How does my pension scheme work?

A guide for members of occupational pension schemes
The Pensions Authority is a statutory body set up under the Pensions Act 1990.

The Authority regulates *occupational pension schemes*, trust RACs and *Personal Retirement Savings Accounts (PRSAs)* in Ireland.

The Pensions Authority’s mission is to support a sustainable pensions system that will provide adequate and reliable pensions for retired and older people and that achieves wide coverage. The Pensions Authority aims to achieve this by:

1. Safeguarding the interests of *occupational pension scheme* members and *PRSA* holders through effective regulation
2. Providing relevant information and guidance to the public and those involved with pensions
3. Developing policy proposals and supporting the Minister for and Department of Social Protection and other government departments through high quality policy advice and technical support.
How does my pension scheme work?

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1. Introduction

This booklet gives an overview of occupational pension schemes, how they work and the information that must be given to scheme members.

What does that mean?

Don’t be confused by pensions jargon. See the Glossary for definitions of terms in italics.

If you join an occupational pension scheme, you are entitled to information about your pension benefits, how the scheme is run and how the pension fund is performing. The trustees of the scheme must give you this information. Your employer also has to give you certain information.

While trustees must give you this minimum information by law, the Pensions Authority encourages them to give members as much information as possible and to do so in a way that is easy to read and understand.
2. The importance of pensions

Why do I need a pension?

Saving for retirement is important. People are living longer and leading more active lives in retirement. As a result it is more important than ever for you to think about where your income will come from when you retire.

It is often not appreciated that membership of a pension scheme can be an extremely valuable asset. For example, if you were to buy a pension from an insurance company at retirement of €10,000 per annum, you could need a retirement fund of €200,000 or more. So if your employer sponsors a pension scheme, it may be very worthwhile to become a member. And the sooner you start planning for your retirement the better.

Will the State not provide for my retirement?

Your State pension will provide you with a basic level of retirement income, provided you qualify. The full single person’s State contributory pension is currently (2012) €230.30 per week, or approximately €12,000 per annum.

The State provides three types of pension:

- State Pension (Transition) which is payable to people who reach age 65 (before 1 January 2014) and who have retired and satisfied certain PRSI conditions;

- State Pension (Contributory) which is payable at age 66 (age 67 from 2021, age 68 from 2028) to people who have satisfied certain PRSI conditions; and
State Pension (Non-Contributory) which is payable at age 66 (age 67 from 2021, age 68 from 2028) as a means-tested pension for those who do not qualify for the State Pension (Contributory) based on their PRSI contribution record. To satisfy the means test, your income, as assessed in accordance with certain rules, must be below a certain level.

If you want to find out more about State pensions you should obtain a copy of a booklet issued by the Department of Social Protection called “A Guide to Social Welfare Services” (ref SW4).

This booklet ‘How does my pension scheme work?’ mainly provides information relating to occupational pension schemes. For more information on State pensions, personal pension plans and PRSAs see the booklets “What are my pension options?” and “PRSAs – A consumer and employers’ guide” available from the Pensions Authority at www.pensionsauthority.ie.
3. **Occupational pension schemes**

**What are occupational pension schemes?**

Also known as company pension plans, these are set up by employers and can provide benefits including a tax free lump sum (within certain limits), and pension income in retirement. These benefits will generally be based on:

- your final earnings (final salary **defined benefit schemes** – see section 4), or
- your average earnings throughout your career (career average **defined benefit schemes** – see section 4), or
- the value of your pension fund at retirement (**defined contribution schemes** – see section 5).

Apart from benefits on retirement, **pension schemes** can provide benefits to **dependants** on death in service or death after retirement.

Pension benefits are also portable and need not be “frozen” when your employment status changes.

**Who can join an occupational pension scheme?**

There is no legal obligation on an employer to set up an **occupational pension scheme**, but if they don’t, they need to provide you with access to some form of pension arrangement, i.e. a **Personal Retirement Savings Account (PRSA)**. For more information on PRSAs see “PRSAs – A consumer and employers’ guide”, available from the Pensions Authority at www.pensionsauthority.ie.

If you are not already a **member** of an **occupational pension scheme** you should check and see if your employer has such a scheme and whether you are eligible to join.
How do I know if I am being treated equally with regard to my pension?

The principle of equal pension treatment is that there should be no discrimination on any of the nine discriminatory grounds, such as gender, marital status or disability, in respect of any rule of a pension scheme. It applies in relation to rules governing such matters as:

- Access to the scheme
- Contribution arrangements
- Entitlements to and calculation of benefits
- Retirement ages
- Dependents’ benefits

Further details are set out in “A Brief Guide to Equal Pension Treatment” available from the Pensions Authority at www.pensionsauthority.ie.

What if I am a part-time or fixed-term worker?

The Protection of Employees (Part-Time Work) Act 2001 and the Protection of Employees (Fixed-Term Work) Act 2003 require that there is no discrimination between part-time and fixed-term employees and their comparable full-time counterparts. This will mean that if an employer provides a pension scheme for its full-time and/or permanent workers, then access to the scheme must also be possible for comparable part-time and fixed-term workers, unless exclusion can be justified on objective grounds. An exception to this is possible if a part-time employee works less than 20% of the normal hours of the comparable full-time employee.
How does my pension scheme work?

Further details are set out in “FAQs on part-time work and pensions” and the booklet “What are my pension options?”, both available from the Pensions Authority at www.pensionsauthority.ie.

How is my pension scheme established?

*Occupational pension schemes* are normally set up either under *trust* or on a statutory basis. Statutory plans are set up by legislation and provide benefits for employees in the public sector or semi-state bodies.

A *trust* is a legal arrangement used to establish a *pension scheme* under which *trustees* hold the *assets* of the *pension scheme* in a *trust fund* for the benefit of the *members* of the scheme and their *dependants*, and for the purpose of providing income in retirement.

Who looks after my pension?

Your rights as a *member* of an *occupational pension scheme* are valuable and important to you and your *dependants*. Where your scheme is set up under *trust*, the scheme’s *assets* are looked after by *trustees* on behalf of *members*, their *dependants* and other beneficiaries.

There are three types of scheme *members*:

- *Active members* – those who are currently in service
- *Deferred members* – those who were *members* of the scheme but who have left service
- Pensioners – those who are retired and in receipt of a pension
Pension schemes may also have other beneficiaries, such as dependants of members, who are entitled to benefits or would become entitled to benefits, for example on the death of a member.

As your pension may not start for many years and may continue long after you retire, your scheme must be managed properly so it is able to pay your benefits when they are due. Under trust law and the Pensions Act 1990, pension scheme trustees must ensure that schemes are run properly and they must protect your rights as a scheme member.

In most pension schemes, trustees do not actually carry out the day-to-day running of the scheme. They usually appoint a pensions consultant, an insurance broker or a life assurance company to look after the scheme. Sometimes, they appoint a person within the company to run the scheme.

Trustees must appoint a Registered Administrator to carry out certain functions relating to the scheme, in particular to prepare the Trustees’ Annual Report and annual benefit statements for members. Registered Administrators are regulated by the Pensions Authority, and a list of Registered Administrators can be found on the Pensions Authority’s website www.pensionsauthority.ie.

No matter who looks after the day-to-day running of the scheme, trustees are still responsible for making sure that members can get full information about the scheme and their own entitlements.

They are also responsible for whistle-blowing to the Pensions Authority if they think something is seriously wrong.
Where do I get more information on being a *trustee*?
The Pensions Authority’s “Trustee Handbook” provides guidance for *trustees* on their duties and responsibilities. This handbook is available from the Pensions Authority at www.pensionsauthority.ie.

In some schemes, *members* are able to nominate representatives to act as Member Nominated *Trustees*. For more information on this see the Pensions Authority’s booklet “Selecting Member *Trustees*” at www.pensionsauthority.ie.

What are the main types of *occupational pension scheme*?
There are two main types of *occupational pension scheme*:

- **Defined benefit schemes** provide a set level of pension at retirement, the amount of which normally depends on your service and your earnings at retirement or during your career. (See section 4 for more information.)

- **Defined Contribution schemes**, where your own contributions and your employer’s contributions are both invested and the proceeds used to buy a pension and/or other benefits at retirement. The level of your pension will depend on the amount of contributions invested, the return on your investments and the cost of buying your pension at retirement. (See section 5 for more information.)

A hybrid *pension scheme* is one which is neither a full defined *benefit scheme* nor a full defined *contribution scheme*, but has some of the characteristics of each. There are many possible types of hybrid schemes, and section 6 describes a number of different schemes in more detail.
What information should I be receiving about my pension?

No matter what type of pension scheme is provided, by law trustees must provide certain information about the operation of the scheme.

There are different types of information that trustees must provide, including:

- legal documents;
- basic scheme information;
- individual member information;
- details of your pension investment choices, if any; and
- reports on the running of the scheme and its financial position.

Throughout this booklet we will provide further details of the information that you are entitled to receive in particular circumstances.

Legal documents

Every pension scheme is governed by a set of legal documents. These include:

- a trust deed or equivalent document, which sets out how the scheme is governed;
- the rules of the scheme, which defines the terms and conditions of the scheme, including eligibility conditions, the benefits payable from the scheme, and the contributions payable; and
- amendments or supplements to the trust deed or the rules.
Trustees must make these documents available at all times to:

- members;
- employees likely to become members;
- spouses;
- beneficiaries; and
- trade unions.

Once you request these documents, you must be able to inspect them or receive a copy of them within four weeks. The trustees are only obliged to show you the parts of the documents that relate to your own benefit entitlements. The trustees may charge you a reasonable fee to receive a copy of the documents, but there can be no charge for inspecting them.
4. Defined benefit schemes

A defined benefit (DB) scheme fixes the benefit in advance – usually as a proportion of the member’s earnings when they retire. For instance, a DB scheme might provide at retirement a pension of 1/80th of final earnings for each year an employee was in the scheme. If an employee retired after 40 years, that employee would receive a pension of 40/80ths (50%) of their final earnings before retirement. Such schemes are also known as ‘final salary’ defined benefit schemes.

In a DB scheme, it is not possible to know in advance how much the scheme is going to cost. The benefits are fixed, and the contributions must be adjusted from time to time to make sure that the correct amount is being accumulated to provide for them. It is usual in a DB scheme for the member’s contribution rate to be fixed (for example as a set percentage of salary) and for the employer rate to increase or reduce as needed, though in some DB schemes both employer and employee contribution rates change from time to time.

However, it is important to know that DB scheme benefits are not guaranteed. If the scheme’s assets are not sufficient to pay the benefits, and the employer is not in a position to meet the shortfall, promised benefits may have to be reduced.

Main features of a final salary DB scheme

The following are the main features of a DB pension scheme:

- Contribution rates paid by employers vary, depending on the outcomes of the regular actuarial valuations.

- Members can predict the benefits they will receive as a proportion of their earnings just before retirement.
The level of benefit payable to members often takes into account the level of State pension paid to the member (this is known as integration and is explained further in section 7).

The higher the investment return achieved by the scheme, the lower the contribution rate will be. On the other hand, if investment returns are poor, contribution rates may have to be increased to provide the promised benefits.

The cost of buying a pension at retirement affects the contribution rate.

In order to give some protection to the security of the pension promise, the Pensions Act, 1990 requires that each DB scheme check each year that it has accumulated enough assets to meet its liabilities accrued to date. This is called meeting the Funding Standard, and if a scheme fails to meet this standard, steps must be taken to remedy the position.

Final salary defined benefit schemes are generally better suited to those who stay until retirement as all of their benefits are then linked to their final salary. Those who leave before retirement often receive much lower benefits.

Career average schemes

Career average schemes are defined benefit in nature, but are a variation of the traditional defined benefit design. The benefit offered is based not on the earnings close to retirement, but rather on the average earnings throughout the member’s entire career. These earnings may be revalued up to the point of retirement in line with some index, for instance the Consumer Price Index (CPI). Such schemes are known as Career Average Revalued Earnings (CARE) schemes.
An employee whose earnings grow by more than the revaluation rate (for example through promotional increases) will get lower retirement benefits from a career average scheme than from a comparable final salary scheme.

**How do I know there is enough money in the scheme to provide my pension?**

Employees and employers usually pay regular monthly payments into a *pension scheme* and the money gathered is set aside in the scheme’s *trust fund*. This fund is kept separate from the employer’s business accounts, ensuring that existing funds will be available to pay members’ pensions even if the employer goes out of business.

At least every three years, the scheme’s actuary values the *liabilities* of the scheme, compares this to the value of the scheme’s *assets* and calculates the amount of money that must be contributed into the scheme in future years to meet the benefits that are payable.

The *actuarial valuation* is a report on the results of this review of the *assets* and *liabilities* of the scheme at a specified date. It must be made available on request within nine months of the date of the *actuarial valuation*.

A copy of an *actuarial valuation* report must be given to the following within four weeks of a request:

- *members*
- employees likely to become *members*
- *spouses*
- *beneficiaries*
- *trade unions*
Trustees may charge you a reasonable fee to provide a copy of the report, but there can be no charge for inspection.

**Does the Pensions Authority monitor the financial strength of DB pension schemes?**

The Pensions Authority monitors the financial strength of DB pension schemes through the operation of the Funding Standard requirements under the Pensions Act.

The Funding Standard is a set of regulations that require defined benefit pension schemes to build up and maintain enough funds to pay members their pension entitlements were the fund to be wound up.

At least every three years the actuary must prepare an actuarial funding certificate (AFC) and submit this to the Pensions Authority.

An AFC indicates whether or not a pension scheme can meet all liabilities that have been accrued by members to the effective date of the certificate, were it to wind up at that date. These liabilities include the pensions payable to existing pensioners, the benefits payable to deferred members when they reach retirement age, and the accrued benefits payable to active members assuming they left service at the effective date. From 2016 onwards, the scheme will also need to hold a risk reserve to allow for adverse future experience relating to the scheme’s assets and/or liabilities.

If the scheme would not meet its liabilities on wind-up, the trustees must submit a funding proposal to the Pensions Authority that explains how they propose to deal with the Funding Standard deficit over the following three years. In certain circumstances, the Pensions Authority can allow the trustees more time to rectify the scheme’s funding.
What other obligations do the *trustees* have with regard to the funding of a *DB scheme*?

The *trustees* have a number of additional obligations:

- The actuary must include an ‘inter-valuation statement’ in the *Trustees’ Annual Report* for each year. It must state whether, in the actuary’s opinion, the scheme can meet the *Funding Standard* at the last day of the period to which the annual report relates. If the *trustees* have previously submitted a *funding proposal* to the Pensions Authority, the inter-valuation statement must state whether in the actuary’s opinion, the scheme is ‘on-track’ to meet the *Funding Standard* by the end of the period of the *funding proposal*.

- The *trustees* must notify the Pensions Authority if no statement has been made or a negative statement is included in the *Trustees’ Annual Report*. The *trustees* must then have a full *AFC* prepared (and, if relevant, a *funding proposal*) with an effective date not earlier than the last day of the period to which the *Trustees’ Annual Report* relates. The *trustees* must submit that *AFC* to the Authority within 12 months of the last day of the period to which the annual report relates.
5. **Defined contribution schemes**

A *defined contribution (DC) scheme* has a set contribution for the employee and a set contribution for the employer. For example, in many *defined contribution schemes*, the employer and the employee each contribute 5% of the member’s earnings, or 10% in total. Some *DC schemes* allow *members* to choose the level of contribution they wish to pay, with a related employer contribution. The *trust deed and rules* of a *pension scheme* (or individual notifications to *members*) will set out the contribution rates payable by employees and the employer.

Contributions are invested on behalf of each scheme *member*. The retirement benefits for each *member* depend on how much money has been built up by the member’s retirement date and so it is not possible to know in advance what pension benefits a *member* will receive.

**Main features of a DC scheme**

The following are the main features of a *DC pension scheme*:

- Contribution rates are fixed in advance – employees and employers know what they have committed to pay.

- *Members* will not normally know until very close to retirement what their benefits will be.

- The higher the investment return achieved by the scheme before retirement, the better the pension benefits will be. On the other hand, if investment returns are poor, especially in the years just before retirement, retirement benefits will be lower than expected.
In a DC scheme, the member builds up a fund by retirement age, which is used to buy a retirement pension, i.e. an annuity. The cost of the pension is unknown in advance, and it is to the member’s advantage if the cost is low, but detrimental if the cost of buying a pension at retirement is high.

If a member’s earnings increase rapidly throughout their working life, and especially towards the end, their DC benefits may be low relative to their earnings just before retirement.

Contributions are usually allocated uniformly across all members as a percentage of pensionable earnings – there is no discrimination between those who stay until retirement and those who leave early.

DC schemes may suit a more mobile worker, as the full value of accrued benefits can be more easily transferred between employers. In contrast, if a defined benefit scheme is under-funded, the trustees may not permit the payment of the full value of accrued benefits to another scheme.

How is my retirement fund invested?
As a member of a defined contribution scheme or if there is a DC element to your defined benefit scheme, you may be entitled to make some decisions about how your retirement fund is invested. For example, you may be able to split your pension savings between low-risk, medium-risk and high-risk investment funds.

If you do not choose to allocate your savings to different funds, your retirement fund will be invested in line with the pension scheme’s default investment strategy.
As you approach retirement age you should be careful to reassess your investment choices to ensure that your retirement fund is not invested in assets that are too high risk, particularly if you are planning to use your retirement fund to take some cash or purchase an annuity at retirement. High risk investments such as equities could incur a severe loss at a time when you can least afford it.

What information can I get about my investment choices?
If there are investment alternatives open to you, you are entitled to the following information within three months of requesting it:

- the investment alternatives available;
- the *default investment strategy*;
- the identity of the investment manager(s);
- the investment portfolio, risk exposures and the costs related to investments;
- the investment objectives, the likely risk and return, and the type and diversification of assets of each investment alternative;
- when you may change your investment choices (known as switching);
- any fees and charges that effectively reduce your contributions and/or the rate of return;
- the contact name and address for inquiries about the investment alternatives; and
- if the scheme rules contain a trustees’ disclaimer with regard to poor investment returns, a statement to that effect.
6. Hybrid pension schemes

In a defined contribution scheme, the member generally bears the full risk (of paying higher costs or receiving reduced benefits) if investment returns or pension costs are not as good as expected. In a defined benefit scheme, the employer usually takes that risk and pays higher contributions in order to maintain the agreed level of benefits. In hybrid schemes, the risk is shared between the employer and employees. As a result, hybrid schemes may be provided where a defined contribution scheme is not considered suitable and a defined benefit scheme is not felt to be a feasible or affordable alternative.

This section looks at a number of different types of hybrid design, compares them with defined benefit and defined contribution schemes and describes the main features and differences in each case. The schemes covered are combination hybrids, self-annuitising DC schemes, final salary lump sum schemes, underpin arrangements, cash balance schemes and fixed benefit/benefit unit schemes.

Combination schemes

In a combination scheme, a member may be accumulating two types of benefit simultaneously. This would typically be a defined benefit element for a portion of income and a defined contribution element on any earnings over that amount.

The experience of members of combination hybrid schemes will depend on what proportion of their earnings falls within the defined benefit rules, what proportion under the defined contribution rules and the rate of contribution for the defined contribution element.

Under combination schemes, members on lower earnings will generally be almost entirely in the defined benefit section, and will have predictable retirement benefits. Those on higher earnings will have less predictable benefits, and bear more investment and pension cost risk.
How does my pension scheme work?

**Self-annuitising DC schemes**

These schemes operate identically to *defined contribution schemes* until a *member* retires. At that point, the accumulated fund is converted to pension income, not at the market rate for pension costs (*annuity* rates), but in accordance with a process which is set out in the rules of the scheme. The pension is then paid from the scheme.

The retirement benefits are more predictable, because the cost of converting the accumulated fund at retirement into pension is more predictable. However, the benefit will still depend on the investment return earned before retirement.

**Final salary lump sum schemes**

Under these types of schemes, the retirement benefit is expressed as a lump sum at retirement, rather than as a pension. For example, the rules of the scheme may provide a lump sum at retirement of 20% of final salary for each year of service. If a *member* retired with 40 years’ service, a lump sum of 20% times 40, i.e. 800% of final earnings would be used to buy a pension for that *member* at the market cost at that date.

*Members* of these schemes can predict the lump sum they will be entitled to at retirement (as a percentage of final earnings) but will not know the pension benefit that this will purchase, which will depend on the cost of buying a pension at that time.

**Underpin arrangements**

In an underpin scheme, there is both a defined benefit and defined contribution basis for benefits. At retirement, the *member* receives a benefit based on whichever calculation provides the better result. For instance, a scheme may have an employer and employee contribution rate of 6% each, with a guarantee that at retirement, a pension of at least 1% of earnings per year of service would be paid as a minimum.
Cash balance schemes

In a cash balance scheme, a member’s benefit is an entitlement to a lump sum at retirement, in a similar fashion to a traditional defined contribution scheme, which is then converted into an annuity. The difference is that the amount in the member’s account is not directly related to the returns achieved on the underlying investments. The returns may be guaranteed, or smoothed (to offset any high or low peaks) or subject to some form of underwriting by the scheme. As a result, member benefits may be slightly more predictable.

The effect of this approach may be to make contributions less predictable. However, if the contribution rate is fixed, the result will be that investment gains and losses will be shared among members. Since the total amount of investment risk has not changed the mechanism for achieving an equitable sharing of this risk amongst members may be quite complex.

Fixed benefit/benefit unit schemes

These schemes are defined benefit in nature but without any link to earnings – a member usually accumulates a fixed monetary amount of annual pension every year. The amount of pension granted in any year depends on the amount of the contribution made, how long the member has until retirement and the actuarial factors being used by the scheme. At retirement, the member receives a pension equal to the total amount of the pension built up each year.
7. Integration with the State pension

A significant number of defined benefit schemes and some defined contribution schemes make an allowance for the State pension when providing a pension from the scheme. This is known as integration in the private sector and coordination in the public sector.

What is an integrated pension scheme?

An integrated scheme is one where the pension payable, or the design of the benefit promise made, takes into account the State pension.

An integrated scheme looks at the State pension as part of the total pension package promised to employees on retirement. One reason for this is that both employers and employees make substantial social insurance (PRSI) contributions and these, in turn, entitle scheme members to substantial Social Welfare benefits, including State pension.

Integration is used as a means of taking into account the benefits payable under the Social Welfare system to calculate:

- The amount of pension payable from a pension scheme, so that the combined pension from both sources (State pension and occupational pension) is at the level being aimed for in the scheme’s design; and
- The level of contributions payable by the employee towards the cost of their occupational pension, so that the contributions payable to an occupational pension scheme reflect the offset from scheme benefits to allow for the State pension.
How does integration work?

There are many ways in which integration can be achieved. Different methods are used from one scheme to another and between defined benefit and defined contribution schemes. The examples given below show the methods most frequently used.

The examples shown below assume an annual State pension of €12,000 (2012).

Integration by salary offset

The most common method of operating an integrated pension scheme is by “salary offset”. This means that the employer will regard the State benefit as taking care of pension rights in relation to a particular part of salary. Since this part of the member’s salary is being “pensioned” by the State pension it is deducted from the member’s actual salary, to arrive at a figure for pensionable salary. The pension scheme then provides a pension based on the pensionable salary figure. The two parts added together (i.e. the occupational pension and the State pension) then give the intended total pension, based on the full salary.

The most common benefit promise in private sector pension schemes is a maximum pension of 40/60ths (two-thirds) of pensionable salary at normal pensionable age based on 40 years’ service. If the overall target benefit, including State pension, is to be a maximum of 40/60ths of salary, the State pension offset will be 1.5 times the State pension. The method works as follows:
How does my pension scheme work?

**Example**

Pension promise: 40/60ths (maximum)

Actual salary: €45,000

State pension offset: (1.5 x €12,000) = €18,000

Pensionable salary: (€45,000 - €18,000) = €27,000

Scheme pension: 40/60ths x €27,000 = €18,000

State pension: €12,000

Total pension: €12,000 + €18,000 = €30,000 (40/60ths of €45,000)

If the scheme member’s service is less than the maximum of 40 years, the State pension offset does not change, but the benefit calculation takes account of the reduced service. The following example assumes that service at normal retirement age will be 30 years.

**Example**

Pension promise: 30/60ths

Actual salary: €45,000

State pension offset (1.5 x €12,000) = €18,000

Pensionable salary: (€45,000 - €18,000) = €27,000

Scheme pension: 30/60ths x €27,000 = €13,500

State pension: €12,000

Total pension: €12,000 + €13,500 = €25,500

This member’s State pension entitlement of €12,000 is payable in full, as it is based on the member’s total career, not just the time spent with this particular employer. This is why the total pension is €25,500 and not €22,500 (which would be 30/60ths of €45,000).
How does my pension scheme work?

The amount of State pension offset will vary from scheme to scheme, depending upon the overall benefit promise which the scheme is designed to give.

The most common benefit in the public sector is a maximum pension of 40/80ths (one-half) of salary and this will be integrated with State pensions for those who are entitled to them. In addition, a non-integrated lump sum of 120/80ths (1.5 times) salary is payable. Since the pension promise under the scheme is on a different scale – 40/80ths instead of 40/60ths – then the State pension offset is different, to reflect the fact that the overall target pension is now a maximum of 50% rather than two-thirds of salary. The calculation looks like this:

**Example**

Pension promise: 40/80ths

Actual salary: €45,000

State pension offset: \((2.0 \times €12,000) = €24,000\)

Pensionable salary: \((€45,000 - €24,000) = €21,000\)

Scheme pension: 40/80ths \(\times €21,000 = €10,500\)

State pension: €12,000

Total pension: €12,000 + €10,500 = €22,500 (40/80ths of €45,000)

In this case, the State pension of €12,000 provides the required pension of 50% of the first €24,000 of salary. The employer’s pension scheme will then provide the balance based on the salary in excess of this amount.
Integration by pension offset

Another method of arriving at an integrated pension is by the use of a “pension offset”. Again, a member’s total pension will be made up jointly of State and occupational pensions. Using the pension offset method, an overall pension is first calculated and the State pension entitlement is simply deducted from that amount. The difference is the pension payable from the occupational pension scheme.

Example

Pension promise: 40/60ths
Actual salary: €45,000
State pension: €12,000
Scheme pension: \((40/60ths \times €45,000) - €12,000 = €18,000\)
Total pension: \(€12,000 + €18,000 = €30,000\) (40/60ths of €45,000)

Where service is shorter than the maximum of 40 years, the pension offset would usually be calculated as a fraction of the State pension, reflecting the shorter service. Thus, if the maximum service credit was 40 years, a person who could complete 30 years as a member of the scheme would have a deduction of 30/40ths of the State pension taken into account.

This method of integration gives exactly the same results as the “salary offset” method above.
How are contributions calculated in an integrated pension scheme?

The effect of integration on employee contributions depends on the method of integration used. As a general rule the “salary offset” method is the most satisfactory way of dealing with member contributions, since the member will be paying a contribution that is directly related to the salary actually being pensioned under the occupational pension scheme.

If the “salary offset” method is used, member contributions tend to be based on pensionable salary which is lower than the member’s actual salary.

**Example**

- Actual salary: €45,000
- State pension offset: (1.5 x €12,000) = €18,000
- Pensionable salary: €27,000 (€45,000 - €18,000)
- Employee contribution: 5% x €27,000 = €1,350

If the “pension offset” method of integration is used, the employee contribution would usually be based on the actual salary. A lower rate, (e.g. 3% rather than 5%), may apply in a case like this.

If I am not entitled to a full State pension, will the scheme take this into account?

That really depends on the rules of the occupational pension scheme. The “standard” State pension offset is usually based on the full State pension, i.e. that payable to a fully qualified contributor. If you will not qualify for a full State pension, you should check with the trustees of your scheme or with your employer to see if the rules permit – or even require – that trustees or employer grant a higher scheme pension to compensate for any shortfall.
Are dependants’ pensions integrated with the State pension?

Generally, occupational pension schemes do not use separate calculations to integrate dependants’ pensions payable under the Social Welfare system with death benefits payable under a pension scheme. However, a member’s own pension entitlement under an occupational pension scheme reflects the fact that the member has State pension entitlements. There is, therefore, effective integration of dependants’ benefits also, because dependants’ pensions under an occupational pension scheme are usually calculated as a percentage of the member’s pension.

If I am entitled to a qualified adult or a child dependant payment in addition to my State pension, will this be taken into account?

It is most unusual for such payments to be taken into account. There is no guarantee that a Social Welfare contributor will be entitled to receive such a payment, as any adult dependant must pass a means test in the first place; in addition, such a payment would be made by the Social Welfare system only while the dependant was alive or, in the case of a child, while dependency exists. Therefore, because such a payment is not guaranteed for the lifetime of the pensioner, it is unlikely to be taken into account in the integration formula.

If State benefits increase after I retire, will the increases be offset against my scheme pension?

No, it is unlawful to reduce an occupational pension which is already in payment to reflect an increase in the State pension.
How does my pension scheme work?

If I retire earlier than 65, will the State pension still be offset, even though it is not being paid to me until I reach 65?

This depends very much on the rules of your occupational pension scheme. In some schemes that use a “salary offset”, retirement before age 65 may be dealt with by means of a “bridging” pension. This means that the pension scheme would pay a higher pension for a period, until you reached the age at which State benefits commence. This temporary “bridging” pension would then cease, to be replaced by your State benefit. If there is no “bridging pension”, then the State benefit is offset, regardless of the age of retirement.

In schemes which use a pension offset method, the reduction in the scheme pension would normally be made only at the time when the State benefit actually becomes payable. You should check the position with the trustees of your scheme.

Will the increase in the age at which State pensions are payable in future (66 from 2014, 67 from 2021, 68 from 2028) affect my occupational pension?

This depends very much on the rules of your occupational pension scheme. It is also possible that scheme rules may be amended in future to take account of the change to State pension age.
8. **Membership of a pension scheme**

**How do I join an occupational pension scheme?**

Each *occupational pension scheme* has eligibility rules. These rules set out who can join the scheme, when they can join and the benefits available to them. Some employers make it a condition of employment that employees must join the scheme when eligible.

Many *pension schemes* automatically include employees for a lump sum death-in-service benefit immediately on joining employment (even if the employee cannot join the scheme for pension benefits or can only join for pension benefits at a later date).

If you haven’t been provided with any information, you should ask your employer if there is a *pension scheme*, what sort of scheme it is, and whether you can join.

**Where can I find out about my scheme’s benefits?**

Whether you are thinking of joining a *pension scheme* or are a long-standing *member* of a scheme, you are entitled to know all about the scheme and how it works. This basic information is usually contained in an explanatory booklet.

The booklet should contain the following basic scheme information:

- who is eligible to join the scheme;
- if membership is obligatory for employees;
- conditions of membership;
- whether the scheme is a *defined benefit scheme* or a *defined contribution scheme*;
How does my pension scheme work?

- in a public sector scheme, the title of the legislation setting up that scheme;
- how contributions are calculated;
- arrangements (if any) for additional voluntary contributions (AVCs);
- tax approval status;
- benefit details – type of benefits and how they are calculated;
- to whom benefits are payable;
- any conditions of benefits;
- an explanation of any guarantees of benefits;
- whether benefits are funded or are secured by insurance policies;
- any options open to members taking benefits;
- which benefits (if any) are discretionary;
- provision for pension increases;
- where a pension scheme provides for discretionary pension increases, a statement that details of any such increases paid will be set out in the Trustees’ Annual Report
- an explanation of how the scheme’s income continuance plan works, if it has one;
- a statement about financial, technical and other risks associated with the scheme (if this is not already set out in the Trustees’ Annual Report);
address and contact name for inquiries;

- who may amend terms and significant conditions;

- confirmation of scheme registration with the Pensions Authority and registration number;

- a statement about pension adjustment orders;

- a statement about integration with the State pension;

- if the employer has an obligation to pay the benefits if the scheme has insufficient assets to do so, details of that obligation; and

- for defined benefit schemes, a statement to the effect that there is no guarantee that the scheme will have sufficient funds to pay the benefits promised and that it is therefore possible that the benefits payable under the scheme may have to be reduced.

A copy of the basic scheme information must be given to new members of the scheme within two months of joining. It should also be given within four weeks of a request to the following:

- Members;

- Employees likely to become members;

- Spouses;

- Beneficiaries

- Trade unions

If any of the basic scheme information changes, members must be informed within four weeks.
What contributions am I required to pay to a pension scheme?

While some (“non-contributory”) schemes do not require members to pay contributions, members are often asked to contribute towards the cost of a pension scheme. Contributions tend to be set as a percentage of salary or pensionable salary. If you join the scheme, you will be required to pay the level of contribution set out in the scheme’s rules (or in your individual member notification).

What contribution does my employer pay?

In a defined contribution scheme, the employer’s contribution is set out in the scheme’s rules (or in individual notifications to members). In a defined benefit scheme the employer normally pays contributions at the level needed to fund the benefits promised in accordance with the advice of the scheme’s actuary.

How do I know if my contributions have been paid to the scheme?

Every month, your employer must provide a statement to its employees and the trustees or other persons to whom the employer sends contributions. This statement should specify:

- the amount deducted from your salary and sent to the trustees on your behalf; and

- in the case of a defined contribution scheme, the amount of employer contributions paid to the trustees on your behalf in the preceding month.

This statement to employees is often included in employee pay slips.
Can I make Additional Voluntary Contributions “AVCs”?

AVCs are contributions that you can make in addition to your normal contributions to increase your retirement benefits. AVCs are only permitted if the rules of the particular scheme permit AVCs to be made. If your scheme’s rules do not permit AVCs to be made, then a Standard PRSA must be offered by your employer for the purpose of making AVCs.

Civil and public servants can make additional contributions to purchase additional years of service under their public sector scheme. For more information, see the Pensions Authority’s booklet “Purchase of Notional Service (PNS) and Additional Voluntary Contributions (AVCs)”, available at www.pensionsauthority.ie.

How are my contributions invested?

If you are a member of a defined contribution scheme or you are making AVCs, you may be provided with a range of investment options. You should carefully review the information provided on any option offered before making any decisions. It is important that you periodically review any investment decision taken, especially in the years running up to retirement as you may wish to protect any investment gains made.

In a defined benefit scheme, your normal contributions are invested by the trustees alongside the employer’s contributions in the main fund supporting the scheme.

Where can I find out about my pension on a regular basis?

If you are a member of a pension scheme, you are entitled to see those documents that relate specifically to you and your membership. For active members this includes a personal benefit statement, prepared annually – your “annual benefit statement”.

At least once in every scheme year, *trustees* must provide information to each *active member* of the scheme. The information must relate to a date not earlier than six months before the date the statement is issued.

The annual benefit statement must contain the following information about you and your pension:

<table>
<thead>
<tr>
<th>Information</th>
<th>DB</th>
<th>DC</th>
</tr>
</thead>
<tbody>
<tr>
<td>Your personal details and details relating to your membership of the plan</td>
<td>✔️</td>
<td>✔️</td>
</tr>
<tr>
<td>The benefits payable at your <em>normal retirement age</em>, based on your present salary, and how your benefits are calculated</td>
<td>✔️</td>
<td></td>
</tr>
<tr>
<td>Benefits payable from <em>normal retirement age</em>, assuming that you left service on a stated date, and the method of calculation</td>
<td>✔️</td>
<td></td>
</tr>
<tr>
<td>The value of your retirement fund, the transfer value of your retirement fund and information about whether those values are guaranteed</td>
<td>✔️</td>
<td></td>
</tr>
<tr>
<td>How your contributions are calculated, your contributions paid to date and the amounts of any transfers received</td>
<td>✔️</td>
<td>✔️</td>
</tr>
<tr>
<td>A statement of each contribution paid or credited and transfers received since the previous statement and the net amount invested if different</td>
<td>✔️</td>
<td></td>
</tr>
<tr>
<td>Information on benefits from <em>additional voluntary contributions (AVCs)</em> or funds transferred from another <em>pension scheme</em> or PRSA</td>
<td>✔️</td>
<td>✔️</td>
</tr>
<tr>
<td>Information on any relevant <em>pension adjustment orders</em></td>
<td>✔️</td>
<td>✔️</td>
</tr>
<tr>
<td>Benefits payable on your death in service</td>
<td>✔️</td>
<td>✔️</td>
</tr>
<tr>
<td>The names of the <em>pension scheme trustees</em></td>
<td>✔️</td>
<td>✔️</td>
</tr>
<tr>
<td>A contact name and address for more information</td>
<td>✔️</td>
<td>✔️</td>
</tr>
<tr>
<td>Various regulatory statements</td>
<td>✔️</td>
<td>✔️</td>
</tr>
</tbody>
</table>
How does my pension scheme work?

For defined contribution schemes a statement of reasonable projection must also be provided:

- once in each scheme year
- within two months of becoming a member
- within two months following a transfer being received in respect of a member
- four weeks after a material alteration of scheme benefits
- not later than four weeks after a request (subject to a reasonable charge if the trustees so require).

In projecting the future value of your fund at retirement your pension plan administrator will have to make a number of economic assumptions regarding future investment returns, interest rates etc. It is important to note that any figures provided regarding your future benefit levels are only projections and you will only know the level of your retirement benefits shortly before you actually retire.

For many schemes, especially defined contribution schemes, members can access information relating to their pensions online. You should contact your scheme’s Registered Administrator to find out if this facility is available to you.

Can I use an online pensions calculator to estimate my pension?

The online pensions calculator available at www.pensionsauthority.ie allows you to estimate the amount of money you would need to contribute to your pension in relation to your age and current yearly salary to end up with the level of pension you expect in retirement.
The online pensions calculator only gives a sample indication of the funding contributions required for your expected level of pension. This calculator does not take into account any contributions an employer might make to your pension. For a full and accurate assessment of your personal finances and any tax relief you may be entitled to on your pension contributions, always consult with a professional financial adviser.

What entitlements do I have to keep my pension scheme if I am on specified leave?

**Maternity and adoptive leave**

Your membership of the pension scheme must continue while on statutory maternity and adoptive leave. You will continue to accrue pensionable service during the period of statutory maternity or adoptive leave.

- If you are paid by your employer during maternity or adoptive leave, you may be required to continue paying employee contributions to the scheme, if applicable.

- If you take additional leave above the statutory minimum and are paid by your employer during this period, your membership of the pension scheme will also continue.

- If you are not paid by your employer during maternity or adoptive leave, whether or not your employer continues to pay contributions to a defined contribution scheme depends on the rules of your scheme and/or your employment contract.

- If you take additional unpaid leave, then whether or not you continue to accrue retirement benefit depends on the rules of your scheme.
For further details of the Maternity Benefit Scheme, see information booklet SW11 which is available from the Department of Social Protection. For further details of the Adoptive Benefit Scheme, see information booklet SW37 which is available from the Department of Social Protection.

**Parental and carer’s leave**

You are not entitled to continue to accrue retirement benefit during a period of parental or carer’s leave. However, your service before and after leave must be treated as continuous, i.e. you cannot be treated as having left the *pension scheme*.

**Do the trustees issue a report on the scheme?**

The *trustees* issue a report each year on the running of the *pension scheme*. The information provided includes a commentary by the *trustees* on the main issues affecting the scheme, membership information, financial information and a commentary on the performance of the scheme’s investments. Further detail on the contents of the *Trustees’ Annual Report* is included in Appendix A.

All of the information in your scheme’s annual report and accounts is important, but there are a number of key questions you should ask yourself having read them. These could include the following:

- Who are the scheme *trustees* and how are they appointed?
- Have the contributions been paid by the employer on time, in accordance with the scheme rules and the actuary’s recommendation?
- Have pensions been increased and, if so, by how much?
- Is there a concentration of investments, posing the risk of ‘too many eggs in one basket’?
■ Is there self-investment? In other words, are any of the scheme’s assets invested in the employer’s company or an affiliated company, posing the risk of both your job and your pension being dependent on your employer’s financial well-being in the future?

■ In a defined benefit scheme, does the actuarial funding certificate or the latest annual actuarial statement confirm the scheme meets the Funding Standard?

■ Have there been changes in the basic information about the scheme and do they affect you?

■ Is the auditor’s report unqualified or did the auditor draw attention to any particular issues?

■ Are the investments being managed by a reputable investment manager?

■ How did the investments perform during the year?
9. Benefits payable on death

Death in service

*Occupational pension schemes* typically provide benefits should you die in employment. The precise form of these benefits will depend on the rules of any particular scheme. These benefits may, however, include one or all of the following:

- A lump sum, often a multiple of your salary
- A refund of your contributions, including any *AVCs*
- A spouse’s or partner’s pension
- A child’s or orphan’s pension, normally ceasing at age 18 (later if in full-time education) and may be limited to a maximum of 2 or 3 children

Where a scheme provides lump sum benefits on death in service, the *trustees* of the scheme must determine to whom these benefits are paid. On joining your *pension scheme* or at any time thereafter you may be asked to complete a nomination form to indicate to the *trustees* how your lump sum death benefit should be paid. The *trustees* are not obliged to pay the benefit in accordance with this nomination, but will take it into account in making their decision. This form may also be referred to as a “Wishes Letter” or “Expression of Wishes”.

Death in retirement

It is not unusual for a *defined benefit scheme* to provide some form of benefit in the event of your death in retirement. The types of benefit provided on death in retirement include:
How does my pension scheme work?

- a widow/widower/civil partner’s or dependant’s pension, usually expressed as a percentage of your pension or salary;

- a guaranteed minimum payment period, typically 5 years. This ensures that your pension will be paid for a minimum period even if you die shortly after your retirement.

The actual benefit payable depends on the rules of each defined benefit scheme.

In the case of a defined contribution scheme, the benefit payable on death in retirement will depend on decisions made by you at retirement in relation to the options available to provide for dependants’ pensions and/or a guaranteed minimum payment period.

What information should my dependants/beneficiaries receive if I die?

For both defined benefit and defined contribution schemes, your dependants and beneficiaries are entitled to information on the benefits payable on your death, any options they may have regarding those benefits and any conditions attached. This information must be given to your dependants and beneficiaries within two months of your death.
10. Benefits payable on leaving service

Membership of an occupational pension scheme ceases when you leave that employment. If you have more than two years’ Qualifying Service, which normally means two years in the scheme as a member for pension purposes, you will be able to

- leave your benefit in the scheme until you retire (known as a deferred or preserved benefit), or

- move or transfer the value of your pension benefits to another pension arrangement, i.e. your new employer’s pension scheme, a PRSA (subject to certain conditions), a buy-out bond or an overseas pension plan.

If you leave a defined benefit scheme your preserved benefit is not frozen, it increases each year until your retirement by 4% or the annual increase in the Consumer Prices Index (CPI) if less. In a defined contribution scheme, your preserved benefit continues to be invested and benefits from future investment returns.

You may be obliged, if you have less than 2 years’ Qualifying Service when you leave service, to take a refund of the value of your own contributions less tax at the basic rate. Some schemes may permit you to leave your contributions in the plan, even though they are not required to do so by law.

AVCs are treated in the same way as main scheme benefits on leaving.

Under the Pensions Act, your pension scheme trustees have an obligation to provide you with a detailed note of the full options available to you on leaving service.
How is my *preserved benefit* calculated?

In a *defined contribution scheme*, your *preserved benefit* will be the value of the investments held in your individual retirement account within the *defined contribution scheme*. If you leave your *preserved benefit* in the scheme it will continue to be invested on your behalf.

In a *defined benefit scheme* your *preserved benefit* will be the benefit you have earned, calculated as a proportion of the sum to which you would have been entitled if you had remained in your job until *normal retirement age*.

Your *preserved benefit* is calculated based on the uniform accrued method. This means that the benefits due to you at *normal retirement age* are assumed to build up evenly over your entire *reckonable service*.

You may be entitled to further *preserved benefit* if you have made *AVCs* to your *pension scheme* or if you have built up pension rights in another scheme.

**Example**

Pension promise at 65: 30/60ths  
Pensionable salary at date of leaving: €45,000  
Scheme pension: 30/60ths x €45,000 = €22,500  
Service completed: 10 years  
Total service to age 65: 30 years  
Total preserved pension: 10/30 x €22,500 = €7,500
How is my preserved benefit revalued?

Your preserved benefit from a defined benefit scheme is normally revalued at the end of every year, starting from 1996 or, if later, the year in which your employment terminated. Revaluation stops at the end of the year before your benefits become payable. Revaluation helps to maintain the purchasing power of your preserved benefit until you reach retirement age.

The rate of revaluation for a full year will be either 4% or the increase in the Consumer Price Index for that year, whichever is lower. Where the period is less than a year, the rate of revaluation is reduced on a pro rata basis. The rates of revaluation for each year are published by the Pensions Authority at www.pensionsauthority.ie.

How is my preserved benefit paid?

Your preserved benefit is normally payable at your normal retirement age in accordance with the scheme rules that apply at the time your employment is terminated.

These rules also apply to:

- pension benefits paid to your surviving dependants if you die after normal retirement age; and
- benefit options – e.g., the reduction of pension rights in exchange for a lump sum or the allocation of part of your benefit to provide a dependant’s pension.

Discretionary scheme rules do not necessarily apply – e.g., if your pension trustees award a discretionary benefits increase to employees leaving employment at normal retirement age, they do not have to award the same increase to recipients of preserved benefit.
Your benefits may be paid before *normal retirement age* but this may be at the discretion of the employer and/or the *trustees*. In these circumstances the *preserved benefit* may be reduced to allow for early payment.

**What happens if I die before my preserved benefits are payable?**

Depending on the rules of your *pension scheme*, you may be able to allocate your *preserved benefit* to your surviving spouse and/or other *dependants*, if you die before the *preserved benefit* is payable. The benefit is then used to pay a pension to your *dependant(s)*.

If you don’t have this option, the *pension scheme* must pay the *actuarial value* of your *preserved benefit* to your estate.

**Can I take my pension benefits with me when I leave?**

If you leave an *occupational pension scheme* with a *preserved benefit* you are entitled to move the value of your benefit to

- your new employer’s pension plan;
- a *PRSA* if you have less than 15 years’ service in the *pension scheme* and subject to its acceptance by the *PRSA* provider;
- a *buy-out bond*, which is a life assurance policy designed to receive transfer values from *pension schemes*; or
- an overseas pension plan in certain circumstances.

In a *defined benefit scheme*, a *transfer payment* is the current cash equivalent of the *preserved benefit* to which you would have been entitled if you kept your benefits in your old scheme. The *trustees* of the *pension scheme* may also reduce your *transfer payment* on the advice of an actuary if the scheme does not satisfy the *Funding Standard* under the Pensions Act.
In a defined contribution scheme, the transfer payment is the accumulated value of your retirement fund. The value must be determined within three months of your transfer application being received by the trustees.

When can I apply for a transfer payment?
You can apply for a transfer payment within two years of terminating your employment, or later if your scheme allows.

If you want to apply for a transfer payment, you must do so before your preserved benefit becomes payable.

The trustees of your pension scheme must make your transfer payment within three months of receiving your application.

Once payment has been made, the trustees no longer have any obligation to provide benefits relating to your preserved benefit.

If transferring to another occupational pension scheme, the trustees of your new scheme must generally accept your transfer payment and must provide you with benefits equal to the amount transferred. Benefits under your new scheme can be determined on a defined benefit basis or a defined contribution basis, depending on the new scheme rules.

Can a transfer payment be made without my consent?
For smaller preserved benefits, the trustees of your scheme may opt to make a transfer payment into one or more insurance policies or contracts on your behalf.

If the transfer payment is less than €10,000 (2012), the trustees can do this without your consent. This is to reduce administration and cost for pension scheme trustees.
The trustees must fulfil the following conditions:

- The transfer payment may not be made until at least two years after the termination of your employment.

- You must receive 30 days’ notice of the proposed transfer and you must be given details of the new policy or contract.

- You must not have an outstanding request to transfer payment to another scheme or PRSA.

If the transfer payment exceeds €10,000, the trustees may apply in writing to the Pensions Authority for permission to make a transfer payment without your consent.

What information should I receive if I leave the pension scheme?

Depending on your scheme rules, you may have a choice to leave a pension scheme without leaving service of the employer. In this case your benefits will be retained for you in the scheme until you leave service, die or retire, or can be transferred to a new pension arrangement.

If you leave the pension scheme but stay working for the same employer, you must receive the following documents:

- A statement that your reckonable service (or the time you spent working that counts towards your pension) has ended and the date from which this takes effect.

- Information on whether a buy-out bond has been bought or funds transferred out of the scheme.

- Details of a transfer to any such new scheme or buy-out bond.
If your benefits are still in the scheme six months later, you will be entitled to receive an annual benefit statement.

What information should I receive if I leave my job?

With preserved benefit

You are entitled to the following information when you leave:

- details of your rights to benefits and how to claim them;
- the amount of preserved benefit to which you are entitled;
- the amount of any other benefits payable under the rules of their scheme;
- the date or dates when your benefits become payable;
- what your options are, if any, to have alternative benefits paid immediately;
- information about increases in your benefits and whether these increases are discretionary; if there is no provision for increases, this must be stated;
- details of your right to transfer funds to another scheme and how much can be transferred;
- details of any relevant pensions adjustment order;
- the name of the scheme and trustees, and the name and address of those responsible for paying benefits;
- the name and address of the new scheme or life assurance company to which any of your benefits have been transferred by the trustees without your consent;
- the method for calculating any preserved benefit and other benefits;
adequate information to members when they move to another EU member state similar to the information given to members who remain in the State;

whether it is possible to transfer moneys out of the scheme and, if so, an estimate of the amount available to transfer and details of the rights relating to such money;

in a defined benefit scheme, if a transfer has been scaled back due to a fund deficit, a statement of that fact and the amount of the reduction;

in a defined contribution scheme, a statement of reasonable projection;

procedures for claiming benefits.

This information should be issued automatically to leavers with preserved benefits within two months and to others, i.e. deferred members, within two months of a request.

Without preserved benefit

If you leave your job without having been a member of the pension scheme for two years, you are entitled to the following information within two months:

details of any refund of your contributions available, how the refund is calculated and an estimate of the refund;

the name and address of the person from whom details of any other rights and options can be obtained on request.

This information should be issued to leavers automatically.
Can I forfeit my *preserved benefits*?

It is not normally possible for your *pension scheme* to force you to give up your *preserved benefit*, even where the scheme’s rules have a general forfeiture clause.

However, if you become bankrupt or attempt to assign or charge your pension benefit, the *trustees* of your scheme may instruct the benefit to be forfeited and be paid instead to another person specified in the scheme rules.

Your employer may not exercise any charge or lien on your *preserved benefit*, even if you owe a debt to your employer arising from a criminal, negligent or fraudulent act or omission.
11. Benefits payable on retirement

When can I receive benefits?

Normal retirement

*Occupational pension schemes* provide benefits at the scheme’s *normal retirement age*, which is generally between 60 and 70.

Early retirement

Most *occupational pension schemes* permit *members* to retire early with the employer’s and/or trustees’ consent, generally from age 50 onwards or within 10 years of *normal retirement age*. Many schemes allow *members* to retire due to ill-health at any age.

In a *defined benefit scheme*, early retirement benefits are normally lower than they would be if they started to be paid at *normal retirement age*, to allow for the additional cost of paying benefits early and for a longer period. There may be restrictions on early retirement if a *defined benefit scheme* is in deficit. In such circumstances the *trustees* may decline to allow early retirements until such time as the funding of the scheme improves.

In a *defined contribution scheme*, the fund available to provide your benefits would be lower on early retirement (as fewer contributions will have been paid and those paid would have been invested for a shorter period). In addition, the cost of buying your pension would be more expensive as it is payable from a younger age and for a longer period of time.

Ill-health

Your employer’s pension plan may provide a benefit in the event that you are unable to work due to a serious illness. Alternatively your employer may provide some form of insurance to cover such an event.
How does my pension scheme work?

If the above benefits are not provided by your pension scheme or by your employer’s insurance, you may wish to consider taking out some form of personal disability insurance to ensure an income is available in the event of your disablement.

What benefits can I receive at retirement?
At retirement you will have a number of options available to you.

These may include:

- taking a tax-free lump sum, subject to limits set by the Revenue;
- receiving a pension (sometimes provided by an annuity);
- transferring some or all of your retirement savings to an Approved Retirement Fund (ARF) or Approved Minimum Retirement Fund (AMRF);
- taking a taxable lump sum; and
- providing for dependants.

The amount of your pension will, if you are a member of a company defined contribution scheme, depend on the amount of your retirement fund left after you have taken any lump sum and the cost of buying your pension.

If you are in a defined benefit scheme, then your pension will typically be based on your service and earnings but will usually be reduced by the pension equivalent of any lump sum received. Depending on the rules of any particular scheme, your pension may or may not increase in payment and may or may not include a spouse/dependant’s pension on death after retirement.
Can I transfer to an AMRF/ARF or take a taxable lump sum?

An ARF is a tax-free investment held in your own name and administered by an approved provider. A wide range of investment options exists. Any monies drawn from the fund, either capital drawdown or income, are fully taxable. The funds in the ARF belong to the individual and form part of the person’s estate.

These options are available if you

- have AVCs in an occupational pension scheme and the rules of the plan permit these options; or
- are a member of a defined contribution scheme; or
- are a company director who controls more than 5% of the voting rights in your company.

In order to introduce an element of security in retirement, minimum retirement income requirements exist for those who choose to transfer to an ARF. If you are under 75, you are required to demonstrate a guaranteed income of one-and-a-half times the State pension (currently €18,000) per annum. This amount can include State pensions. If you are unable to meet this minimum, you must either transfer an amount equal to ten times the State pension (currently €119,800) to an Approved Minimum Retirement Fund (AMRF), or purchase an annuity which will bring up your level of guaranteed income to the minimum amount.

You can get more information from Revenue’s website on www.revenue.ie.
You should consider taking advice when considering your retirement options, especially where you are considering investing in an ARF/AMRF. In practice with an ARF/AMRF you may be giving up a guaranteed income for your life and replacing it with an investment policy which, if you draw a regular income from it, could run out of money before your death.

**What information should I receive when I retire?**
For both *defined benefit* and *defined contribution schemes*, you are entitled to information on the benefits payable, any options you may have regarding those benefits and any conditions attached. For *defined contribution schemes*, this includes details of the option to take a fixed pension that doesn’t increase in the future, or a lower initial pension with future pension increases.

This information must be given to you within two months of retirement.

**What is an annuity?**
The term “annuity” means a series of pension payments made at stated intervals, normally monthly, until a particular event occurs. Usually, an *annuity* ends with the death of the holder but annuities can be bought that continue to be paid during the lives of more than one person. Annuities are normally purchased at retirement by payment of a single premium to a life assurance company.

**How are my pension benefits provided?**
In a *defined benefit scheme* your pension will normally be paid directly from the pension fund or the *trustees* will buy an *annuity* with a life assurance company to reflect the benefits to which you are entitled. For example, if the scheme’s rules include an entitlement to a spouse’s pension on death after retirement, the *trustees* would buy an *annuity* that includes a spouse’s pension.
If the trustees buy an annuity in your name, they will be deemed to have discharged their obligation to pay your benefit by transferring the obligation to a life assurance company.

In a defined contribution scheme the onus is normally on the member to choose the type of annuity that best suits his or her personal circumstances and pension income needs in retirement.

What do I need to consider when buying an annuity?
The purchase of an annuity may be one of the most important financial transactions in your life – certainly it is one with very long term consequences. It is therefore important to understand how annuities work and the various options that may be available in the annuity market.

Open-market option
When the time comes to purchase an annuity, many pension arrangements, particularly those that invest in insurance contracts, allow an “open market option”. This means that you may have a choice of going to any life assurance company operating in the market, regardless of where the pension fund itself was invested. This is important as some providers of annuities are more expensive than others from time to time.

Generally, the trustees will be looking for the best value for money that they can get – the rate that is available on the date your annuity is bought will remain in place for life. However, the trustees must also take other considerations into account, such as the standard of service that you can expect from a life assurance company, as you will expect your pension to be paid on time.

The trustees may very well consult you on the choice of annuity provider. However, the eventual responsibility for buying the annuity remains with the trustees.
How does my pension scheme work?

Making allowance for dependants
It is possible to buy an annuity that is paid simply for your own lifetime. It is also possible to incorporate a minimum guaranteed period of payment, so that the annuity continues to be payable for a fixed period, whether you live or die. Should you survive longer than the fixed period, the annuity would continue to be paid. It is also possible to buy an annuity which continues to be paid to a dependant after your death.

Fixed payments or increasing payments
You can buy an annuity which is payable as a level amount throughout your lifetime, one which increases during payment at a fixed percentage (e.g. 3%p.a.), or one which includes some inflation protection.

Guaranteed annuity option
In the past, it was quite common for pension savings policies, particularly “with-profits” policies, to guarantee the annuity rates at which the pension savings could be applied to buy a pension at retirement. When interest rates are very low (and the cost of purchasing annuities therefore relatively expensive), some of these guarantees will be extremely attractive. Before you, or your pension scheme trustees, come to any conclusions as to where a pension will be bought, it is advisable to check the wording of each policy document, to see if there are any guarantees attaching in terms of annuity rates. If there are, it might be best to purchase the pension from the holding insurance company. This is an area in which professional advice should be obtained.
Impaired life *annuity*

If an individual is not in normal health for a person of their age and gender, some insurance companies may be prepared to offer a better *annuity* rate, simply because there is the possibility that they might not have to pay out the *annuity* for the “average” expected lifetime. There is a limited market in this type of *annuity*. However, if you are not in good health at the time your *annuity* is being bought, it is advisable to have this option investigated.

**Sovereign *annuity***

A sovereign *annuity* is an *annuity* generally backed by Irish government bonds. Sovereign annuities are less expensive than traditional annuities but carry a risk that *annuity* payments can be reduced or suspended in the event of a default on the underlying bonds.

Professional advice should be sought before considering the purchase of a sovereign *annuity*. Sovereign annuities are not currently available for purchase by individuals (January 2013), but they can be used by *trustees* to buy annuities in relation to current pensions in payment in *defined benefit schemes*.

**Cost**

If you are a *member* of a *defined contribution pension scheme*, you will be able to decide for how long the *annuity* payments will be guaranteed, whether they revert to a *dependant* after your death, whether they remain level or increase during payment. However, the important thing to remember is that each different variation has a cost attached and this means that your own pension income will change, according to the options that you select.
The following table shows *annuity* payments allowing for different benefit options, based on a fund value of €100,000 and current market *annuity* rates (October 2012).

It is important to remember that these figures are given for the purpose of illustration only. Although they are based on *annuity* rates actually available in October 2012, there is absolutely no guarantee that similar rates would be available in the event of an actual purchase in the future.

<table>
<thead>
<tr>
<th>Benefit Option</th>
<th>Male at 65 Annuity p.a.</th>
<th>Female at 65 Annuity p.a.</th>
</tr>
</thead>
<tbody>
<tr>
<td>Basic Annuity</td>
<td>€5,053</td>
<td>€4,802</td>
</tr>
<tr>
<td>Annuity with guaranteed payment for 5 years</td>
<td>€5,026</td>
<td>€4,785</td>
</tr>
<tr>
<td>Annuity with 3% pension increases and guaranteed payment for 5 years</td>
<td>€3,427</td>
<td>€3,214</td>
</tr>
<tr>
<td>Annuity with spouse’s pension of 50% of <em>member’s</em> pension, 3% pension increases and guaranteed payment for 5 years</td>
<td>€2,887</td>
<td>€3,004</td>
</tr>
</tbody>
</table>
12. Pension tax reliefs

*Occupational pension schemes* are generally tax approved by the Revenue Commissioners. The advantages of approval are:

- you will receive tax relief on your own contributions;
- you are not taxable on your employer’s contributions, if any (effectively this is tax-free pay);
- investments held within a *pension scheme* roll up tax-free; and
- the lump sum you can take at retirement is also tax-free up to certain limits.

**How much tax relief do I get on my contributions to a pension scheme?**

The amount of tax relief you can get depends on your age.

<table>
<thead>
<tr>
<th>Age</th>
<th>Contribution Limits % of Net Relevant Earnings</th>
</tr>
</thead>
<tbody>
<tr>
<td>Under 30</td>
<td>15%</td>
</tr>
<tr>
<td>30-39</td>
<td>20%</td>
</tr>
<tr>
<td>40-49</td>
<td>25%</td>
</tr>
<tr>
<td>50-54</td>
<td>30%</td>
</tr>
<tr>
<td>55-59</td>
<td>35%</td>
</tr>
<tr>
<td>60 or over</td>
<td>40%</td>
</tr>
</tbody>
</table>

If you are a sports person or a professional who usually retires at an earlier age than the norm, you can get tax relief on 30% of your *net relevant earnings* regardless of your age.

Tax relief is given at your marginal (highest) tax rate, but there is no relief in respect of *PRSI* and the Universal Social Charge.
There is a maximum annual amount of *Net Relevant Earnings* for which tax relief is given. In 2012, this was €115,000. This figure is adjusted from time to time by the Minister for Finance.

If you make contributions, but do not get tax relief on them because you exceed the tax relief limits, you may be able to apply for tax relief on these contributions in future years.

You can get more information on tax rules from the Revenue Commissioners’ website on www.revenue.ie.

**What about Additional Voluntary Contributions (AVCs)?**

Employees in *occupational pension schemes* may pay AVCs. The normal limits for tax relief purposes, as described above, apply to the total employee contribution. Any normal contributions an employee pays to a *pension scheme* need to be taken into account when determining the amount of *AVC* contributions eligible for tax relief.

**How does tax relief work?**

When an employer deducts qualifying pension contributions from employees, the net-pay arrangement will apply. This means that tax will be calculated on employees’ wages or salaries net of pension contributions.

**How are employer contributions to a pension scheme treated?**

Contributions paid by employers to *pension schemes* are not treated as a benefit-in-kind and can be paid in addition to the contribution limits outlined above, subject to maximum benefit limits.
Are pension investments taxed?
No, tax is not charged on the investment income or capital gains earned by pension funds.

The Minister for Finance introduced a temporary Pensions Levy of 0.6% of pension fund assets, payable for each of the 4 years 2011-2014.

Is there a limit on the benefits payable from a pension scheme?
All benefits paid from pension schemes are subject to maximum limits set by the Revenue Commissioners or by the relevant Statute. In summary, these limits are:

- a pension on retirement from service at normal retirement age of 2/3rds of your Final Remuneration, if you have completed 10 years’ service; or

- a lump sum on retirement from service at normal retirement age of up to 1½ times your Final Remuneration if you have completed 20 years’ service, and a reduced pension; or

- a lump sum on retirement of 25% of the pension fund if you are taking the AMRF/ARF option; and

- a dependant’s pension up to 100% of your own pension.

Lower amounts are payable if you retire early or have less service or have retained benefits from a previous scheme.

These limits are inclusive of any benefits from a previous scheme. Final Remuneration is defined by the Revenue Commissioners. In most cases it is based on your final basic salary plus 3 years’ average of fluctuating emoluments (e.g. bonus or overtime).
Is there a maximum amount of retirement fund that can be built up?

From 7th December 2005, individuals have a maximum lifetime limit on the amount of their retirement benefits from all sources (except State pensions). The limit (known as the Standard Fund Threshold (SFT)) is currently (2012) €2,300,000, 25% of which (i.e. €575,000) is the maximum amount an individual can take in the form of a cash lump sum. Individuals with retirement benefits worth more than this at 7th December 2010 could apply to retain the higher amount as their personal lifetime limit (known as the Personal Fund Threshold (PFT)).

A factor of 20 is used to convert pension amounts from defined benefit schemes to capital values to compare with the maximum lifetime limit. Therefore a SFT of €2,300,000 equates to a pension of €115,000.

If an individual exceeds the maximum lifetime limit, the excess value is taxed up-front at the top rate of income tax and may, in addition, be subject to income tax and Universal Social Charge in payment.

Are pensions taxed in payment?

All pensions (annuities) are taxable as income under the PAYE system and are also subject to the Universal Social Charge.

Does the receipt of the State pension affect the tax on my occupational pension?

Yes. State pensions are taxable, although they are paid without tax being deducted. If you have an occupational pension, your tax free allowance will be reduced when a State pension is being paid. This means that you will pay somewhat more tax on your occupational pension, to account for the tax that is due on the State pension.
What tax is payable on lump sums?

The first €200,000 of any lump sum payable is currently (2012) tax-free. Lump sums between €200,001 and €575,000 are taxed at 20%, with any balance over this amount taxed at marginal rate and subject to the Universal Social Charge.
13. Fees and charges

Pension arrangements are financial services products, and as such are subject to fees and charges. It is important for you to understand these fees and charges and who is paying them as they can have a significant impact on the amount of your pension fund over a long period of time.

In defined benefit occupational pension schemes the fees and charges associated with the management and administration of the pension scheme are generally paid for by the employer.

For pension arrangements such as defined contribution schemes and individual pension arrangements (including additional voluntary contributions) the fees and charges are generally taken directly from the member’s pension account. The value of the pension account at retirement is reduced by the fees and charges deducted over the years.

The following table shows the pension fund that would be built up over a 20 year period based on contributions of €300 per month, with an assumed allowance for investment return of 6% per annum.

<table>
<thead>
<tr>
<th>Impact of charges on fund value (% difference relative to fund with no charges)</th>
<th>Fund after 20 years</th>
</tr>
</thead>
<tbody>
<tr>
<td>No charges</td>
<td>€136,700</td>
</tr>
<tr>
<td>Charge of €10 per member per month</td>
<td>€132,100</td>
</tr>
<tr>
<td>Charge of 5% on contributions</td>
<td>€129,900</td>
</tr>
<tr>
<td>Annual management charge of 1% of the fund</td>
<td>€122,200</td>
</tr>
</tbody>
</table>
In particular, it should be noted that an apparently small annual management charge percentage can translate into a high cost impact over time. In our example, a 1% annual management charge has the impact of reducing the fund built up over 20 years by over 10%.

How do I know the effect of fees and charges that I am paying?

For *defined contribution schemes* you should be notified of the effect of charges on your pension each time you receive a *Statement of Reasonable Projection*. 
14. *Pension scheme* changes and wind-up

**Can my pension scheme be amended?**

In most cases, the terms of a *pension scheme* may be amended. Details regarding the power of the employers and *trustees* to amend a scheme are generally specified in the scheme’s *trust deed and rules*. Often, an employer has the power to amend a scheme, but the consent of the *trustees* may be required in order to exercise this power.

A scheme may be amended because an employer wishes to change the benefits provided. An employer may in certain cases wish to improve the benefits provided by the scheme, however scheme amendments often reflect difficulties in maintaining the level of funding required to support the existing benefits provided by the scheme, and result in a reduction to benefits.

**Can my accrued benefits be affected by a change to the scheme?**

In most cases, it is possible to amend benefits in respect of future service only, and accrued benefits cannot be reduced.

However in a *defined benefit scheme*, if the funding of the scheme is not sufficient to satisfy the *Funding Standard*, the *trustees* may apply to the Pensions Authority for what is referred to as a “Section 50 order”. Under such an order, accrued benefits relating to members’ past service (excluding pensions currently in payment) can be reduced.
In order for the Pensions Authority to grant a Section 50 order, there are a number of requirements which must be met, including:

- The *trustees* must have conducted a full review of the scheme’s stability and sustainability.

- The *trustees* must have asked the employer for the contributions necessary to sustain the scheme without benefit reductions, and the employer must have declined to pay those contributions.

- Prudent assumptions must be made in calculating the future contribution rate proposed to be paid to the scheme in respect of the reduced benefits.

- *Trustees* must notify all *members* (active, deferred and pensioners) and all authorised trade unions of the proposed reductions. This notification must include the circumstances of the application, and the proposed reductions, including general illustrations of their effect.

- *Members* must be allowed one month to make written observations on the proposed reductions, and the *trustees* must consider these observations before making an application to the Authority.

- *Trustees* must get legal and actuarial advice in preparing their application.

**What information am I entitled to receive on any changes?**

*Members* must be notified of any material change to the terms of the scheme, within 4 weeks of such change.
Can my pension scheme be wound up?
A pension scheme may be wound up if the employer:

- goes into liquidation;
- is bought by another company that decides not to continue the scheme;
- fails to make contributions to the scheme within a set period; or
- notifies the trustees that it intends to stop contributing to the scheme.

What are the trustees’ responsibilities on wind-up?
All pension schemes have a set of guidelines included within the trust deed and rules that governs how the scheme is operated. These guidelines will usually set out how the scheme can be wound up.

The Pensions Act requires trustees to wind up a scheme without undue delay. The Act also requires that pension benefits be paid in the following order:

1. Benefits relating to additional voluntary contributions (AVCs), including AVCs that were transferred from another scheme
2. Benefits owed to members who have reached normal retirement age (NRA) (excluding future pension increases)
3. Benefits owed to members who haven’t yet reached NRA
4. Future increases on benefits.

The Pensions Act supersedes any attempt by a pension scheme’s trust deed and rules to override the order of payments above. The only exception relates to scheme expenses and costs. If the scheme rules allow costs to be paid before pension benefits, this is permitted by the Act.
How do trustees pay benefits on wind-up?
When a scheme is wound up, trustees must:

- transfer each member’s benefits into a new pension scheme; or
- purchase an approved assurance policy with a life assurance company on behalf of each member (a buy-out bond for active members and deferred members or an annuity for pensioners; or
- transfer each member’s benefits into a PRSA, subject to certain conditions.

How do trustees calculate transfer payments?
In a defined benefit scheme, trustees must follow guidelines issued by the Society of Actuaries in Ireland and specified in Regulations made under the Act, when calculating transfer payments.

In a defined contribution scheme, the transfer payment is based on the accumulated value of the members’ contributions less any expenses allowed in the scheme rules.

What if there is a surplus in the scheme?
If there are assets remaining once the trustees have paid all benefits and liabilities of a scheme, these funds are distributed according to the scheme’s trust deed and rules.

There are four common scenarios.

- The trust deed and rules specifies whether benefits to members should be increased or whether funds should be repaid to the employer. The trustees must obey this rule.
- The trustees have discretion to increase benefits to members or repay funds to the employer. The decision is usually made in consultation with the employer but, ultimately, it is the trustees’ responsibility.
How does my pension scheme work?

- The *trustees* have discretion to increase benefits but only if the employer agrees.

- The employer has discretion to instruct the *trustees* to increase benefits.

**What happens if there is a deficit?**

When a scheme is wound up, the *trustees* must ensure that all *assets* of the scheme are under their control. In particular, they must pursue any outstanding contributions.

If a *pension scheme* does not have enough funds to pay *members* their benefit entitlements, some benefits must be reduced. The order of priorities outlined above determines how *trustees* reduce the benefits. The *trustees* must follow this list when paying benefits until all funds are used.

For example, the *trustees* first pay all benefits relating to *AVCs* and then benefits to *members* who have reached NRA. If no funds then remain, the *trustees* cannot pay any benefits to *members* who haven’t reached *normal retirement age*.

If the employer is insolvent, the Protection of Employees (Employer’s Insolvency) Act 1984 allows *trustees* to recover the previous 12 months’ unpaid contributions from a statutory fund under certain circumstances.

**What information are *members* entitled to on wind-up?**

*Trustees* must notify *members* as soon as possible that their scheme is being wound up and it must be no later than 12 weeks after the *trustees* become aware of the decision to wind up the scheme. *Trustees* must also notify the Pensions Authority and any authorised trade union that represents the scheme *members*. 
During the wind-up process, regulations require trustees to provide members with:

- information about their rights and options regarding their benefit entitlements;
- an explanation of how a scheme surplus or deficit is handled;
- the information provided to members when leaving service (see section 10);
- details of who pays member benefits after the scheme is wound up, including an address for enquiries.

**What happens if my employer buys or sells a business?**

Mergers and acquisitions are a regular feature of business life. One company may acquire another, two companies may merge or business may be transferred from one company to another.

In many cases, this kind of activity affects the pension schemes operated by the companies involved.

When a merger or acquisition is about to take place, an employer normally notifies employees to explain how their contracts of employment are affected. Since pension benefits are part of an employee’s conditions of employment, the employer should also inform employees of how the merger or acquisition affects pension arrangements.

Where pension arrangements are affected, there is normally a consultation process between the representatives of the pension scheme members and the employer.
In many cases, a merger or acquisition has no effect on the *pension scheme*. For example, if a new owner acquires all the shares in a company, the change in ownership does not affect the way the company operates and the *pension scheme* probably remains unchanged.

However, when employees are transferred between employers, pension arrangements are usually affected. In this case, employees usually transfer to the new employer’s *pension scheme*, if one is available, or to another arrangement depending on the situation that arises.

A change of *pension scheme* may or may not involve a change in benefits. In many cases, benefits don’t change or may even improve and scheme *members* have nothing to worry about.

However, if benefits decrease, *members* may wish to raise the issue through normal negotiation channels.

On the transfer of *pension scheme* membership, *members* often have the option of leaving their pension entitlements in their old scheme. You should consider the funding position of both schemes when making this decision.
15. Pensions on separation or divorce

The pension entitlements of you and your spouse arising from an occupational pension scheme may be affected by separation or divorce.

The Family Law Act 1995 sets out the treatment of pensions in cases of judicial separation, and the Family Law (Divorce) Act 1996 makes similar provisions in relation to divorce proceedings. These requirements apply also to civil partners and cohabiting couples.

The Family Law Acts require pension benefits to be taken into account in arriving at a financial settlement in the case of a judicial separation or divorce. Allowance can be made in one of two ways:

(i) by a pension adjustment order, or

(ii) by making orders in relation to some other family assets, e.g. family home, savings etc., which the court considers provides a fair distribution of the total overall assets of the couple.

A pension adjustment order (PAO) is an order served on the trustees of the scheme and is binding on the trustees. It overrides any provisions in the trust deed and rules of the scheme. A PAO can be made with regard to either (a) retirement benefits, and/or (b) contingent benefits payable to dependants in the event of the member’s death.

The Pensions Authority has produced a booklet “A Brief Guide to the Pension Provisions of the Family Law Acts” and for more detailed information you should refer to this guide and to the ‘Pensions on Separation and Divorce checklist’, both available on www.pensionsauthority.ie.
Glossary of terms

**Active member**: A member of a pension scheme who is in “reckonable service”, i.e. currently in the employment to which the scheme relates, and who is included in the scheme for a pension benefit.

**Actuarial funding certificate (AFC)**: certificate that trustees of a defined benefit scheme must submit to the Pensions Authority at least every three years. It is signed by an actuary. The certificate demonstrates that the scheme complies with the funding standard under the Pensions Act, stating whether the scheme is capable of meeting specified liabilities in a statutory order of priority in the event of its being wound up on the date of the certificate.

**Actuarial value**: Actuarial value is a mathematical calculation, often of the financial condition of a pension plan. It includes the computation of the present monetary value of benefits payable to present members, and the present monetary value of future employer and employee contributions, factoring in mortality among active and retired members and also the rates of disability, retirement, withdrawal from service, salary and interest. It is the value of cash, investments, and other property belonging to a pension plan, as used by the actuary for the purpose of an actuarial valuation. The actuarial value of assets may represent an average value over time, and normally differs from the amount reported in the financial statements, which is a measurement as of the date of the statement of net assets.

**Actuarial valuation**: An investigation by an actuary into the ability of a pension scheme to meet its benefit promise. This is usually done to calculate the recommended contribution rate, which takes account of the actuarial values of assets and liabilities of the fund. The actuary also needs to conduct this investigation to complete a funding certificate.
**Additional voluntary contributions (AVCs):** Additional contributions paid by a member of an occupational pension scheme in order to secure benefits over and above those set out in the rules of the Scheme. Where an occupational pension scheme does not provide access to an AVC facility, a standard PRSA must be offered for this purpose.

**Annuity:** A guaranteed retirement income for life paid at stated intervals until a particular event (usually the death of the person receiving the annuity). Annuities are normally purchased from a life assurance company at retirement in return for a lump-sum payment (from your pension fund).

**Approved retirement fund (ARF):** An ARF is an investment contract for the proceeds of any defined contribution scheme, additional voluntary contributions, PRSA, RAC, or in the case of a 5% Director other retirement benefits that are not taken in the form of a lump sum or pension on retirement. Certain qualifying conditions must be met to be eligible to take out an ARF. Money is invested with a qualifying fund manager and may be invested in any manner you wish and will accumulate tax-free. Income tax is payable on any withdrawals from the fund. A minimum withdrawal is assumed for tax purposes even if no withdrawal is made.

**Approved minimum retirement fund (AMRF):** Approved minimum retirement funds are post retirement investment accounts which allow the member on retirement to re-invest their pension until he/she reaches 75 years in exchange for additional tax reliefs and potentially greater investment returns. They are similar to an ARF, except that the original investment may not be withdrawn until age 75. Only the investment income and gains may be withdrawn prior to that age.
**Assets:** The property, investments, cash and other items of which the trustees of a pension scheme are the legal owners.

**Beneficiary:** A person who is entitled to benefits under a pension scheme or who will become entitled on the happening of a specified event (e.g., on the death of a member).

**Buy-out bond:** The purchase by the trustees of a pension scheme or an insurance policy or bond in the name of a member or other beneficiaries following termination of service, retirement, or on winding-up of a scheme. The bond is bought in substitution of the members rights under the pension scheme. Under the Pensions Act, purchase of such a bond on leaving service may be at the option of the member or, in certain circumstances, at the option of the trustees.

**Default investment strategy:** An automatic investment strategy required by law to be applied under a PRSA contract, unless the contributor indicates otherwise. The default investment strategy for each individual PRSA product is based on general good investment practice in saving for retirement and approved by the PRSA actuary. Although it is not a risk-free investment, it is designed to reduce the level of risk of the investments. Trustees of a defined contribution scheme may specify a particular strategy as a default if they are offering members a choice of alternative strategies.

**Deferred members:** A person entitled to a pension payment at a future date. Normally this would be an early leaver but the term is sometimes used to describe someone whose retirement is being postponed.
**Defined benefit scheme:** Defined benefit schemes provide members with retirement and death benefits based on formulae set out in the rules of the scheme. Benefits are often based on a member’s salary close to retirement and on his or her pensionable service. For this reason these schemes are sometimes known as “final salary” schemes.

**Defined contribution scheme (also known as a “money purchase” plan):** Provides a pension based on the accumulated value of contributions paid to a pension scheme and the investment returns earned on those contributions.

**Dependant:** A person who depends financially on a scheme member or pensioner. Children are regarded as dependants until they reach the age of 18 or leave full-time education or vocational training. A spouse is always regarded as a dependant.

**Financial Adviser:** A financial adviser is someone who is regulated by the Central Bank of Ireland to give advice to individual members of the public. Advisers can either be “tied” and only able to advice on products of one provider or can be “independent” and able to advise on a range of providers and products. It is important when selecting an adviser that you understand how they are being paid for the advice that is being given and what impact any commission being paid will have on your pension or investments.

**Funding proposal:** If a defined benefit scheme doesn’t meet the Funding Standard set out by the Pensions Act, the scheme trustees must submit a funding proposal to the Pensions Authority explaining how they intend to rectify the scheme’s funding.
Funding Standard: The Funding Standard ensures that a defined benefit scheme has sufficient funds to secure the pensions rights that members have built up should the scheme have to be wound up at any stage. To comply with the funding standard, a defined benefit scheme must be able to meet certain liabilities, as set down in the Pensions Act.

Funded schemes: Occupational pension schemes set up by most companies and by commercial semi-state bodies are usually financed by setting aside money in a trust fund, which is separate from the employer’s business, to finance the payment of pensions. Separating the schemes assets from the employer’s business should ensure that these assets will be available to pay members’ pensions, whether or not the employer stays in business.

Internal dispute resolution (IDR): An arrangement for resolving a complaint or dispute which is subjected to a resolution process within the pension scheme or PRSA in which it arises, before it can be submitted to the Pensions Ombudsman.

Large scheme: A scheme with 100 or more active and deferred members.

Liabilities: The obligations of a scheme to pay amounts of money either immediately or in the future. Liabilities whose payment is dependent on unpredictable future events (such as the death of a member) are called “contingent liabilities”.

Long service benefit: Pension benefits payable at or after the normal pensionable age (NPA), assuming that you remain in relevant employment until the NPA. Long service benefit may take the form of regular pension payments and/or a lump sum. It also includes any benefits payable on death after the NPA to your spouse or dependants. These benefits may be a separate pension or, for example, a guaranteed payment of your pension for a set period after your death.
**Member:** A person who has been admitted to membership of a pension scheme and who is entitled to benefits under the scheme. This will include active members, pensioners and deferred pensioners.

**Net relevant earnings:** These are broadly defined as earnings from a trade or professional employment, less certain allowable expenses.

**Non-member spouse:** In the context of a pensions adjustment order given under the Family Law Acts, the spouse who is not a member of the scheme in which an order is being sought.

**Normal retirement age/Normal pensionable age:** This is the age at which retirement benefits become payable. This will be set out in the governing documents of an occupational benefit scheme. Normal retirement age is usually in the range of 60 to 65.

**Occupational pension scheme:** A pension scheme set up by an employer to provide retirement and/or other benefits for employees. It is sometimes called a ‘company pension scheme’.

**One member arrangement:** A scheme which is established for one person only and that one person will always be the only member, and that member has discretion as to how the resources of the scheme are invested unless the scheme is subject to a pensions adjustment order, in which case it may also include the person(s) referred to in that order.

**Pension Adjustment Order (PAO):** An order made following a decree of judicial separation or divorce whereby the court adjusts a member’s pension rights in favour of his or her spouse/civil partner or a dependent child.
Pension scheme: See ‘occupational pension scheme’.

Pensionable earnings/Pensionable salary: The earnings on which benefits and/or contributions are calculated.

Personal pension plans: A policy taken out with an insurance company in order to provide benefits in retirement. These may be taken out by those who are self-employed or who are in non-pensionable employment. There are two forms of personal pension plans, a Retirement Annuity Contract (RAC) and a Personal Retirement Savings Account (PRSA).

Personal Retirement Savings Account (PRSA): A PRSA is a personal pension plan that you take out with an authorised PRSA provider. It is like an investment account that you use to save for your retirement. PRSAs are a type of defined contribution scheme. You make regular contributions to your pension, and a proportion of these are tax deductible. A register of authorised PRSA providers and their approved PRSA products is available from the Pensions Authority.

Preserved benefit: These are the retirement benefits that a scheme member retains when they have completed two years’ qualifying service since 1 January 1991 and finished their employment after 1 June 2002 or completed at least five years’ qualifying service (two since 1991) and finished their employment before 1 June 2002.

Prospective member: An employee who is or will be eligible to join the scheme.

PRSI: A shortened name for Pay-Related Social Insurance, whereby workers earning an income pay contributions to the Social Insurance Fund. In return, they are covered for certain benefits, such as a State pension.
**(Qualified auditor)**: A person appointed to act as auditor who must not be:

- a member or trustee of the pension scheme
- a person employed by any of the trustees
- an employer of any member of the pension scheme
- a director of the employer or a participating employer.

**(Qualifying service)**: A term defined in the Pensions Act as the service which a pension scheme member must complete before becoming entitled to a preserved benefit on leaving service. Currently, it is two years’ service including any period in a previous scheme from which a transfer value was received.

**(Reckonable service)**: A term defined in the Pensions Act. It is the period of a person’s scheme membership, not necessarily the whole period of employment, and excluding any time when covered for death benefits only.

**(Registered administrator)**: With effect from 1 November 2008 the trustees of every scheme (including large trust RAC schemes) must appoint a registered administrator to provide various services to the scheme known as “core administration functions”. The “core administration functions” are the preparation of annual reports and annual benefit statements for the trustees and the maintenance of sufficient and accurate records of members and their entitlements to discharge the above functions.

**(Relevant employment)**: Any employment where you are making contributions to a pension scheme.
**Retirement Annuity Contract (RAC):** An individual pension policy which can only be effected by individuals who are in non-pensionable employment or who have taxable earnings from a self-employed trade or profession. Also known as personal pension plans.

**Small scheme:** A scheme with less than 100 active and deferred members (not including pensioners).

**Statement of investment policy principles:** A written statement prepared at least every three years by the trustees that includes:

- the investment objectives of the trustees
- the investment risk measurement methods
- the risk management processes to be used
- the strategic asset allocation relating

**Statement of reasonable projection:** A statement predicting the likely future worth of a pension, which is based on assumptions relating to future contributions and investment returns, and the cost of buying an annuity when a member retires.

**Transfer payment:** A payment from one pension scheme to another, or to an insurance company to purchase a buy-out bond or PRSA, in lieu of the benefits which have accrued to the member under the scheme.

**Trust:** An arrangement under which a person or a group of people (trustees) hold and look after property on behalf of others. In the case of a pension scheme, the assets are held by the pension scheme trustees for the benefit of the members of the pension scheme and their dependants, and for the purpose of providing income in retirement.
Trust deed and rules: Occupational pension schemes are set up under trust. A trust deed and rules governs how the scheme is managed. It sets out how the benefits are determined and to whom they are payable.

Trust fund: In a company pension scheme the trust fund is the monies and assets held by the trustees, subject to the trusts of the scheme.

Trustee: An individual or a company which alone or jointly becomes the legal owner of assets to be administered for the benefit of someone else (the beneficiaries), in accordance with the provisions of the document creating the trust and the provisions of trust law generally and the Pensions Act.

Unfunded schemes: Schemes in the non-commercial sector, such as the civil service, local government, education and health services, are financed on a pay-as-you-go basis. This means that the cost of pensions is met from current exchequer expenditure in much the same way as the salaries and wages of employees. These schemes can operate in this way as the State is in a position to obtain the money it needs to pay pensions.
Appendix A – *Trustees’ Annual Report*

The *trustees* of all *occupational pension schemes* (other than *one-member arrangements*) must either prepare an annual report or have one prepared by someone else.

The information that must be included in the annual report depends on the type of scheme.

Large funded *defined benefit schemes* and large funded *defined contribution schemes* must provide audited accounts as well as an annual report. A *large scheme* is a scheme with 100 or more *active* and *deferred members*.

If your scheme is a small funded *defined benefit scheme* or a small *defined contribution scheme*, the *trustees* may opt to have an alternative annual report prepared. If so, the report must be prepared by a *qualified auditor* or, if all the benefits are being provided under one or more policies with a life assurance company or companies, by a person designated by that company or one of those companies. A *small scheme* is a scheme with less than 100 *active* and *deferred members*.

You or your spouse may request a copy of the latest report and/or accounts at any time. It must be given to you, free of charge, within four weeks of a written request. The *trustees* may accept a less formal approach, such as a telephone call.

*Prospective members*, their spouses and other beneficiaries under the scheme are also entitled to receive a free copy.
When must Annual Reports be made available?
The Pensions Act lays down a number of reporting deadlines. Failure by *trustees* to meet these deadlines is a breach of the Act.

- The annual report and audited accounts (where applicable) must be prepared for each scheme year as soon as is reasonably practical.

- *Trustees* must make them available within nine months after the end of the scheme year.

- The *trustees* must advise *active members* that the documents are available within four weeks after the nine-month deadline (for example, through an announcement on your staff notice board or in a staff circular).

- A copy of the annual report and accounts (where applicable) must be given by the *trustees* to any authorised trade union that represents *members* of the scheme within nine months of the end of the scheme year.

What information must be included in the Annual Report?

**Annual Report**
The annual report must include:

- the investment manager name(s) and an explanation of their costs
- an investment report
- a review of financial developments
- details of pension increases
- an intervaluation statement for any *defined benefit scheme*
- a full copy of the audited accounts
information about any significant changes to the scheme that occurred after the year end, if noted in the accounts

an auditor’s report

latest actuarial funding certificate (AFC) and funding standard reserve certificate – only for defined benefit schemes and some defined contribution schemes – and a statement explaining the latest AFC

details of any funding proposal

the names of trustees and information about member trusteeship

a statement as to whether the trustees have access to appropriate training on their duties and responsibilities as trustees, and the cost of training where this was paid out of the assets of the scheme

confirmation of trustee access to the Pensions Authority’s Trustee Handbook and Guidance Notes

a list of employers at the end of the scheme year

a list of all trustees advisors

a contact name and address for inquiries

the number of members, including deferred members, employed members, pensioners and death-in-service-only members

an explanation of any material change in membership numbers from the previous year

information about any significant changes to the scheme since the previous scheme year and confirmation that members have been advised of any changes to the basic scheme information
- a contact name and address for inquiries
- details of any benefits being paid for which the scheme has no liability on wind-up and whether persons in receipt have been notified
- confirmation of scheme registration with the Pensions Authority and registration number
- whether the scheme is *defined benefit* or *defined contribution*.
- a valuation report for any *defined contribution scheme*
- a *statement of investment policy principles* (not needed for *small schemes*)
- a statement concerning financial, technical and other risks (unless disclosed in the basic information about the scheme)
- a statement on *internal dispute resolution* procedures (if not disclosed elsewhere)
- the number of employed *members* that are entitled to pension benefits and the number that are only entitled to death-in-service benefit
- a statement that the *trustees* have appropriate procedures for the payment and receipt of contributions

**Accounts**

The accounts must contain:

- the financial transactions during the scheme year
- a statement of *assets and liabilities*
- the previous year’s figures, if any
How does my pension scheme work?

- an analysis of the scheme’s investments
- a statement declaring if the accounts were prepared in accordance with the Statement of Recommended Practice
- an auditor’s report and statement whether the accounts contain all the required information, show a true and fair view of the scheme’s assets, liabilities and financial transactions, contributions have been received by the trustees within 30 days of the end of the scheme year and in accordance with the rules of the scheme and, in a defined benefit scheme, with the actuary’s recommendation
- a risk statement declaring that the benefits are not guaranteed

**Alternative annual report**

Small defined benefit and defined contribution schemes are those with less than 100 members (including deferred members). They do not need to provide a full annual report, but can compile a document called an alternative annual report. It must contain:

- an investment report
- details of increases
- latest actuarial funding certificate (AFC) and funding standard reserve certificate – only for defined benefit schemes and some defined contribution schemes – and a statement explaining the latest AFC
- the total amount of contributions received during the scheme year
- an intervaluation statement for any defined benefit scheme
- a valuation report for any defined contribution scheme
- details of any funding proposal
- the names of trustees and information about member trusteeship
- a statement as to whether the trustees have access to appropriate training on their duties and responsibilities as trustees, and the cost of training where this was paid out of the assets of the scheme
- confirmation of trustee access to the Pensions Authority’s Trustee Handbook and Guidance Notes
- a list of employers at the end of the scheme year
- a list of all trustees advisors
- a contact name and address for inquiries
- the number of members, including deferred members, active members, pensioners and death-in-service-only members
- an explanation of any change in membership numbers from the previous scheme year’s figures
- information about any significant changes to the scheme since the previous scheme year and confirmation that members have been advised of any changes to the basic scheme information
- a statement concerning financial, technical and other risks (unless disclosed in basic information about the scheme)
- a statement on internal dispute resolution procedures (if not disclosed elsewhere)
- a statement that contributions payable have been received within 30 days of the end of the scheme year and in accordance with the rules of the scheme and, if relevant, with the actuary’s recommendation
How does my pension scheme work?

- a statement regarding the manner in which scheme assets are invested, including details of self-investment at any time during the scheme year
- details of any benefits being paid for which the scheme has no liability on wind-up and whether persons in receipt have been notified
- confirmation of scheme registration with the Pensions Authority and registration number
- a statement that trustees have appropriate procedures for the receipt of contributions within statutory deadlines and in accordance with scheme rules and, in the case of defined benefit schemes, the recommendation of the actuary
- a statement that the scheme has not been audited by an auditor
- a statement setting out any material transactions with related parties during the scheme year within the meaning of Financial Reporting Standard 8 ‘Related Party Disclosures’.
- whether the scheme is defined benefit or defined contribution.

One-member pension schemes

If you have an individual pension plan or one-member arrangement, your pension provider does not need to prepare an annual report, alternative annual report, audited accounts or valuation reports. However, you must receive other information such as an annual benefit statement and, if it is a defined contribution scheme, a statement of reasonable projection.
**Unfunded schemes**

Certain public service schemes are unfunded, which means that no funds are being set aside to pay for future pension benefits. As a result, audited accounts and investment reports do not need to be prepared.

**Other exceptions**

Small frozen schemes, *small schemes* in wind-up and death-benefit-only schemes may not have to provide all of the documents listed.
Appendix B – Complaints

Set out below is a summary of the action you can take should you have a complaint about your pension. Any action that you may take depends on whether your complaint is about the State pension, an occupational pension scheme, an annuity or ARF/AMRF.

What if I have a complaint about my State pension?

Should you have a complaint or problem in respect of your State pension entitlement or any other social welfare entitlement there are a number of bodies you can contact. You can contact the Social Welfare Office dealing with your benefits, the Social Welfare Appeals Office or the Ombudsman’s Office.

How do I know who to contact?

Social Welfare Office: You should initially contact the Social Welfare Office dealing with your benefits to try and resolve any complaint directly. The staff there will try and resolve your complaint. However, if you are still not satisfied with the response you can have your complaint referred to the Local Manager/Section Manager/Officer designated to handle complaints. Details of how to complain are set out in leaflet SW104.

Social Welfare Appeals Office “SWAO”: If you disagree with the decision of your local Social Welfare Office regarding your claim, you should contact the section involved to have it reviewed. Subsequently if you are still unhappy with the outcome, you have a right of appeal to the SWAO. The SWAO operates independently of the Department of Social Protection and is headed by the Chief Appeals Officer. Details of the SWAO and the appeals process are set out in leaflet SW56.
**The Ombudsman's Office:** If you are not satisfied with the outcome of your complaint or the manner in which it was handled, you may bring the matter to the attention of the Ombudsman who will conduct an investigation. Before the Ombudsman can examine your complaint you must avail of any right of appeal open to you, for example the SWAO.

**What if I have a complaint about my occupational pension scheme?**
Should you have a complaint about your *occupational pension scheme* you can contact your employer, the administrator of the plan, the trustees of the plan, the Pensions Authority and the Office of the Pensions Ombudsman.

**How do I know who to contact?**

**Your employer:** Initially you should contact the person in your organisation that deals with the pension scheme. This may be a contact in your Personnel or Human Resources Department who can try and resolve your complaint on your behalf.

**The administrator:** You can contact the administrator of the *occupational pension scheme* directly. This may be an insurance company or a separate company that administers the plan on behalf of your employer and the trustees. You can find out who the administrator is by asking your employer or getting a copy of the Trustees’ Annual Report from your employer (as the administrator will be listed in this report).

**The Trustees:** If you are unhappy with the response to your complaint, you can contact the trustees of your plan. Details of the trustees will be set out in the Trustees’ Annual Report which you can request from your employer. The trustees have an Internal Dispute Resolution procedure in place to deal with such issues.
**The Pensions Authority:** If you fail to resolve your complaint with your employer or the administrator/trustees of the plan, you can contact the Pensions Authority. The Authority can act on behalf of pension plan members who are concerned about their plan; it can investigate alleged breaches of the Pensions Act; it has the power to prosecute for breaches of the Pensions Act and to take court action against trustees for the protection of members and their rights.

**Office of the Pensions Ombudsman:** You can also refer your case to the Pensions Ombudsman who investigates and decides complaints and disputes concerning occupational pension schemes. The Pensions Ombudsman is completely independent and acts as an impartial adjudicator.

You generally have to complete the trustees’ Internal Dispute Resolution procedure before your case will be heard by the Pensions Ombudsman.

The Pensions Ombudsman investigates complaints that allege financial loss as a result of maladministration by those responsible for the management of occupational pension schemes. The complaint may be against trustees, managers, employers, former employers and administrators. The Pensions Ombudsman also investigates disputes of fact or law with trustees or managers or employers concerning occupational pension schemes.
What if I have a complaint about my *annuity* or ARF/AMRF?

You can contact your *annuity* or ARF/AMRF provider, the Financial Services Ombudsman’s Bureau or the Central Bank of Ireland.

**How do I know who to contact?**

**Annuity or ARF/AMRF Provider:** If you have a complaint about the management of your *annuity* or ARF/AMRF you should initially contact the ARF/AMRF provider and try and resolve it directly between you.

**Financial Services Ombudsman’s Bureau:** If you have followed the internal complaints procedure of your financial service provider and you are still not satisfied, the Financial Services Ombudsman may investigate a complaint about the provision of a financial service, an offer to provide a financial service or failure to provide a particular financial service that has been requested.

**Central Bank of Ireland:** The Central Bank of Ireland is responsible for the regulation of all financial services firms in Ireland. The Central Bank of Ireland’s role is to protect consumers and to help people make efficient and effective use of complaint procedures, and to assist and inform consumers where necessary. Broad issues of consumer protection should be referred to the Central Bank of Ireland.
How does my pension scheme work?

Appendix C – Useful addresses

The Pensions Authority
Verschoyle House
28/30 Lower Mount Street
Dublin 2
Tel: (01) 613 1900
Local: 1890 65 65 65
Fax: (01) 631 8602
Email: info@pensionsauthority.ie
Web: www.pensionsauthority.ie

Office of the Pensions
Ombudsman
36 Upper Mount Street
Dublin 2
Tel: (01) 647 1650
Fax: (01) 676 9577
Email: info@
pensionsombudsman.ie
Web: www.pensionsombudsman.ie

Social Welfare Appeals Office
D’Olier House
D’Olier Street
Dublin 2
Local: 1890 74 74 34
Fax: (01) 671 8391
Email: swappeals@welfare.ie
Web: www.socialwelfareappeals.ie

Office of the Ombudsman
18 Lower Leeson Street
Dublin 2
Tel: (01) 639 5600
Local: 1890 223 030
Fax: (01) 639 5674
Email: ombudsman@ombudsman.gov.ie
Web: www.ombudsman.gov.ie

Financial Services Ombudsman
3rd Floor, Lincoln House
Lincoln Place
Dublin 2
Tel: (01) 662 0899
Local: 1890 88 20 90
Fax: (01) 662 0890
Email: enquiries@financialombudsman.ie
Web: www.financialsombudsman.ie

Department of Social Protection
Social Welfare Services
College Road
Sligo
Tel: (071) 915 7100
Local: 1890 500 000
Web: www.welfare.ie
How does my pension scheme work?

Central Bank of Ireland
PO Box 559
College Green
Dublin 2
Tel: (01) 224 6000
Local: 1890 777 777
Fax: (01) 671 6561
Email: enquiries@centralbank.ie
Web: www.centralbank.ie

Office of the Revenue Commissioners
Financial Services Pensions Division
Ballagh House
73-79 Lower Mount Street
Dublin 2
Tel: (01) 613 1800
(ask for Pensions Unit)
Fax: (01) 647 4212
Email: lcdretirebens@revenue.ie
Web: www.revenue.ie

The Equality Authority
2 Clonmel Street
Dublin 2.
Tel: (01) 417 3336
Local: 1890 245 545
Email: info@equality.ie
Web: www.equality.ie

The Equality Tribunal
3 Clonmel Street
Dublin 2
Tel: (01) 477 4100
Local: 1890 24 44 24
Fax: (01) 477 4141
Email: info@equalitytribunal.ie
Web: www.equalitytribunal.ie

Family Law Office
(District Court)
Dolphin House
East Essex Street
Dublin 2
Tel: (01) 888 6349
Fax: (01) 671 7903
Email: districtfamilylaw@courts.ie

Family Law Office
(Dublin Circuit Court)
Phoenix House
15/24 Phoenix Street North
Smithfield
Dublin 7
Tel: (01) 888 6806
Fax: (01) 888 6823
www.pensionsauthority.ie
How does my pension scheme work?