

Implementation of the Protection of Employees Legislation

8 April 2008

Dear Staff Member,

As you know the University has acknowledged its obligations under the Protection of Employees Legislation and is committed to implementing its provisions. The University regrets the inordinate delay in resolving this matter, due to factors outside of its control, and the consequent difficulties created for staff

The HEA has advised that new entrants to the public service from January 2005 are to be members of the Model Scheme and that staff recruited prior to this date are entitled to benefits equivalent to those of the Joint Pension Scheme (JPS).

The difficulty for the University is that the Joint Pension Scheme is a “funded” Scheme with no State Guarantee (*i.e.* pensions are payable from the fund accumulated from employer and employees contributions) and neither funding nor State Guarantee has been provided to date for fixed term workers. Because of these difficulties the University closed the JPS to membership from July, 2003 while awaiting a Resolution. Although a Resolution has been negotiated at sector level (*i.e.* the State will take over both pension liabilities and funds) no confirmation of same has yet been made available.

Recognising the ongoing difficulties being experienced by staff affected by these matters, Finance Resource Committee approved on 6 February 2008 the following University Management Team proposal:

- (a) All staff be advised that eligible new entrants from January 2005 will be entitled to pension benefits as outlined in the Model Scheme and that eligible staff recruited prior to this date will be entitled to benefits equivalent to those allowed in the Joint Pension Scheme.
- (b) Enrolment of eligible new entrants from January 2005 to the Model Scheme will now commence.
- (c) While awaiting confirmation of funding and or state guarantee of Joint Pension Scheme and, as a temporary measure to facilitate administration of payroll deductions and tax allowances, eligible staff recruited prior to January 2005 will be enrolled in the Model Scheme. Any pension payments arising in the interim will be equivalent to those of Joint Pension Scheme.
- (d) Additional resources will be provided in order to allow the orderly and timely completion of enrolments as outlined above. It is acknowledged that this process will take some time.

There is a significant number of staff to be enrolled into the scheme. The pension office is currently putting a plan in place to ensure sufficient resources are available to allow the enrolment of members to the Model Scheme to be completed in a timely fashion.

The enrolment process will be completed on a phased basis:

1. **Deduction Phase:** All eligible staff* currently not in the JPS or Model Scheme will be enrolled in the Model Scheme – Deductions will appear on payslips.
2. **Information Phase:** An email will be sent to each individual member, providing information on the pension scheme and other ancillary products etc.
3. **Arrears Phase:** A communication will be sent to each individual member advising the pension contributions arrears amount due for periods prior to becoming a member of the Model Scheme. The maximum repayment period proposed is no greater than the relevant arrears period, although other arrangements may be made in cases of hardship. Arrears can be repaid over a shorter period at the members' request. Arrears will be processed through payroll to facilitate tax and PRSI relief.

If a member leaves the college prior to paying his/her arrears in full, any outstanding balance can be paid by cheque – the member in that case must contact their local tax office to claim the tax relief. Where arrears are not paid in full, amounts due plus compound interest (4% p.a., as required by the scheme) will be deducted from pension benefits. Members are therefore strongly advised if possible, to ensure all contributions due are paid before leaving the University.

* A fixed-term staff member must work at least 20% of their full-time equivalent comparator to be eligible for pension.

The pension's office will update you on time-lines for the above steps once the necessary resources are in place.

Your continued patience is much appreciated and I assure you that we are working to ensure the above can be completed in as short a period as possible.

Kind regards,

Triona Lydon
Pensions & Investments Officer