

Fiona Cashin  
Committee Secretariat  
Committee of Public Accounts  
Leinster House  
Dublin 2

4<sup>th</sup> October 2012

Dear Ms Cashin,

I refer to the recent appearance of Dr Hugh Brady, President of UCD, at the Public Accounts Committee and in particular Dr Brady's reported comments about "an expectation among staff members as to what their (pension – text added) entitlements would be". Dr Brady went on to say that "(W)hen the State took over the pensions plan, one of the agreements was that the entitlements of staff would be the same".

The HEA and the Departments of Education and Skills and Public Expenditure and Reform consider that there is a risk that this could be misinterpreted. The facts are that the university pension schemes were in severe deficit and would have struggled to meet the minimum funding standards imposed by the regulator, the Pensions Board. The Government decided that the funds be transferred to the National Pension Reserve Fund and, following the transfer, discretions within the schemes now rest with the Minister for Education and Skills and the Minister for Public Expenditure and Reform acting jointly.

The scheme rules are and will be applied fully and properly. In particular, added years are awarded by the Ministers not in accordance with expectations but with the scheme rules, that is, in cases of ill-health and where it is clear that the added years are fully justified by the requirement to have significant prior periods of education, skills, and experience that are not pensioned elsewhere.

To avoid any possible confusion and to explain the full policy background, it was considered appropriate to bring this to the Committee's attention.

Yours sincerely,



Tom Boland  
Chief Executive Officer

