



Gníomhaireacht Bainistíochta an Chisteáin Náisiúnta
National Treasury Management Agency

Correspondence 3A.1
Meeting -13/12/2012

6 December 2012

Ms Niamh Maguire
Committee Secretariat
Committee of Public Accounts
Leinster House
Dublin 2

Dear Ms Maguire

I refer to your letter of 30 November seeking a note on salaries, bonuses and pensions paid within the NTMA following my appearance at the PAC on 22 November last.

NTMA salaries by salary band as outlined by me to the Committee at the meeting are as follows:

NTMA Salaries by Salary Band 31 October 2012				
	NTMA (ex NAMA)	NAMA	Total	
Up to €50,000	92	26	118	
€50,001 to €100,000	122	108	230	
€100,001 to €150,000	34	71	105	
€150,001 to €200,000	14	18	32	
€200,001 to €250,000	3	1	4	
€250,000 to €300,000	5	1	6	
€300,000 to €400,000	2	2	4	
€400,000 to €500,000	1	0	1	
Total	273	227	500	

Notes: The public service pension deduction is applied to NTMA employees.
All fifteen NTMA employees whose salaries exceeded €200,000 agreed to the Minister for Finance's request of December 2011 that they waive 15% of salary or such amount of salary as exceeds €200,000 if application of the full 15% reduction would bring their salary to below €200,000. These reductions are reflected in the above table.
All NAMA staff are employees of the NTMA and under Section 42 of the National Asset Management Agency Act 2009 the NTMA assigns staff to NAMA. NAMA reimburses the NTMA the costs of staff assigned to NAMA.



Reflecting remuneration structures in sectors the NTMA recruits from, a performance related pay provision is built into the contract terms of most employees. However, the NTMA made performance-related payments to only five staff during 2012 in respect of 2011. These payments, in aggregate, totalled €62,610. No performance related payments were made to any employee earning a salary of €200,000 or more.

The NTMA's remit is to provide commercial market facing services to Government and it is structured to have the freedom to offer market competitive salaries so that it can effectively discharge its functions. The NTMA has had to recruit for NAMA, the Banking Unit and NewERA over the last 3 years. Its numbers have gone from 169 at end 2009 to 500 at end October 2012 of whom 227 are formally assigned to NAMA. The NTMA's shared services (Finance, HR, IT etc) have also recruited additional staff resources to support NAMA. Since 1 January 2010 the NTMA's gross external recruitment total is 380. This includes 3 new appointments to the NTMA's ten person senior management team (an internal candidate was appointed to a fourth position following a public recruitment competition).

NTMA employees are members of the NTMA defined benefit superannuation scheme or else have Personal Retirement Savings Accounts. The pension benefits of members of the NTMA superannuation scheme prior to 1 January 2010 are based on final salary. The pension benefits of members who joined the scheme on or after 1 January 2010 are based on career average earnings. Unlike most public pension schemes which are funded on a pay as you go basis, the NTMA superannuation scheme is a funded scheme. Pension entitlements are within the standard entitlements in the model public sector defined benefit superannuation scheme. Pension contributions are not paid to individual employees – they are paid into the scheme. The level of potential pension payments to members is dependent on length of service, based on final salary or career average earnings, with $1/80^{\text{th}}$ of salary accruing for each year of service.

The NTMA contribution to the scheme is determined on the advice of an independent actuary and is, at present, set at 25% of salary in respect of members whose pension is based on final salary and 10.5% of salary in respect of members whose pension is based on career average earnings. At end October 2012 there were 55 employees in the final salary scheme and 434 employees in the career average scheme. Overall, the NTMA contribution to the scheme comprised 12.7% of total salaries.

I trust the above is of assistance to the Committee.

Yours sincerely



John C Corrigan
Chief Executive