

INFORMATION SHEET

UNPAID LEAVE OF ABSENCE AND PENSION

- (1) **Reckoning periods of Career Break and Unpaid Leave of absence for Superannuation Purposes**
- (2) **Unpaid Periodic Notional Service Purchase contributions resulting from Unpaid Leave**

Arrangements for the reckoning of career break periods as pensionable while on career break were introduced under Department of Environment Circular S.9/90 issues on 12 July 1990.

The special arrangements set out in the Circular for the reckoning of a career break period while on career break continue to apply. The rate to be applied is the normal lump-sum purchase rate applicable to the member concerned under the purchase scheme, determined by the member's age next birthday at the time the quarterly payment is due is being calculated as outlined at paragraph 10 of Circular Letter 0125/2006.

If you wish to reckon the duration of your Career break/unpaid leave of absence for **superannuation purposes**, please note the following options:

- A. **Quarterly Payment of Superannuation Contributions (Circular Letter S.9/90 & Circular Letter 0125/2006)**
Circular Letter S.9/90 provides for the payment by members of the Education Sector Superannuation Scheme of superannuation contributions while on career break/unpaid leave of absence. The calculation of contributions due to reckon this service has subsequently been amended by Circular Letter 0125/2006.
- B. **Purchasing Notional Service by lump sum contributions on resumption of duty (Circular Letter S.9/90 & Circular Letter 0125/2006)**
Staff may exercise a lump-sum purchase option at any time during their career break/unpaid leave subject to the following conditions:
 - (i) only one such option may be made in any calendar year, and
 - (ii) the minimum amount of lump-sum contribution which may be made in this way is 10% of the member's annual rate of salary, or, if less, the contribution required to purchase the member's potential shortfall in service below the maximum reckonable service of 40 years. In the case of work-sharers or members working part-time, "annual rate of salary" is the full-time rate of pay for the job, not the reduced work-sharing or part-time rate of pay,
or
 - (iii) **within six months of returning from a period of special leave without pay** (in which case the period to be purchased **may not exceed** the period of special leave).
- C. **Purchasing notional service by periodic contributions on resumption of duty (Circular Letter S.9/90 & Circular Letter 0125/2006)**
An option to purchase additional years of service by periodic deduction from your salary with reference to age 65 can be made at any time up to your 63rd birthday. Similarly, as outlined in Circular Letter 0125/2006, an option to purchase additional years of service by periodic deduction from your salary with reference to age 60 can be made any time up to

your 58th birthday. The deductions commence on your next birthday following your resumption of duty following the date of exercising this option and continue up to your 60th or 65th birthday as appropriate. Only those with a minimum retirement age of 60 can purchase notional service with reference to age 60. Purchase by staff on whole-time fixed-term contracts or fixed purpose contracts may **not** purchase notional service unless the person has prior reckonable service or has transferred service for superannuation purposes, which would result in potential service **exceeding 9 Years**.

If you choose not to avail of the above options within the timeframes stated, the period of your career break/unpaid leave of absence will not reckon for superannuation purposes.

D. Unpaid Periodic Notional Service Purchase contributions resulting from Unpaid Leave

Under the terms of Circular Letter 0125/2006 – Purchase of notional service for superannuation purposes – Revision of Scheme, the following options are available to you in relation to **period of unpaid Notional Service**;

1. Leave this period unpaid and at retirement a pro-rata reduction will be applied to the amount of NS contracted to purchase to take account of the unpaid contributions.
2. Make a single Lump Sum Payment of amount owing for unpaid contributions within six months of the date of return to duty from this period of unpaid leave
3. Double up your monthly Notional Service payment contributions for a period equivalent to the period of leave without pay on return to duty.
4. Commence a new Notional Service Purchase Agreement to purchase this period of unpaid leave, subject to normal rules of the Scheme.

Any queries relating to your pension should be directed to the Pensions Section of the relevant HR Department below;

Pensions.midwest@tus.ie
Pensions.midlands@tus.ie

Nothing in this scheme will prejudice existing arrangements for the granting of other categories of special leave.