26th March 2001

To ; **Director of Human Resources / Personnel Officer**
Each Health Board
Beaumont Hospital / St James Hospital

Re: Revised superannuation arrangements for Part-time and Temporary Staff

I refer to the recent agreement on the introduction of flexible working arrangements in the health service as announced by the Minister for Health and Children on 29th November 2000 and circulated previously.

This agreement provides for the introduction of revised arrangements relating to the superannuation of staff and the pensionability of certain service. These changes are summarized below in respect of the categories of staff specified.

Temporary Wholetime Officers

It has been agreed, that existing Temporary Wholetime Officers having in excess of 1 years continuous service and employed under a contract of employment, which is potentially renewable may be included in the relevant superannuation scheme from 1 February 2001.

1. The general conditions governing entry to the superannuation scheme are as follows:

    i. Temporary Wholetime Officers will be subject to the same provisions of the relevant superannuation scheme as apply to pensionable officers on full PRSI.

    ii. Admission to the scheme in respect of the above staff will be from a current date and all prior service will be reckonable in accordance with the provisions of the scheme in question as they currently apply to pensionable officers.

    iii. In line with the Department of Health Circular 11/95 of 31 March, 1995 concerning the application of full social insurance status (Class A) to permanent officers, Temporary Wholetime Officers either recruited or appointed after a break in service on or after 6 April, 1995 will be subject to the same superannuation conditions as permanent officers recruited on or after 6 April, 1995.

iv. Membership of the scheme will cease when an officer reaches the age of 65 years and persons who obtain wholetime temporary employment appointments after the age of 65 years are not eligible to join the relevant scheme.

v. All relevant service given prior to entry to the Scheme will be reckonable as it is for other pensionable staff. This liability may be met by way of a single lump sum payment or, alternatively, by paying contributions, as an addition to standard contributions, on a periodic basis over a period corresponding to the length of previous service. Contributions for prior service are payable on an uprated basis (i.e., by reference to the rate of remuneration the person is in receipt of at the date of payment of the contributions).

It should be noted that an effective date and provisions will be introduced shortly in respect of the mandatory registration in the relevant schemes of all new appointments to temporary wholetime positions. This date will be agreed with health boards.

It is anticipated that these arrangements will serve to eliminate over time the significant administrative burden arising from the occasional conversion of long-term temporary staff to permanent status. Access to occupational pension schemes does not, of itself, convey any entitlement to appointment in a permanent capacity. It is a matter for individual employers to contemplate conversion of temporary staff to permanent status in the light of their overall staffing/operational requirements and budgetary constraints having regard, inter alia, to the issue of coverage by protective legislation in certain circumstances.

Details of these arrangements should be brought to the attention of wholetime temporary officers.

Temporary Part-time staff

2. Revised arrangements in relation to existing part-time staff are as follows;

Part-time staff who:

(a) Have in excess of 1 years continuous service

(b) Are employed under a contract of employment which is potentially renewable and

(c) Have a minimum attendance of an average of 8 paid hours during each PRSI week.

may be included in the relevant superannuation scheme with effect from 1 February 2001.

i. As provided for in the Report of the Commission on Public Service Pensions, pension contributions will be deducted on a pro-rata basis, as an interim measure. This method of deduction is recommended by the Commission as part of the change from full to pro-rata NB integration with the objective of improving occupational pension arrangements for such part-time employees.

ii. Pro-rata deduction of pension contributions effectively means that the contribution to be deducted should reflect exactly the proportion of the whole time hours for which the part-time employee is contracted. A person contracted for 50% of the whole time hours of the grade involved would have a liability to pay 50% of the contributions of the whole-time employee, similarly persons contracted for 30% or 75% of the wholetime hours for the grade would have a liability to pay 30% or 75% of the contributions of the wholetime employee. Each completed year of service would count proportionately as service for pension purposes with benefits to be based on the whole-time salary for the grade. NB

iii. All relevant service given prior to entry to the pension scheme is reckonable and the arrangements for lump sum or periodic contributions are as set out above in respect of wholetime temporary officers, i.e., contributions will be on an uprated basis.

It should be noted that, at a later stage, a date will be specified with effect from which it will be mandatory for all new part-time staff meeting the criteria specified at (b) and (c) above to be registered in the relevant Superannuation Scheme.

Permanent Part-time Staff

3. Part-time staff appointed to permanent positions involving a contracted commitment of a minimum of 8 hours per week (on average) or more fall to be included in the pension scheme on the same basis as permanent wholetime appointees i.e.; compulsory registration from the date of appointment. Similarly existing permanent and pensionable staff taking up part-time or flexible working contracts under the flexible working arrangements will remain members of the relevant occupational pension scheme on a compulsory basis.

i. Existing job-sharers whose pension terms include pro-rata co-ordination and who are appointed to alternative contracted hours,

will retain their entitlement to pro-rata co-ordination in the context of introduction of the flexible working arrangements.

ii. The position in relation to the treatment of emoluments in the case of the determination of pensionable remuneration for a permanent member of staff employed on a part-time basis under the agreement on flexible working should be similar to the existing arrangements in relation to the treatment of job-sharers with an adjustment to reflect their contracted work commitment.

The foregoing arrangements apply to the Local Government Superannuation Scheme(s).

Attached for your own information is a copy of a letter dated 24th July 2000 from the Department of the Environment and Local Government.

Yours sincerely

Martin McDonald
PROJECT MANAGER