

F519/046/11.

22 December 2011

Pension Contribution in respect of Secondments and Redeployments

Dear Personnel Officer

1. The Department of Finance letter (E109/76/01) dated September 2005 sets down rates to be charged for pension contributions in respect of Civil Servants who are seconded to bodies outside the Civil Service (including Public Service bodies). In practice, the charges are also applied to secondment from and between other public service bodies.
2. Redeployment between Public Service Bodies is being effected on a secondment basis pending measures to remove legislative obstacles to definitive appointment, and, the pension liability for redeployed staff will generally fall on the scheme of the recipient organisation(s) once such appointments are made. As the vast majority of public sector schemes are now either funded or underwritten by the State the Department has reviewed the practice in relation to the charging of an employer contribution in that context, and revised arrangements are set out in Paragraph 3.
3. With effect from 1 January 2012 it will be no longer necessary to charge the employer contributions in respect of secondments which are arranged to give effect to redeployment where both schemes are funded or underwritten by the State. If one (or both) of the schemes is funded, the relevant organisations should check the existing arrangements, if any, for transfers of pension or reckonable service between the schemes. If the issue cannot be resolved bilaterally, guidance should be sought from the pensions section in this Department.
4. Please bring this letter to the attention of agencies and bodies under your Department and the staff of your Department involved with those bodies.

Yours sincerely



Dermot Keane
Principal Officer