



The UCD 1995 Contributory Pension Scheme

1. Membership is automatic for all persons appointed to pensionable University posts between 01/04/1995 and 31/12/2004, whether permanent or temporary (fixed term), full-time or part-time.

2. The scheme is contributory and contributions are payable as follows:

1½% of Gross Reckonable pay

plus

3½% of net reckonable pay (i.e. gross pay less twice the current rate of State Pension (Contributory) payable by the Department of Social and Family Affairs).

Additional contributions are payable in respect of Spouse/Civil Partner & Children's pension benefits (see 8 below).

The scheme is a defined benefit scheme for the purposes of the Pensions Act, 1990. The main benefits payable under the scheme are:

- Pension and lump sum
- Death gratuity
- Spouses and children's pension

3. Pension and Lump Sum

Minimum retirement age is 60 years. However, an employee may retire on ill health grounds before or after age 60 years in which event additional service may be added.

Pension and lump sum payments are determined by reference to:

- total reckonable service (i.e. service with the University, transferred service etc), and
- gross reckonable pay (basic salary plus any pensionable allowances) on the last day of service.

Subject to a minimum requirement of 2 years reckonable service, pension and lump sum are payable for each year (and portion of a year) of reckonable service at the following rates:

Pension:

1/200th of gross reckonable pay for earnings up to 3 and 1/3rd times the State Pension (Contributory)

plus

1/80th of gross reckonable pay for earnings in excess of 3 and 1/3rd times the State Pension (Contributory)

Lump Sum: 3/80^{ths} of gross reckonable pay.

Maximum pension and lump sum accrue after 40 years' service.

4. **Death in service Gratuity**

There is no minimum service qualifying requirement. Depending on his/her service, the employee's spouse/civil partner or legal personal representative receives a minimum of 1 year's reckonable pay or up to a maximum of 1½ years' reckonable pay.

5. **Pension Increases**

Pension increases are not guaranteed, however it is current practice to increase pensions in line with pay awards for serving staff from the same effective dates as those applying to serving staff.

6. **Resignation Before Minimum Retirement Age**

An employee with **less than 2 years** reckonable service will receive a refund of their own contributions less 20% tax.

An employee who has **at least 2 years reckonable service** is entitled to preserved benefits which are payable, on application, at age 60 years. Preserved lump sum and preserved pension are calculated in the same way as normal lump sum and pension, i.e. they are based on reckonable service and pay at the date of resignation. However, the resulting amounts are updated by the appropriate pay increases between that date and the date the person reaches age 60 years. A preserved death gratuity is payable if death occurs before age 60 years.

As an alternative to preserved benefits, an employee who is aged 50 years or over may opt for immediate payment of pension and lump sum under a facility known as cost neutral early retirement. In such circumstances, the pension and lump sum are actuarially reduced by reference to the person's age on retirement.

An employee may also transfer service (no minimum service requirement) to another public sector organisation under the Transfer of Service Scheme. If this option is taken, the other public sector organisation assumes responsibility for the service with the University and no benefits are payable by the University.

7. **Spouse/Civil Partner & Children's Contributory Pension Scheme**

This scheme provides a pension for the spouse/civil partner and/or dependent children of an employee who dies in service or having qualified for a pension or preserved pension.

The scheme is a contributory one and contributions are payable as follows:

1½% of gross reckonable pay

Additional contributions are payable in respect of any service prior to joining the scheme or any potential service to age 65 allowed.

The spouse/civil partner pension is calculated at the following rates for each year (and portion of a year) of reckonable service:

1/160th of gross reckonable pay less once the State Pension (Contributory)

Additional payments are made in respect of dependent children.

Where an employee dies in service or after retirement on grounds of **ill-health**, the spouse/civil partner pension is based on the service the employee would have received had s/he served to age 65.

8. **Further Information**

The information contained in this leaflet gives a basic outline of pensions terms only. More detailed information may be obtained by contacting the Pensions Office at pensions@ucd.ie.