



An Chomhairle Pinsean The Pensions Council

Minutes

Pensions Council Meeting

13 December 2023 @ 15:00

Venue: MS Teams

Council members in attendance:

Roma Burke (Chair) (RB)
Clare Dowling (CD)
Olive Gaughan (OG)
Brendan Kennedy (BK)
Ciara McLoughlin (CML)
Munro O'Dwyer (MD)
Tim O'Hanrahan (TH)
Joanne Roche (JR)

Council members apologies:

Andrew Condon (AC)
Deirdre Cummins (DC)
Stephen Gillick (SG)

Also present:

Aaron Bayle, Department of Social Protection (AB)
Marco Carlesso (note taker, secretariat)
Christine Lutz (secretariat)

Quorum: Quorum present – 8 members present (6 required for Quorum)

1. Welcome and introduction – Conflict of interest

The Chair noted that the Pensions Council maintains a Register of Interests. The Chair asked the Council members to consider any new potential conflicts of interest or other interests that have not yet been declared and none were declared. All members confirmed there were no relevant changes in circumstances to be reported.

2. Adoption of agenda

The agenda was adopted by the members.

3. Operational matters

AB updated the Council that the appointment of a new representative from the Department of Public Expenditure, NPD Delivery and Reform is in progress. TH informed the Council that due to an upcoming internal reorganisation in the Central Bank of Ireland (CBI) he expects that the CBI representative on the Council will change in 2024, subject to Ministerial approval.

4. Minutes and matters arising

The Council approved the minutes for the meetings of 18 September 2023, 26 September 2024, and 15 November 2023.

5. Developments in the pensions' environment

CD stated that work on AE is ongoing. DSP is currently engaging with a number of parties to establish eligibility and thresholds for the AE scheme. Work is also ongoing on a tender for pension administration services. TH enquired regarding AE's state top-up and the envisaged role of the Pensions Authority. CD stated that every member of the AE scheme will receive the state top-up in their account, which will be funded by the Exchequer, irrespective of the tax bracket of the saver. CD noted that the Pensions Authority will have an oversight role, along with the Oireachtas and the Office of the Comptroller & Auditor General. CML asked whether the AE scheme will be considered an IORP¹. CD replied that the AE scheme is not expected to be an IORP.

The Pensions Regulator (BK) informed the Council that the Pensions Authority (Authority) had just published guidance on the 2023 annual compliance statement and the supervisory review process (SRP) for 2024. BK stated that the Authority will start the SRP with master trusts, to then include other pension schemes in its focus. The Authority expects that in the long term, each scheme will undergo a SRP every three-five years, but this would require a significant reduction in the number of schemes. It is the Authority's intention to publish guidance on liability-driven investment (LDI), a summary of supervisory findings over 2023, and guidance for master trusts on continuity planning. BK noted that the Authority expects that trustees fully understand the implication of LDI investment and that a minimum level of liquidity is always maintained. TH noted that the CBI is expected to issue information on funds that have LDI exposure.

6. Strategic work in progress

6.1 Alternative AE proposal

The Chair stated the Council had received and reviewed in detail the final draft report prepared by Paragon Research Ltd. The Council agreed that the final report could be issued. Work had commenced on drafting a report which will set out the Council's views on the proposal. A broad discussion followed, with the members discussing

¹ [IORPs](#) are financial institutions that manage collective retirement schemes for employers to provide retirement benefits to their employees (i.e. pension scheme members and beneficiaries).

points such as the regulatory regime for AE, solvency requirements, property rights, competition law, investment strategies, choice available to the members, capital requirements, and consumer protection. Domestic and international examples were cited. Some Council members had engaged with the OECD in this regard and shared their insights gained.

The Chair thanked the Council for the robust discussion in which all members participated.

6.2 Retirement Living Standards

The Chair informed the Council that the evaluation committee (MD, OG, RB, and Colum Walsh from DSP) had made a recommendation to the Project Governance Committee as regards who was deemed to be the successful tenderer based on the criteria, and that their recommendation was accepted. AB informed the Council that there is currently a standstill period which would conclude on 4 January 2024.

6.3 Master Trust paper

MD informed the Council that work on this paper is ongoing.

7. AOB

OG suggested that the Council could consider looking into social prescribing as a future research project. The Chair thanked OG for her suggestion. It was agreed to discuss this further at a future meeting.

8. Next meeting

The Chair instructed the secretariat to schedule all Council meetings for 2024 as set out in the draft schedule. The next Council meeting is scheduled to be held remotely via MS Teams on Tuesday, 16 January 2024.

Action Items:

No.	Action Details	Person responsible	Date to be completed:
1	Circulate outline report on the alternative AE proposal.	Chair	Week beginning 18 December 2023.
2	Council members to provide feedback	All members	As soon as practicable.
3	Schedule all meetings for 2024.	Secretariat	Before end of 2023.