

# Pension Payments FAQ

Frequently Asked Questions  
17th February 2020



## FEMPI Restoration for Pensioners

### 1. What is this for?

This FAQ has been produced to assist you understand your calculation and entitlement to increases in your pension. It also explains why you are getting these increases and how it is processed.

### 2. Does this effect my current pension paid to me?

No, these increases are additional payments due to you which we are in the process of calculating.

### 3. What is FEMPI (the Financial Emergency Measures in the Public Interest) Act?

When the global financial crisis began in 2008, the Government had to reduce expenditure to stabilise the public finances.

As a result, the FEMPI legislation was enacted as a savings measure.

### 4. What has changed? Dismantling the emergency legislation

The process of unwinding this emergency financial legislation began following the Lansdowne Road Agreement (2016-2018) and will be completed under the Public Service Stability Agreement (2018-2020).

### 5. What is the legislative basis for this restoration?

The Government secured approval for the Public Service Pay and Pensions Act 2017. This Act provides the legal basis for the restoration of pay and pensions.

This was detailed in the Public Service Stability Agreement 2018 - 2020, which was approved by Government and was ratified by the Public Services Committee of the Irish Congress of Trade Unions.

All the information is included in the two Department of Public Expenditure and Reform Circulars; [Circular 20/2017](#) and [Circular 02/2018](#).

### 6. What does this mean for me as a pensioner?

As a pensioner, when your case has been processed, you will notice an adjustment to your pension amount and your payslip will indicate the increase/adjustment. The full detail of all eligibility criteria is available in the Department of Public Expenditure and Reform Circulars; [Circular 20/2017](#) and [Circular 02/2018](#).

#### Example 1

Pension increase and arrears.

Gross Earnings	
PENSION	51.66
PENSION ARREARS	7.82

### 7. Do I have to apply for this increase?

No, you do not have to apply for the increase. A dedicated team of staff is working through all the cases to identify all pensioners who are entitled to the increase.

The work is manual in nature and will take time to process. A large volume of these cases have been processed and the majority of those eligible have received their FEMPI increases due up to and including 1<sup>st</sup> January 2020. The NSSO continues to work on the outstanding cases. Any increase due to you

will be paid, together with any arrears outstanding.

**8. Who is eligible for these increases?**

Full details on who is eligible for an increase are provided in the two Department of Public Expenditure and Reform Circulars; [Circular 20/2017](#) and [Circular 02/2018](#).

**9. Will I get these increases on my allowances?**

Yes - except in the case of fixed rate allowances, as outlined in [Circular 02/2018](#).

Some pensioners have their allowances added in to their pension amount, others have them listed separately. Once the review of all cases is completed, this will change for all pensioners with allowances. Each allowance will be listed separately.

**Example 2**

Showing a pension increase with an allowance already listed separately.

Gross Earnings		
PENSION	1924.20	USC
PENSION ARREARS	77.21	PAY
ALLOW. (GEN/SPEC. INCRE	878.69	IR
ALLOWANCE AVERAGE	25.26	

After this review has been completed, you will notice a minus value on your payslip across from “pension arrears”. This represents the separated allowance amount. This is not a deduction, it is a calculation requirement with no negative impact on the pension amount. Subsequent payslips will not have this minus.

**Example 3**

Showing allowances separated from pension, with a minus across from “pension arrears”.

Gross Earnings	
PENSION	36.18
PENSION ARREARS	-162.03
ALLOW. (GEN/SPEC. INCRE	174.09
ALLOW. (GEN. INCREASES	5.31

**Public Service Pension Reduction (PSPR)**

**10. What is PSPR?**

PSPR is a further reduction under the legislation and it applies to people who retired before 01 April 2019 only. All PSPR deductions are listed on your payslip as “pension reduction”, showing a minus value.

The PSPR rates, under various categories, are outlined in [Circular 02/2018](#).

**11. When will the PSPR adjustment for 2020 be applied to my pension?**

A large volume of these cases have been processed for 2020 and the majority of those eligible have received adjustments in their pension payment. These adjustments are shown as a positive figure across from “pension reduction” on the pay slip.

Processing of the remainder of the adjustments is under way and this work should be completed by Quarter 2, 2020.

**Example 4**

PSPR adjustment given at the same time

Gross Earnings		Deductions	
PENSION REDUCTION	165.59	USC	59.78
PENSION	1741.50	PAYE	179.50