benefits are accumulated under the Single Scheme.

3. Regulations

The new Regulations (S.I. No 16 of 2017) provide that:

(a) where a Scheme member is on sick leave, defined in Section 58A of the Public Service Management (Recruitment and Appointments) Act 2004 (No. 33 of 2004) as meaning a case in which a public servant is unable to attend to his or her duties due to illness or injury; **and**

(b) where the member is in receipt of sick leave remuneration at the half rate, as defined in the Public Service Management (Sick Leave) Regulations 2014 (S.I. No 124 of 2014), as being a reference to payment of sick leave remuneration at the rate of 50 per cent of the whole amount of remuneration;

that Scheme member should be treated, for the purposes of accrual of referable amounts, as if he or she were paid the whole amount of remuneration that would otherwise have been paid to him or her in respect of the period or periods.

Effectively this means that where a Scheme member is on sick leave on half pay, they should be treated for the purposes of the accrual of referable amounts under the Single Scheme, as if they were availing of sick leave on full pay.

#### 4. Coverage

- The new Regulations have retrospective effect to 1 January 2013 when the Single Scheme came into operation. On that basis, the referable amounts of any Single Scheme member who has availed of sick leave at the half rate of remuneration will need to be reviewed and revised, if necessary, in accordance with the terms of the Regulations and this Circular;
- The new Regulations apply to all Single Scheme members. They are not limited to Single Scheme members who are also subject to the Public Service Sick Leave Regulations (S.I. No 124 of 2014) mentioned above;
- The new Regulations apply to sick leave as a result of an occupational injury or illness in the same way as they apply to regular sick leave.

#### 5. Effective date

The arrangements outlined above are deemed to have come into force on 1 January 2013.

#### 6. Circulation

This Circular is being issued to all Relevant Authorities with responsibility for the Single Public Service Pension Scheme. The Circular is also available at <http://circulars.gov.ie>.

#### 7. Queries

Queries about this Circular may be pursued as follows:

- Individual public servants with queries should raise them with their Relevant Authority/employer.
- Relevant Authorities/employers wishing to raise queries should send them to [singleschemequeries@per.gov.ie](mailto:singleschemequeries@per.gov.ie), writing "Circular 03/2017" in the subject line.

Colin Menton  
Assistant Secretary