

Recognition of prior continuous service for superannuation purposes

This fact sheet has been developed for active Revised, New, Transport, State Employees Retirement Benefits (SERB) or Melbourne Water Corporation Employees Superannuation (MWCES) Scheme members who are seeking additional prior continuous employment to be recognised as 'service' for benefit purposes.

Additional and Recognised service

Additional service refers to the period(s) of employment that you may have had before you became a member of ESSSuper.

Only service with Victorian State Government Authorities already covered by ESSSuper can be recognised by us for superannuation purposes. This includes full-time, part-time (i.e. working more than 40% of normal full time hours), temporary or exempt service.

Eligibility for Recognised service

We can only recognise a period of additional service that:

- was continuous (for exceptions see 'Notes for Members'); and
- immediately preceded the date you became an 'officer'.

Revised Scheme members

Service may only be recognised if it was continuous (i.e. no breaks whatsoever). There is a cost to you for this additional recognised service. You are advised to carefully consider if it is in your best interest to purchase the additional recognised service as at some later stage the additional benefit (if any) may not be considered attractive when compared to the cost.

Consideration also needs to be given to whether it would be more advantageous for you to purchase the additional recognised service at the time of our approval letter or to wait until you are closer to leaving the Fund. In the latter instance, the actual amount of your final benefit is likely to be clearer although the purchase cost may be higher and there is the risk of you not being in a position to make a payment before ceasing to be an 'officer'.

New Scheme members

Service may only be recognised if it was continuous (i.e. no breaks whatsoever). If you became a member on 1 July 1988, and you were not paying to, or eligible to pay to the SERB Scheme or the Hospitals Fund, you may apply for your service to be recognised.

However, we will not recognise service if you were eligible to become an 'officer', or if you were eligible to become an 'officer' but were not granted 'officer' status (i.e. your employer

did not obtain the required Treasurer's Instrument). There is a cost to you for this additional recognised service.

As the cost is increasing with your current super salary, consideration needs to be given to whether it would be more advantageous for you to purchase the additional recognised service at the time of our approval letter or wait until you are closer to leaving the Fund.

SERB Scheme members

Service may only be recognised if you:

- had a break in service of no more than 6 months; and/or
- were employed for a minimum of 15 hours per week or 780 hours per year.

There is no cost to you for this additional service. However, after an application is processed an approval letter will be sent to you advising that the additional service has been recognised.

Transport Scheme members

Service may only be recognised if you:

- were working with a Transport Authority before 1 September 1978; and
- had a break in service of no more than 4 weeks.

There is no cost to you for this additional service. However, after an application is processed an approval letter will be sent to you advising that the additional service has been recognised.

MWCES Scheme members

Service may only be recognised if it was continuous (i.e. no breaks whatsoever). There is a cost to you for this additional service.

Processing your application

The first step in the process requires you to complete the 'Member Details' section of the *Application for Recognition of Prior Continuous Service for Superannuation Purposes (S211)* available from our website at esssuper.com.au/forms. You must then give this application to the employer agency in which your additional service occurred.

An approved certifying officer from that employer agency will complete the 'Employment Details and 'Employer Certification' section and submit the application to ESSSuper.

Once we have received the completed form our service standard is to determine your eligibility and provide a written notification to you within 10 working days.

If your period of additional service is recognised, we will forward an approval letter to you. If applicable, the letter will contain a quotation amount for the period of the additional recognised service. The quotation is based on your salary and contribution rate at the date of the letter and is only valid for one month. If you choose not to pay the prior service quotation amount within that month, you will need to request a new quotation letter.

Prior Service payments

Payment can be made by cheque or BPAY. We must receive this payment before the date you cease (i.e. resign or retire) to be an 'officer'.

Timing of applications and Prior Service payments

The employer certification of your application usually takes at least two weeks to finalise and our eligibility and notification process a further 10 working days. Given that, it is very important that you allow sufficient time when submitting your application, particularly if you are intending to cease employment or exit the Fund and if you wish to make a prior service payment before your cessation date.

We must receive a completed *Application for Recognition of Prior Continuous Service for Superannuation Purposes (S211)* and any subsequent payment for the cost of that service before the date you cease to be an 'officer'.

Seeking financial advice

Before submitting an *Application for Recognition of Prior Continuous Service for Superannuation Purposes (S211)* or a payment for recognised service, we recommend that you seek independent financial advice to ensure you make the best decision to suit your individual circumstances.

ESSSuper has an arrangement with Link Advice Pty Ltd (AFSL 258145) to provide financial advice to ESSSuper members¹.

Personal financial advice is available on single superannuation topics such as choosing an investment option or retirement adequacy. Or if you're seeking more detailed advice we can also

provide comprehensive advice on your entire financial position.

We cannot consider or recognise the following:

- Casual or Sessional service;
- Gratuities;
- Contract or Limited Tenure employment;
- Apprenticeships, Cadetships and Studentships;
- General nursing training at Public Hospitals. However, up to 3 years nursing training with the Office of Psychiatric Services or the Office of Intellectual Disability Services can be recognised;
- Service with the Commonwealth Government or another State Government;
- Service with Victorian State Instrumentalities covered by other Government Superannuation Schemes;
- Service of a married woman who was a non contributing permanent officer and declined to join the Fund during the 'amnesties' of 1975 and 1982;
- Service of a divorced woman who was a non contributing permanent officer and who did not accept the offer of entry to the New Scheme before 1 July 1988;
- Service where a person was a contributor to or eligible to contribute to the SERB Scheme; and
- Service while a member of a prescribed superannuation scheme i.e.
 - Any superannuation scheme or governing body of an authority that is established or constituted under an Act of Victoria or any state, the Commonwealth or Territory;
 - The Superannuation Scheme for Australian Universities;
 - The Allied Union Superannuation Trust;
 - The Building Union Superannuation Scheme;
 - The Tertiary Education Superannuation Scheme.

If you were a Vic Roads (formerly Road Construction Authority) employee, the number of years and months taken before commencing in the Fund will be deducted from any period of additional recognised service. This is because after attaining permanency, RCA employees were not obliged to join the Fund.

Contact us

For further information visit our website at esssuper.com.au or call our Member Service Centre.

Proudly serving our members

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