

Ref: P18/1/91

14 June 2018

Mr Dermot Roarty
Company Secretary
Irish Airlines Pensions DAC
Services Annexe Building
Dublin Airport
Co. Dublin

Dear Mr Roarty

I refer to your letter of 24 January 2018 and to your previous correspondence addressed to Mr Kevin Colman regarding the participation of the Irish Airlines Superannuation Scheme (IASS) in the Public Service Transfer Network (PSTN).

First, I must apologise for the delay in providing this Department's response. This was partly due to the fact that Mr Colman transferred out of the Department last year and there was a subsequent re-organisation of work in the area, with the result that, unfortunately, your correspondence was temporarily overlooked. I understand also that Mr Colman had been in touch with you by phone following your initial communication about this matter, in relation to which there had been quite substantial previous communication, and a meeting, and had apprised you of this Department's views on the points you had raised.

That having been said, I wish to advise you formally of this Department's position on the IASS membership of the PSTN, which was outlined recently to the Dáil by Minister for Finance and Public Expenditure and Reform Mr Paschal O'Donohoe TD in his reply to a Parliamentary Question on 2 May last:

Irish Airlines Pensions has advised this Department that as a result of the deficit that exists on the Irish Airlines Superannuation Scheme (IASS) pension fund, it is not in a position to fully fund transfers effected through the Public Sector Transfer Network (PSTN).

The rules of the PSTN require a full transfer of pension entitlements. In the case of funded pension schemes, this means that a transfer payment must be made in respect of all pensionable service with the first organisation, calculated in accordance with the relevant actuarial tables under paragraph 16(d) of the transfer scheme rules. Payment of a lesser

amount will mean that the funds received by the second organization will not reflect the full service to be transferred.

Accordingly, there is no possibility of transfers involving the IASS being effected within the PSTN under these circumstances.

Finally, I should advise that my colleague Breda Scanlan has recently taken over responsibility for the policy relating to pension transfers within the PSTN, and any future communications should be addressed to her. For your information, Breda's contact details are: breda.scanlan@per.gov.ie; phone 01 - 604 5442.

Once again, I regret the delay in responding to your correspondence.

Conor McGinn

Conor McGinn
Assistant Principal Officer
Public Service Pensions Policy Unit