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| **Resource Toolkit** | Single Scheme Administration Project (Phase 1)  **Purchase and Transfer Resources** |
| **Resource Name** | Purchase Quotation Template Letter |
| **Resource Reference** | SPS.PUR.TL.02 (Phase 1) |
| **Description** | This Template Letter may be used by a Relevant Authority to communicate details of the cost to an eligible member of purchasing additional referable pension and/or lump-sum amounts under the terms of Circular 15 of 2019. |
| **Version** | V1.0 |

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| **PLEASE NOTE:** Administratorsmay accesslegislation, Circulars or Letters to Personnel Officers noted in this Procedure by accessing the Circulars & Legislation section of the Single Scheme Website at [www.singlepensionscheme.ie/circulars](http://www.singlepensionscheme.ie/circulars)/ |

**Strictly Private & Confidential**

<<Title> <<Forename>> << Surname>>

<<Home Address 1>>

<<Home Address 2>>

<<Home Address 3>>

<<dd/mm/yyyy>>

**Re: Single Public Service Pension Scheme**

**Cost to Purchase Additional Retirement Benefits**

**(Pension and/or Lump-Sum)**

Dear <Title> <Surname>

I am writing to you following your submission of a *Member Expression of Interest (Purchase) Form* and request for information and costings to

<<delete as appropriate

1. Purchase additional referable pension amounts
2. Purchase additional referable lump-sum amounts or
3. Purchase additional referable pension and lump-sum amounts**>>**

In this letter you will find important information about how the cost to purchase additional referable pension and lump-sum amounts have been calculated. You should read this letter in conjunction with the **Circular 15 of 2019 -** *Purchase and Transfer of Retirement Benefits under the Single Public Service Pension Scheme.*

**Your Single Scheme employment(s)**

**Table 1.0** below shows details of all periods of your Single Scheme employments (where Single Scheme contributions were not refunded to you) to the date of issue of this quotation. **Table 1.0** also shows details of your pensionable employment(s) with us. This information is used to confirm whether or not you are vested in the Single Scheme. In order to avail of the purchase facility, active members **must** be vested in the scheme before the start of the **12-Month Contract** **Period**.

The information below has been provided to us by you and/or your former Relevant Authority employers.

**Table 1.0**

|  |  |  |  |
| --- | --- | --- | --- |
| **Single Scheme Employer** | **Period of Single Public Service Pension Scheme Membership\*** | | **Accrual category** |
| **From** | **To** |
| Current Employer | <<dd/mm/yyyy>> | <<Date of this letter>> | <<Standard, Uniformed>> |
| <<Insert Former Employer Name>> | <<dd/mm/yyyy>> | <<dd/mm/yyyy>> | <<Standard, Uniformed>> |
| <<Insert Former Employer Name>> | <<dd/mm/yyyy>> | <<dd/mm/yyyy>> | <<Standard, Uniformed>> |
| Additional Rows as Required | | | |

*(\* These dates may include periods of unpaid leave with an employer during which time you were not eligible to earn benefits under the Scheme)*

**Calculating your Purchase Limits**

As part of processing your application for costs to purchase additional referable pension and/or lump sum amounts it is necessary to calculate your individual purchase limits. These limits represent the most in referable pension and/or lump-sum amounts that you can buy. In calculating these limits, the factors in **Table 1.1** below were used. These factors are based on information we record and calculations we perform on an ongoing basis in respect of your pensionable employment with <<insert RA name>>.

**Table 1.1**

|  |  |  |
| --- | --- | --- |
| **Factor** | **Description** | **Amount** |
| **A** | Your annual pensionable remuneration, calculated on a full time basis (FTE 1.0) | € |
| **B** | The annual maximum personal rate of the State Pension (Contributory) at the end of the most recent year, payable to a person who has no adult dependant or child dependant | € |
| **C** | Total of pension referable amounts (both accrued and previously purchased) by you. “Previously purchased” includes all referable amounts purchased whether by actual purchase or purchase by way of a transfer from a Revenue approved scheme. | € |
| **D** | Pension referable amounts accrued by you in the most recent year | € |
| **E** | Total of lump sum referable amounts (both accrued and previously purchased) by you. “Previously purchased” includes all referable amounts purchased, whether by actual purchase or purchase by way of transfer from a Revenue approved scheme. | € |
| **F** | Lump sum referable amount accrued by you in the most recent year | € |
| **G** | Period of time in calendar years to your normal retirement age (whole years only to be taken into account). | years |

**Calculating the cost to purchase additional retirement benefits**

Having established your pension and lump-sum referable amount purchase limits the cost to you to purchase these additional retirement benefits is based on actuarial tables contained in Circular 15 of 2019. Taking the limits above into consideration I have calculated that you may purchase any additional referable pension and/or lump-sum amount between €1 and the maximum limits below.

It is not possible to buy additional referable pension and/or lump-sum amounts in excess of the limits set out in **Table 1.2** (pension) and **Table 1.3** (lump-sum)below. The decision is yours on how much in additional pension and/or lump sum referable amounts you want to buy up to these limits.

**Table 1.2**

|  |  |
| --- | --- |
| **Cost to Purchase €1 Referable Pension Amount** | **Referable Pension Amount Purchase Limit** |
| €0.00 (gross) for each €1 of additional referable pension amounts | €0,000 is the maximum amount of referable pension amounts that you may purchase |

**Table 1.3**

|  |  |
| --- | --- |
| **Cost to purchase €1 Referable Lump-Sum Amount** | **Referable Lump-Sum Amount Purchase Limit** |
| €0.00 (gross) for each €1 of additional referable lump-sum amounts | €0,000 is the maximum amount of referable lump-sum amounts that you may purchase |

To find out what it would cost to purchase an amount greater than €1 up to and including the purchase limits set out in the tables above, please proceed as follows:

*Cost to purchase* ***€1 referable pension amount*** *from* ***Table 1.2***

**X**

*Amount of referable pension amounts you wish to purchase*

*\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_  
Cost to purchase* ***€1 referable lump-sum amount*** *from* ***Table 1.3***

**X**

*Amount of referable lump-sum amounts you wish to purchase*

Please note that the costs above are gross amounts and do not take into account any tax-relief that may be available to you through the Office of the Revenue Commissioners. Tax-relief may be available to you on the cost to purchase additional referable pension and/or lump-sum amounts should you decide to formally proceed. Any enquiries in respect of tax-relief is a matter for you and the Office of the Revenue Commissioners.

**Next Steps**

The purchase cost details set out above are valid until the start of the **12-Month Contract Period** on<<start date>>. The **12-Month Contract Period** is the time period within which you must make the confirmed payment amount to buy any additional pension and/or lump sum benefits based on the costs quoted in **Tables 1.2** and **1.3** and up to the calculated purchase limits. Scheme members who wish to go ahead with the formal purchase of additional retirement benefits must formally enter a contract with <<insert RA name>> to do so by the start of the **12-Month Contract Period**.

If you decide to formally proceed with the purchase of additional retirement benefits, whether they be pension and/or lump sum referable amounts, a formal purchase contract will issue to you for your signature and return. Following receipt of a fully completed purchase contract you must make the contracted payment amount within the **12-Month Contract Period** <<start date to end date>>.

It is important that you seek **independent financial advice** in respect of the Single Scheme purchase facility and the costs set out in this letter. Please note, **your employer is not qualified to provide you with independent financial advice.**

If you think that any of the information we hold on record in respect of your Single Scheme membership may not be correct or have any other queries, you should contact me as soon as possible as the benefits on your Purchase Cost Quotation may need to be reviewed.

*<<insert full contact details for Employer Pensions Officer>>*

Yours sincerely

**<<Pension Administrator’s Name>>**

**<<Pension Administrator’s Department>>**