Resource Toolkit	Single Scheme Administration Project (Phase 1) **Normal Retirement Resources**
Resource Name	Process Guidelines
Resource Reference	SPS.RET.NR.G.01 (Phase 1)
Description	Suggested procedure outlining key steps that a Relevant Authority might take where a vested member avails of normal retirement.
Version	V1.0

PLEASE NOTE: Administrators may access legislation, Circulars or Letters to Personnel Officers noted in this Procedure by accessing the Circulars & Legislation Section of the Single Scheme Website at www.singlepensionscheme.gov.ie/circulars

IMPORTANT: The process has been prepared for Single Scheme members in **Standard Grades**. It must be adapted for those grades that have different retirement ages, such as the Uniformed Grades (Gardaí, Defence Forces, Prison Officers, Career Firefighters, etc.) and assumes that the member has an employment status of permanent or holds a Contract of Indefinite Duration.

Guidelines – Colour key

	=	Yes/No Decision Point

Ref.	*Step*	Description of key activities / general guide
0.0	*Process Map*	• The recommended Process Map may be accessed in the Administrator Toolkit for this process. It is recommended that this is consulted when processing a request for Normal Retirement Options or a Normal Retirement claim for a Single Scheme Member.

1.0	*Notification received of Member's intention to retire on a specified date*	• A member may start this retirement process directly with the Pensions Section, through their Line Manager or through Human Resources. Alternatively, the process may be started by an internal HR Report where members reaching their Normal Retirement Age are identified and subsequently contacted in advance by the Pensions Section;
		• Where this retirement process is started by the member, it is important to find out from the member what their retirement date is likely to be where they have not reached the upper retirement age (70 for standard members). Obtaining this information ensures:
		   a) That the type of retirement applying (i.e. normal rather than early) can be confirmed to ensure that the correct process is adopted by administrators;
		   b) That the member is complying with their required contractual notice period; and
		   c) That there is sufficient time for both the member and administrators to progress the necessary administrative protocols and finalise paperwork in advance of a member's retirement.

1.1	*Validate the type of retirement occurring / verify that this is a Normal Retirement.*	• A member must have reached their minimum retirement age at the proposed date of retirement to be eligible for Normal Retirement;
		• For standard grades, the **minimum retirement age** can be checked with reference to the member's Date of Birth:
		   -**Born between 1st January 1949 and 31st December 1954 inclusive: age 66**
		   -**Born between 1st January 1955 and 31st December 1960 inclusive: age 67**
		   -**Born on or after 1st of January 1961: age 68**
		• The **upper mandatory retirement age is age 70** for the Single Scheme (standard grades);

			• Is this a Normal Retirement? **YES** - Proceed to **Step 2.0** below if it is verified that this is a Normal Retirement **NO -** administrators should establish if the planned retirement is, instead, a potential application for Cost-Neutral Early Retirement or Ill-Health Early Retirement and refer to the appropriate Process for that retirement type. The remainder of this Process does not apply.
2.0		*Pensions Administrator issues Retirement Options Request Form (RORF) to member*	• A template **Retirement Options Request Form** that organisations may wish to consider adopting is included in the Administrator Toolkit for this process. It contains a Statutory Declaration that will help organisations to meet their legal obligations in ensuring that Options are accurately prepared; • A Retirement Options Request Form is issued to the member for completion; • It is recommended that Pension Administrators set a deadline for the return of a completed Retirement Options Request Form. This should be determined with reference to any indicated retirement date.
2.1		*Member returns completed Retirement Options Request Form (RORF) to Pensions Administrator*	• Given the importance of the information contained on the Retirement Options Request Form, particularly the Statutory Declaration, Pensions Administrators should aim to provide one-to-one support to assist a member in fully completing their Retirement Options Request Form.
2.2		*Pensions Administrator reviews and validates member's returned Retirement Options Request Form (RORF).*	• A review is undertaken of the Retirement Options Request Form to ensure that it has been fully completed and signed by the member. Any accompanying documentation (e.g. originals of certificates or Retained Benefits) is reviewed prior to acknowledging receipt of paperwork to member.
3.0		*Does review of Retirement Options Request Form (RORF) by Pensions Administrator prompt initial queries to be raised with member or member's former employers?*	• If **YES -** go to **Step 3.1** • If **NO** - go to **Step 4.0**

3.1	***Raise initial queries with retiree or former employer(s), as appropriate and validate response***	• Depending on the information provided in the completed Member Retirement Acknowledgement Form or related enclosures, it may be necessary for Pensions Administrators to raise an initial informal query with the member or to obtain certain clarifications before deciding on a particular course of action.
4.0	***Verify if member was a member of the Single Scheme in any prior public service employments from 1 January 2013 onwards?***	• This information might be obtained from information completed by the member on their Retirement Options Request Form. • It might also be obtained from a review of other documentation on their HR file, such a hire documentation (that might include an Applicant Declaration Form or CV), or an earlier pension query raised during their current employment. • If **YES -** go to **Step 4.1** • If **NO** - go to **Step 5.0**
4.1	***Pension Administrator issues Single Scheme Benefit Verification Form(s) to member for completion by their former Single Scheme employers***	• A template **Single Scheme Benefit Verification Form(s**) (and sample Cover Letter) that organisations may wish to consider adopting is included in the Administrator Toolkit for this process. It will help capture key information that may assist with the accurate calculation of member benefits. • Pension Administrators should ensure that the member is advised to completed Section A and should also, where possible, provide the member with a correspondence address for their former employer's Pension Section (if known). • More than one Form may need to be issued if the member has more than one prior Single Scheme employer as a separate Form must be completed in respect of **each** prior Single Scheme employer.
4.2	***Member completes Part A of Single Scheme Benefit Verification Form(s) and forwards to their former Single Scheme employers***	

4.3	*Member forwards completed Single Scheme Benefit Verification Form(s) to their current employer's Pensions Administrator*	
4.4	*Pensions Administrator reviews returned Single Scheme Benefit Form(s)*	• Form is reviewed by the Pensions Administrator on receipt to ensure that it is fully completed and there are no outstanding queries. If there are outstanding queries, these are resolved in conjunction with the member or their former employer, as appropriate. • Proceed to **Step 5.0** once all queries are resolved.
5.0	*Calculate total period of Single Scheme membership for which contributions have been retained*	• A Vesting Calculation Tool is available in the Administrator Toolkit for this process; • The verified period of membership of the Single Scheme with **this employment** for which contributions have been retained should be input to the Vesting Calculation Tool, less any periods of non-pensionable leave, **up to the date of retirement**; • The verified period of earlier membership of the Single Scheme **for prior employments** , if applicable, for which contributions have been retained should also be input to the Vesting Calculation Tool, less any periods of non-pensionable leave; • The total period of membership of the Single Scheme **in all employments** for which contributions have been retained, less any periods of non-pensionable leave, should then be summed together; • **IMPORTANT:** A day's pay (regardless of a member's % work-pattern) is counted as one day for vesting purposes.
6.0	*Will vesting period have been completed by retirement date?*	• The Vesting Period for the Single Scheme is **2 years** cumulative service for which contributions have been retained; • As noted at **Step 5.0**, a day's pay (regardless of a member's % work-pattern) counts as one day towards the 2 year vesting period. • If the answer to 5.0 is less than 2.000 years, the member is **not vested** – proceed to **Step 9.0.** • If the answer to 5.0 is equal to or greater than 2.000 years, the member is **vested** – proceed to **Step 6.1**

6.1	*Verify Referable Amounts earned/restored, to date, in current employment*	• A Referable Amounts Calculation Tool is available in the Administrator Toolkit for Relevant Authorities that do not operate a pension system for the Single Scheme; • Pension and Lump Sum Referable amounts earned by a member up to the current date should be carefully calculated in line with Circular 11/2014, taking care to make necessary adjustments for any changes in work patterns, pensionable remuneration or periods of unpaid leave; • Details of any referable amounts restored by the member during this employment should also be recorded; • Where a member accrued referable amounts in a previous tax year, or restored referable amounts relating to a previous tax year, these referable amounts should be adjusted in line with CPI, if applicable. Details of historical CPI adjustments applying are set out in Circular 02/2017.
6.2	*Add in verified Referable Amounts from earlier SPS employments, if applicable*	• Referable Amounts accrued in other Single Scheme employments, as verified on the Single Scheme Benefit Verification Form, should be calculated
6.3	*Total Referable Amounts compiled for all employments*	• Referable Amounts across current employment (step 6.1) and previous employments (step 6.2) should be collated to arrive at provisional interim total annual pension and provisional interim total once-off lump sum figures that will be payable to the retiring member.

6.4	*Check for Revenue compliance /Pensions Adjustment Order(PAO) / Public Service Pension Reduction (PSPR) adjustments, etc.*	• Prior to finalising the retirement statement, and guided in particular by the member's completed Retirement Options Request Form and supporting documentation, a comprehensive check must be undertaken by the Pensions Administrator:
		
		   o To ensure that an individual does not exceed their lifetime tax free cash limit, €200K at time of publication, from all lump sums received under applicable pension arrangements;
		   o To ensure that there is a check for any chargeable excess tax that may arise under the Standard Fund Threshold regime (SFT), particularly for members that

		are high earners or hold significant amounts of retained benefits (see Circular Letter 27 June 2014); ○ To ensure that the existence of any Pensions Adjustment Order granted under the Family Law Acts against the member's benefits under the Scheme; ○ To ensure that the potential need to apply PSPR, or more likely PSPR aggregation, where the member is already in receipt of another Public Service pension in addition to this Single Scheme pension (see PER Circular 18 of 2015);

6.5	***Prepare Interim Retirement Statement and issue to member with pre-retirement pack***	• The Interim Retirement Benefit Statement is prepared - a sample template is available in the Administrator's Toolkit for this process.
		• Once the Interim Retirement Statement has been prepared, it is important that, where practical, that calculations are peer reviewed prior to issue to ensure that retirement benefits are factually accurate and compliant with all legislation
		• The Interim Retirement Statement should issue as part of a Pre-Retirement Pack to the member. A sample Pre-Retirement Pack may consist of:
		    ○ Interim Retirement Benefit Statement
		    ○ Personalised Pre-Retirement Cover Letter – a sample template is available in the Administrator's Toolkit for this process.
		    ○ Member Retirement Acknowledgement Form – a sample template is available in the Administrator's Toolkit for this process.
		
		Note: The sample template documentation made available in the Administrator's Toolkit for this process is a guideline only. Organisations will need to modify, as appropriate, these templates to suit individual organisational needs.
		
		• It is important to ensure that if any Pension Adjustment Orders (PAOs) are in place, particularly where Orders are not of a nominal/"nil" value, that the designated non-member beneficiary is also separately issued with their Retirement Statement and details of how to claim their benefit, if they have not already done so.

6.6	**Member completes and returns Member Retirement Acknowledgement & any associated documentation (e.g. Payroll Mandate Form)**	• Pensions Administrator should review and validate that member has fully completed form and there is no follow-up action required with the member.
7.0	**Final review of paperwork & actioning of issues arising prior to notifying payroll**	• Relevant Leaver/Retirement protocols are followed in accordance with existing organisation exit procedures.
7.1	**Interim benefit payment notification**	• Ahead of relevant payroll deadline, Pensions Administrator instructs payroll with interim Single Scheme benefit payment instruction – noting that a final adjustment will be due once final retirement benefits are calculated after the retiree's final payroll has been run.
8.0	**Member retires**	
8.1	**Verify/Calculate final Referable Amounts on conclusion of final employment**	• On conclusion of the member's final payroll after their retirement, Steps 6.1 to 6.4 inclusive must be repeated to ensure all referable amounts in this employment are fully captured.
8.2	**Definitive Retirement Statement prepared and issued to Member on completion of final payroll**	• The Final Retirement Benefit Statement is prepared - a sample template is available in the Administrator's Toolkit for this process. • Once the Final Retirement Statement has been prepared, it is important, where practical, that calculations are internally peer reviewed prior to issue to ensure that retirement benefits are factually accurate and compliant with all legislation. • The Final Retirement Statement should issue with a cover letter to the member that might remind them of conditions attaching to their pension and who they should contact for future queries related to their Scheme pension – a sample template is available in the Administrator's Toolkit for this process.

		Note: The sample template documentation made available in the Administrator's Toolkit for this process is a guideline only. Organisations will need to modify, as appropriate, these templates to suit individual organisational needs.
8.3a	*Pensions Administrator notifies payroll of final Scheme benefit entitlements*	• Payroll should be requested to implement these benefits, retrospectively, having regard to interim benefits already paid/in payment as a result of the earlier instruction to payroll at **Step 7.0**
8.3b	*Record Member as Single Scheme pensioner*	• The Pension's Administrator should change the member's record to reflect the type of pension that they are in receipt of e.g. Pensioner – Normal Retirement (Standard Accrual) • Such a designation will help identify pensions in payment that may need to be recalculated annually to reflect authorised CPI adjustments (see Annual Events process) or for Scheme management reporting.
9.0	Member will **not be vested** by date of retirement	• Member is **not eligible** for payment of retirement benefits as they have not completed the minimum Vesting Period. Member to be advised that they will be invited to reclaim their contributions on ceasing employment if not immediately taking up employment elsewhere in the Irish Public Service, if eligible. This will be captured as part of the separate Leavers Process.