
PENSIONS COUNCIL

Meeting on Thursday 18 October, at 3.30pm
Verschoyle House, 28/30 Lower Mount Street, Dublin 2

Attendance: Jim Murray (Chairman)
Helen McDonald
Shane Whelan
Kirstie Flynn
Brendan Kennedy
Brendan Keenan
Sinead Ryan
Conor McGinn

Apologies: Roma Burke
Sandra Rockett
Marie Louise Delahunty

Also present: Alice Kearns (Secretariat)
Brian Purcell (DEASP)

Minutes

1. Adoption of agenda

An update from Sinead Ryan and Brendan Kennedy regarding the ESRI Gender Study was added to the agenda.

2. No new conflict of interest

No new conflicts of interest were declared.

3. Approval of draft minutes

The draft minutes of the meeting held on Thursday 27 September were approved with one change to Item 6 'Automatic Enrolment Consultation', paragraph 12. The item was amended to confirm that AE savings would be taken into account in determining eligibility for the non-contributory state pension.

4. To Do List from previous meeting

Draft Opinion on Master Trusts for PA Consultation (JM/ALL)

Chairman Jim Murray updated the Council regarding the Council's submission to the Pensions Authority's consultations on regulation of defined contribution (DC) master trusts. Brendan Kennedy updated the Council stating that this consultation was completed and 22 submissions were received.

Circulate note on GDPR Regulation (BP)

Brian Purcell circulated data protection policies (in relation to GDPR compliance) to Council members including a recommendation to appoint David Malone (Head of Operations for the Pensions Authority) as the DPO (Data Protection Officer) for the Pensions Council. The Council approved these policies to be published on the website and the appointment of David Malone as DPO for the Pensions Council.

Replacement of Tony Gilhawley (BP/HM)

This item was not discussed.

Check progress of gender study (SR/BKen)

Sinead Ryan and Brendan Kennedy updated the Council in regard to the gender study being conducted by the ESRI. She noted that the ESRI were keeping to the brief provided by the Council and they had provided interim research results, summarised below.

In relation to the subject of poverty, the results indicated that people are less likely to be in poverty due to the provision of the State Pension. Factors such as single adult households and having an adult child at home (or disabled adults and children), increase the risk of poverty. The percentage of 'income poor' households (as a consequence of a reliance on the State Pension) in Ireland is currently 8.8%. In relation to gender, the results show that men have more access to occupational pensions schemes. It was noted that women have less of a tendency to make personal pension arrangements and may in practice have a lower level of financial literacy and numeracy skills in comparison to men. The TILDA study was referenced in relation to financial literacy. In relation to behavioural economics, Sinead Ryan noted that Ann Nolan is carrying out an investigation in this area, including a household questionnaire.

Sinead Ryan noted that when the results are finalised they need to be presented in an accessible way to the consumer and general public. She stated that the report should be finished before Christmas and it has the potential to be developed further next year.

5. IDTRG Consultation - prepare Opinion – deadline 19th October.

The Council discussed the IDTRG consultation paper on Supplementary Pensions Reform. Chairman Jim Murray agreed to circulate a draft submission to Council members to submit to the IDTRG before 19 October. That draft submission is annexed to these minutes to reflect the discussion at the meeting.

6. Automatic Enrolment Consultation – Prepare Opinion by 4th November

The Council members discussed the Strawman Public Consultation document for Auto Enrolment. A summary of the discussion is outlined below:

1. The Central Processing Authority (CPA)
 - Council members discussed the role of the CPA in terms of communication with the public, whether direct or indirect via the employer.
 - Sinead Ryan stated that the CPA's default scheme would need to be secure and that a non-default scheme would involve potentially more risk and higher charges.
2. Role of the employer
 - Council members discussed the administration that employers will be obligated to undertake for AE and that this may impact their decision in choosing a scheme.
3. Role of the Pensions Providers
 - Members questioned how providers will be chosen, their role and their ability to create market competition based on investment performance.
 - The fees that providers will get from the CPA was discussed.
4. Ownership of the AE funds
 - It was noted by Members that the document does not state that the Government will not own the scheme or the scheme's funds.
5. Administration of AE funds
 - The Council questioned whether the public will be able to choose investment options.
 - Jim Murray questioned scheme administration at opt-in stage and whether the public will deal with the CPA directly or via their employer.
6. Opt-out options
 - The Council questioned the options for opting out of the scheme, whether

there would be circumstances or conditions for opt-outs and suspension of funds.

7. Scheme membership

- Council members discussed the income and age limits for opting in to the AE scheme, in particular how the €20,000 minimum earnings rate would affect part time workers.
- Members discussed whether AE should be available to public sector workers.
- Given that there would be in effect a minimum standard for occupational pension schemes (to qualify for exemption from AE) and whether an employer should match this contribution rate.

8. Information regarding scheme charges

- Sinead Ryan noted that information regarding scheme charges should be presented to the public in an accessible manner and that the pensions landscape itself needs to be simplified for the public.

Jim Murray noted that Roma Burke expressed disappointment that the Department had not approached life offices in relation to charges and administration/collection of contributions to research scheme charges.

7. (Master Trusts - advice to Minister)

Chairman Jim Murray agreed to draft a letter to the Minister to brief her on the points agreed by the Council in responding to recent public consultations (PA on master trusts, and IDTRG on supplementary pensions.)

The Council agreed to consider the proposed AE scheme in further detail in coming months.

8. (GDPR Regulation – implications for Council.)

This item was discussed in Item 4.

9. (Meetings with Central Bank and CCPC – re ARFs, BOBs etc)

This item was not discussed.

10. Any Other Business

Chairman Jim Murray asked Council members to consider dates for Council meetings next year. Chairman Jim Murray asked Alice Kearns to circulate the October Monthly briefing that Brian Purcell had drafted.

Helen McDonald noted that she has asked the Department for Council funding for

next year and would update the Council at the next meeting.

11. Next Meeting – Thursday 22nd November 2018 at 3.00PM

The next scheduled meeting is on Thursday 22 November 2018 at 3.30pm at Verschoyle House.

12. To-do list

JM to circulate a draft submission to the IDTRG to Council Members before 19 October	JM
AK to publish GDPR documents on the Pensions Council website	AK
Consider dates for Pensions Council meetings for next year	ALL
JM to draft a letter to Minister regarding master trusts and other points.	JM
AK to circulate October Monthly Briefing to the Council	AK