



An Chomhairle Pinsean The Pensions Council

Pensions Council Meeting

16 February 2022 @ 3 pm

Venue: MS Teams

Minutes

Council members in attendance:

Roma Burke (Chair) (RB)
Clare Dowling (CD)
Stephen Gillick (SG)
Brendan Kennedy (BK)
Munro O'Dwyer (MD)
Tim O'Hanrahan (TH)
Joanne Roche (JR)

Council members apologies:

Deirdre Cummins (DC)
Eoin Dormer (ED)

Also present:

Aaron Bayle (AB) DSP
Marco Carlesso (note taker, secretariat)
Christine Lutz (secretariat)

Quorum: Quorum present – 7 members present (6 required for Quorum)

1.Conflict of interest:

No conflicts of interest were declared by the Pensions Council (PC) members and all members confirmed there were no relevant changes in circumstances to be reported.

2.Adoption of Agenda:

The Agenda was approved by the members.

3.Operational matters

The Chair asked AB to ensure that copies of the news articles mentioned in the briefing note prepared for the Council members are appended for ease of reference.

4. Minutes

The minutes for the January 2022 meeting were approved.

5. Developments in the pensions' environment

RB asked BK about developments in the pension's environment. The Regulator said that there are no new developments to note. The Chair then asked about the timescale of the Pensions Benefit Statement (PBS), enquiring also about any additional information that will be required compared with the Annual Benefit Statement (ABS). She noted providers need time to code their systems. BK replied that while no timescale was available, work was in progress. The PBS will contain two sets of projections, while the ABS must only contain one.

6. Strategic work in progress

Gender Pensions Gap

The Chair invited the Council members to discuss in depth the updates to the draft report on Gender Pensions Gap, following the January discussion. The Council stepped through the report and reached agreement on each section.

The Council discussed the use of robo-advice, enquiring if such a technology is present in the current Irish pensions landscape. BK replied that there appears to be no evidence of it, saying that it will fall under the Central Bank's remit. TH said that, while there is an extensive use of tools to support people, there is not yet robo-advice. The Council agreed the wording on robo-advice.

There was a further discussion about the possibility to include pensions in the syllabus for secondary school students in Transition Year.

The Pensions Council approved the content of the report, subject to the minor changes agreed during the discussion.

The Chair will circulate the updated final draft, incorporating changes and including an executive summary, during the following week. The report will be submitted to the Minister in early March.

ESRI Housing Research

BK and MD met with the ESRI. The work is progressing well. The ESRI will present to the Council at its April meeting.

Pensions Cost Transparency

MD stated that there has been significant progress made and that the report is at an advanced stage.

MD stated that the publication of costs is very useful but that there are some challenges as the advisory/distribution cost is often born by the member through charges.

In MD's opinion, the costs to be published should be simple enough to allow an easy comparison.

MD and BK agreed that a draft report will be ready to be shared with the other Council members in the March meeting.

Other work – Investment strategy for AE

The Chair then asked about the work on investment strategy for Auto Enrolment (AE) currently carried out by CD, JR and AB. JR said that the presentation provided by Denis Lyons of Aon at the January meeting and the following discussion helped clarify some issues. JR then stated that they have a draft report ready, but that they need more discussion around some topics, for example, about the range of choices that could be offered.

CD said that a “composite default” strategy was being considered, proposing the option of a combined scheme offered by all the providers involved in AE.

Another key topic to discuss will be the role of the Central Processing Authority (CPA) and the level of oversight, as it is not clear if there will be a fiduciary element to it. JR and CD agreed to present a draft report at the April meeting.

The Council agreed that the April meeting will have 45 minutes devoted to ESRI and another part of it will be devoted to the paper on the investment strategy for AE.

7. AOB

The Chair then talked about the strategic topics mentioned by the Minister in her March 2021 letter.

RB said that work on whole of life PRSA and decumulation is still needed. Volunteers for sub-groups will be requested at the April meeting.

Regarding Master Trust (MT) authorisation, RB asked CD to investigate if there any support is required from the Council. RB queried whether there was currently ongoing work done by the Pensions Authority in relation to MT authorisation and BK responded in the affirmative.

After a query made by TH regarding options for Central Bank’s interns to sit at a future Pensions Council meeting as observers, the Chair asked AB to check the terms of reference and investigate if the Council’s meetings are private or if external observers can be present. Subject to the terms, the Council confirmed it has no objection to Central Bank interns attending the April 2022 meeting.

The Chair then finalised the meeting by asking the Council members their opinion on returning to in-person meetings. It was agreed that the next two meetings will be held virtually and that in-person or hybrid meeting options will be discussed in due course.

8. Next Meeting

The next meeting is scheduled to be held virtually on 23 March 2022.

Action Items:

No.	Action Details	Person responsible	Date to be completed:
1	Amended Gender Pensions Gap report to be circulated and Executive report to be drafted	Chair	Before March meeting
2	Draft paper on cost transparency	BK, MD	Draft report paper to be presented at the March meeting
3	Investigate terms of reference of PC meetings	AB	March meeting
4	Draft paper on investment strategy for AE	CD, JR, AB	April meeting
5	ESRI Research paper	BK, MD	April meeting