



PERMANENT DEFENCE FORCE
OTHER RANKS REPRESENTATIVE ASSOCIATION

Information Circular No 23/2019

Retirements on Age Grounds and PSSA 2018 - 2020

PDDFORRA wishes to advise its members of the following provision which has been agreed between the Department of Defence and the Department of Public Expenditure and Reform (DPER) and applies to the members represented by PDFORRA.

In relation to PDF personnel who have retired, or who are yet to retire, **compulsorily on age grounds within 122 days prior to the operative date of the general round pay increases under the PSSA 2018-2020**, DPER have recently provided approval to the Department for the following arrangements when calculating the retirement lump sum (gratuity) of such personnel.

If, within 122 days after the date a former PDF member retires on reaching the mandatory retiring age prescribed for his/her rank, a general round pay increase applies to the rank in which he/she formerly served, their retirement lump sum may be revised (uprated) on a once-off basis to take account of that increase. To qualify:

- (a) the general round pay increase in question must already have been applied to the pensionable rates of pay of serving PDF personnel of corresponding rank; **and**
- (b) the retiree must still be alive on the effective date of that specific pay increase.

These arrangements as sanctioned by DPER will apply for the duration of the Public Service Stability Agreement 2018-2020 (PSSA).

Accordingly, Finance Branch will now proceed to calculate the retirement lump sums already paid to those retired PDF personnel who qualify under this arrangement, by reference to the relevant basic pay increase implemented to date during 2018/19 under the PSSA. Specifically, this means that anyone who retired from the PDF having reached the compulsory retirement age for the rank during the period of 122 days immediately prior to:

- (i) 1st January 2018; or
- (ii) 1st October 2018; or
- (iii) 1st January 2019 (relates only to Private or equivalent ranks)

will have their retirement lump sums re-calculated to reflect the benefit of the relevant basic pay increase at (i), (ii) or (iii), as the case may be. For example, if the former member retired compulsorily on age grounds in November 2017, their retirement lump sum now falls to be revised by reference to the basic pay rates operative from 1st January 2018.

The approval of the above arrangements by DPER also means that the DF personnel identified as retiring compulsorily on age grounds within 122 days of the scheduled PSSA pay increase from 1st Sept. 2019, or within 122 days of the 1st Jan. 2020 PSSA pay increase, will not now need to apply to be retained in service. They can retire on age grounds on their due date **and** provided the conditions at paragraph 1 above are satisfied, he/she will subsequently have their retirement lump sums uprated accordingly by reference to the 1 Sept. 2019 or 1 Jan. 2020 pay increase, as the case may be.

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