
PENSIONS COUNCIL

Meeting on Thursday, 27 April 2017 at 3.30pm
Verschoyle House, 28/30 Lower Mount Street, Dublin 2

Attendance: Jim Murray (Chairman)
Roma Burke
Marie Louise Delahunty
Kirstie Flynn
Anthony Gilhawley
Brendan Keenan
Helen McDonald
Sandra Rockett

Apologies: Peter Brazel
Brendan Kennedy
Sinead Ryan
Shane Whelan

Also present: Brian Purcell (Department of Social Protection)
Jenny Robinson (Secretariat)

Minutes

1. Adoption of agenda

The proposed agenda for the meeting was agreed.

2. Conflict of interest

No conflicts of interest were declared.

3. Approval of minutes

The minutes of the meeting held on 23rd March were approved, subject to the correction of an error under item 8.

4. To Do List from previous meeting

Circulate ESRI proposal on tax project

Helen McDonald circulated a note from Tim Callan of the ESRI to the Council in relation to using the SWITCH model to analyse alternative tax treatments of

pension contributions. Tim has kindly offered to complete the work contained in his note at no cost. Helen advised the Council that she and Shane Whelan met with Tim to discuss the project and that Shane is happy to proceed with the ESRI. On that basis, it was agreed to proceed with the ESRI proposal. A discussion ensued regarding the details surrounding the SWITCH model. The Chairman asked Anthony Gilhawley to prepare a note on the queries he had in relation to the assumptions the ESRI would use in their modelling. The Chairman also asked Shane, Roma Burke and Marie Louise Delahunty to decide on how best to progress the remaining parts of the project.

5. Provide Council with legislative timeline

Helen McDonald advised the Council that the Social Welfare Spring Bill, which includes details regarding the Private Members' Bills concerning DB pensions and debt on the employer, was debated at cabinet yesterday. The bill will be discussed at the Social Protection Joint Committee next week where they will decide if it should undergo pre-legislative scrutiny. Thereafter it would proceed to drafting and then be debated in the Seanad and the Dáil. Helen confirmed that she would send on details of the bill once she is in a position to do so.

6. Charges for ARFs and BOBs

The Chairman referred to his previously circulated note and asked the Council for their views on what to do next. Anthony Gilhawley asked could the Council explore the issue of examining the provision of a default investment strategy for ARFs. Anthony also mentioned the Pensions Authority's proposal for in-scheme drawdown and noted that employers may not want to retain liability over retired employees' pension assets. There was a discussion regarding Section 2 of the note and whether to tighten the liability rules on trustees. It was agreed that further thought is needed in this area. Anthony asked the Chairman to add the issue of conflicts of interest to Section 2 and another issue in relation to the fact that there is no regulation of ARFs or ARF v Annuity advice. There was broad agreement to change the references of "RIY" to "charges" as costs may be calculated differently in the future as a result of legislative changes.

Anthony was of the view that providers should be required to regularly review ARFs which may include re-presentation of the annuity option. There was also agreement that early encashment charges should be prohibited as they are anti-competitive. The chairman said he would try to re-draft the paper in light of the discussion.

7. Gender Working Group

The Council reviewed and discussed the memo provided by Sinead Ryan in relation to her meeting with Pete Lunn. A discussion ensued regarding whether the gender gap is a retirement income issue or more of an income gap issue due to time lost in the workforce as a result of rearing children. The Chairman confirmed that he would ask Sinead Ryan to proceed with the project proposal for the next meeting.

The Chairman confirmed that he will write to the Pensions Authority, Central Bank and CSO to see if there are any relevant details they can share or if the Council could collaborate with them in any way.

Roma Burke circulated a note at the meeting in relation the Homemakers' Scheme. Roma asked the Council if it is an issue the Council should bring to the Minister's attention on a general basis. Helen McDonald confirmed that the Department are well aware of this issue and that it had been explored extensively. There was a discussion regarding the particular details of the issue. Helen confirmed that she was happy to share all material the Department has in relation to this issue. The Chairman asked Kirstie Flynn and Sinead to bear the issue in mind in their work on gender issues.

8. AOB

The Chairman asked the Council whether they should reduce the quorum to six. There was broad agreement and the Chairman confirmed that he will prepare a note.

9. Next meeting

The next meeting will be held on Thursday, 18th May 2017 at 3.30pm at Verschoyle House.

10. To-do list

Comments for ESRI on tax project	RB, TG, All
Proceed with ESRI proposal	HM
Identify remaining research needs on tax.	All
Circulate heads of Social Welfare Spring Bill	HM
Proceed with gender project (Lunn), prepare formal proposal	SR

Ask other agencies (including PA) to keep us informed on research projects/results	JM
Prepare note on Unfair Commercial Practices	JM
Prepare new paper on ARFs/BOBs	JM
Prepare proposal to reduce quorum to six	JM
Prepare note on homemakers pensions	HM