
PENSIONS COUNCIL

**Meeting on Thursday 15 March, at 3.30pm
Verschoyle House, 28/30 Lower Mount Street, Dublin 2**

Attendance: Jim Murray (Chairman)
Kirstie Flynn
Brendan Keenan
Sinead Ryan
Helen McDonald
Marie Louise Delahunty
Shane Whelan

Apologies: Brendan Kennedy
Roma Burke
Peter Brazel
Anthony Gilhawley
Sandra Rockett

Also present: Alice Kearns (Secretariat)
Brian Purcell (DEASP)
Joanne Roche (KPMG)
Brian Morrissey (KPMG)

Minutes

1. Adoption of agenda

Shane Whelan requested that a discussion on his Taxation paper be added to the agenda. This was agreed by the Council.

2. No new conflict of interest

No new conflicts of interest were declared.

3. Approval of minutes

The minutes of the meeting held on 22nd of February were approved.

4. To Do List from previous meeting

Questionnaire to review 3 years of the Council

The Chairman circulated an indicative list of questions to Members to review the 3 years of the Council for Members to review and complete. Helen McDonald requested that a question be added regarding Members' opinion on the outcomes of reports published by the Council.

Central Bank Consultation – Draft Opinion

This is recorded in Topic 6.

Consider topics to discuss with Minister Doherty

This is recorded in Topic 8.

5. Actuarial Review - Presentation by KPMG

Joanne Roche and Brian Morrissey of KPMG were welcomed to the Council's meeting and conducted their presentation 'Pensions Roadmap 2018-2023 – State Pension and Social Insurance Fund aspects' to the Council. Their presentation was discursive and Council members were invited to add comment and questions throughout. They stated that their research figures were based on the Aging Working Group Report.

Discussions arose the following issues:

- Implications of Gender and the State Pension in relation to the mortality rates in women
- Mortality rates and the State Pension in terms of mortality rates being difficult to model
- Healthcare costs related the Pensioners in relation to mortality rates.
- The impact of Auto Enrolment on Private insurance companies and this industry
- Comparison of Irish State Pension with other Pensions in Europe
- Effects of Auto Enrolment on the Irish State Pension
- A copy of the slides presentation is annexed to these minutes.

6. Central Bank Consultation on Inducements for Intermediaries - draft

opinion

The Chairman asked the Council members for their opinions or comments on the Central Bank draft opinion paper before the deadline on 22nd March.

Marie Louise Delahunty declared a conflict of interest on this paper.

The Members stated that the paper was well written. Jim Murray agreed to give the members up until March 21st for any last comments.

Kirstie Flynn offered to circulate information to Tony Gilhawley and Roma Burke regarding this opinion paper, and to provide an abstract or summary of the paper.

7. Roadmap for Pensions Reform

Helen McDonald introduced the 'Roadmap for Pensions Reform' paper and noted that its publication was well received. Below is a summary of key points:

- The DEASP were responsible for 4 strands of the paper in collaboration with other government departments
- The Roadmap includes action plans and dates for these
- It includes Auto enrolment Plans
- The "Strawman", an outline for comment, will be published with the Consultation document
- Defined benefit draft legislation will move forward to a bill the summer recess and then to Committee stage
- The DEASP, Pensions Authority and Revenue Commissioners will form an interdepartmental taxation group

Helen McDonald proceeded to take questions on the Roadmap and the following discussion topics were noted:

- She agreed to update Shane Whelan regarding the taxation Group after their sub-committee meeting
- She noted the impact of IORPS on the funding standard
- She noted the number of schemes in Ireland to be roughly 160,000 and that these are currently managed by authorization and registration processes.
- Master trusts will be established to help manage the number of schemes including single member schemes.
- Auto Enrolment will target those currently without pension schemes
- Helen McDonald stated that the details around the operation of Pension Reform were not fully worked out yet.

The Chairman asked the Council which strands of the Roadmap it should focus on. The Members stated the following strands below:

- The Gender Study with the ESRI was relevant for behavioural aspects in private pension funding
- Taxation is relevant for the Taxation Group in the Roadmap
- ARF study conducted by the Council

Brian Purcell agreed to consolidate the Council's opinions and papers and investigate where the Council has addressed important issues for Pension Reform. Jim Murray stated that the Roadmap is important to highlight the Council's commentary on Pension Reform.

8. Preparation for visit of Minister

The Chairman asked the Council to prepare questions and topics for the Minister upon her attendance at the next Council meeting in April. The following areas were discussed:

- Questions in relation to the Pensions Reform Roadmap
- Pensions Council findings in relation to the Roadmap
- Taxation issues

9.Hally and Whelan Taxation Paper

Shane Whelan discussed the research he conducted in collaboration with Maeve Hally, titled 'An Analysis of the Taxation Supports for Private Pension Provision in Ireland'. The Council discussed aspects of the paper including the figures related to the taxation of private pension schemes. Shane Whelan requested that he present the research to the DEASP/ Department of Finance and Helen McDonald agreed to arrange this. Jim Murray stated that the Council should continue to discuss this research and ways in which the Council give impetus or added value to the work without actually endorsing it as a Council opinion.and this was agreed by Council members.

10.AOB

Helen McDonald and Sinead Ryan updated the Council in relation to the gender research project with the ESRI. They stated that the project was being progressed and that there was scope for the ESRI to come back to the Council on certain areas. A steering committee was set up for the project, consisting of Sinead, Helen and

11. Next Meeting

The next meeting will be held on Thursday 19th April 2018 at 3.30pm at Verschoyle House.

To-do list

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| ▪ Add to opinion on CB consultation on intermediaries. | All/KF |
| ▪ Compendium of Council Papers | BP |
| ▪ Questions for the Minister | ALL |
| ▪ Questionnaire | ALL/JM |