

PENSIONS OFFICE

PEER REVIEW GROUP

- Dr M. Creed, Department of Civil & Environmental Engineering, UCC (Chair)
- Mr S. McEvoy, Head of Student Careers Service, UCC
- Ms M. Ramsay, Director of Personnel, UCD, Ireland

SITE VISIT

The site visit was conducted over 2.5 days from 25-27 April 2005 and included visits to departmental and library facilities and meetings with

- Head and staff of the department as a group and individually
- Representatives of staff of UCC
- Representatives of pensioners of UCC
- Professor Áine Hyland, Vice-President
- Mr Paul Ryan, Acting Director of Department of Human Resources
- Mr Michael Kelleher, Secretary & Bursar via conference call

An exit presentation of the principal findings of the Peer Review Group was made to staff of the department in the afternoon of the second day.

DESCRIPTION OF PENSIONS OFFICE

Note: Data given is for the academic year 2004/05

Head of Unit: Ms Susan O'Callaghan
Staff: 4 full-time staff, 1 part-time staff
Location of Unit: 4 Carrigside, College Road

FUNCTIONS OF UNIT

- To administer the pension scheme on a day-to-day basis
- To ensure compliance with Pensions Act 1990 requirements
- To prepare the annual pensions statutory accounts
- To monitor changes in legislation and ensure the University is compliant, where relevant
- To report to the Finance Committee of Governing Body

GENERAL COMMENT ON QUALITY REVIEW

The reviewers found the self-assessment report to be succinct, clear and easy to read. It gave the impression that the Office had a clear view of its mission, provided a high level of service and had very satisfied customers.

The reviewers formed the impression that the self-assessment report did justice neither to the levels of expertise of the staff nor to their engagement with a broad spectrum of complex

pension issues. The reviewers found a high level of understanding by staff of the Unit of the factors affecting pension's administration within the sector generally and specifically within UCC. The reviewers clearly identified that an informal benchmarking process had been carried out against the cost of purchasing equivalent services from the private sector. The reviewers were of the opinion that the self-analysis report might have benefited from a comparison with pension services in comparable educational or other organisations with defined benefit pension schemes.

The PRG has concerns about potential conflicts of interest which might arise in the event of a relocation of the office to the Department of Human Resources. Such a conflict of interest could arise potentially if the University wished to use the pension fund to resolve a HR issue such as an early retirement or a special recruitment package. The reviewers considered that the Pensions Office must be in a position to ensure that the financial implications on the pension fund of any such proposals are brought to the attention of the Pensions Committee.

Similarly a conflict might arise where there is a tension between emerging legislative responsibilities of the employer and their impact on the pension fund. Again in these circumstances the Pensions Office must be in a position to ensure that the financial implications on the pension fund of any such developments are brought to the attention of the Pensions Committee.

PROGRESS MADE ON THE IMPLEMENTATION OF PRG RECOMMENDATIONS

A meeting to discuss progress made in implementing recommendations for improvement arising from the quality review of the Pensions Office was held on 13 October 2006 in the Quality Promotion Unit.

Present: Mr Tom O'Leary, Director, Human Resources
 Ms Susan O'Callaghan, Pensions Manager, Pensions Office
 Dr Norma Ryan, Director, Quality Promotion Unit
 Ms Deirdre O'Brien, Administrator, Quality Promotion Unit

Abbreviations

PRG: Peer Review Group

VP: Vice-President

QPC: Quality Promotion Committee

QIP: Quality Improvement Plan

HR: Human Resources

PO: Pensions Office

Recommendation of PRG	Recommendation of the QPC	Follow-up Report October 06
That the decision of the University to locate the PO in the Department of HR in line with the Coyle Hamilton recommendations should be implemented in the autumn as planned, ensuring that the concerns of the PRG in respect of potential conflicts of interest are addressed.	Endorsed and implemented. The QPC noted that this recommendation has been implemented as according to the policy decision taken in 1999. Action on the decision had been deferred until this year.	Implemented.

Recommendation of PRG	Recommendation of the QPC	Follow-up Report October 06
<p>The PO must be empowered to ensure that the financial implications on the pension fund of any conflicts as described in the PRG report are brought to the attention of the Pensions Committee.</p>	<p>Endorsed.</p>	<p>Ongoing. The Pensions Office reports regularly to the Finance Committee regarding the activities on the fund. Any such activities which may cause concern may be raised as part of this forum. In addition such activities can be addressed with the Director of HR and the Bursar/Chief Legal Officer.</p>
<p>That the Office reviews its mission statement in order to clarify its role and objectives better.</p>	<p>Endorsed.</p>	<p>Not implemented. The Pensions Office is currently upgrading its operating systems. As part of this process the office is reviewing its role and objectives and will put in place a revised mission statement by December 2006.</p>
<p>That the Office develops a clear strategic action plan to deal with future developments in the sector.</p>	<p>Endorsed. The QPC noted the comment of the PO (developments in the sector are not within the control of, or deliverable by, the PO). However the QPC were of the opinion that the PO should consider the effects of the developments in the sector, as they become known, and advise the University on their implications.</p>	<p>Ongoing The PO continues to advise the University of the effects of developments in the sector.</p>
<p>That the Office investigate forms of regular communication, e.g. newsletter, with staff and pensioners to keep them informed of pension developments, welfare entitlements, university developments, etc.</p>	<p>Endorsed</p>	<p>Not implemented. This recommendation will be reviewed once the system upgrade is completed.</p>

Recommendation of PRG	Recommendation of the QPC	Follow-up Report October 06
<p>That the location of the PO in the Department of HR be used as an opportunity to develop services for pensioners in the area of welfare, e.g. health promotion, social activities, general information on entitlements of pensioners as senior citizens.</p>	<p>Endorsed.</p> <p>The QPC referred to the Director of Human Resources for consideration as to how best to develop the services referred to.</p>	<p>Not implemented.</p> <p>This recommendation would require significant staff resources which the PO is unable to provide at present. The services described in the recommendation are currently available from government sources.</p>
<p>That links be placed on the PO web site to other relevant sources of information for pensioners and staff</p>	<p>Endorsed.</p> <p>The QPC referred the recommendation to the Director of Human Resources for action.</p>	<p>Not implemented.</p> <p>A review of the website will take place following the systems upgrade.</p>
<p>That the internal disputes procedure be communicated to all staff and the procedures to be to resolve grievances in relation to pensions made clear.</p>	<p>Endorsed.</p> <p>The QPC suggested that it is not sufficient to give the information as part of presentations to staff. The information should be freely available to all staff. The QPC suggested that a reference to the procedures be included in the annual statement to all staff and the details be put on the HR web site.</p>	<p>Implemented.</p> <p>Information on the internal disputes procedure is available on the PO website and is also included in the annual report and benefits statement.</p>
<p>That the outstanding recommendations in the Coyle Hamilton report be implemented.</p>	<p>The QPC referred these to the PO and the Department of HR for consideration and implementation, as deemed appropriate.</p>	<p>Not implemented.</p> <p>This recommendation will be reviewed and implemented where feasible.</p>
<p>That the Explanatory Booklet for the Statutory scheme be reviewed and redrafted for ease of understanding.</p>	<p>Endorsed.</p>	<p>Ongoing.</p> <p>The booklet will be broken down into 6 new booklets (one for each scheme). Every staff member will receive a revised booklet.</p>
<p>That a 'mini-version' of the annual report be issued, which will contain the highlights of the long report in a simplified manner.</p>	<p>Endorsed.</p>	<p>Ongoing.</p> <p>It is envisaged that the 'mini-version' of the annual report will be issued in June 2007.</p>

Recommendation of PRG	Recommendation of the QPC	Follow-up Report October 06
That the method of communication of the information sessions for both pension schemes be reviewed with the goal of increasing attendance levels.	Endorsed.	Implemented. Regular emails are used to advertise information sessions.
That the PO in conjunction with the Department of HR undertake a review of all non-pensionable employees to ensure no anomalies exist.	Endorsed.	Implemented.
That the PO make staff aware of the availability of PO staff for one-on-one sessions via the PO web page and general e-mail communications.	Endorsed.	Implemented.