
PENSIONS COUNCIL

Meeting on, Thursday 13 December at 3.00pm
Verschoyle House, 28/30 Lower Mount Street, Dublin 2

Attendance: Jim Murray (Chairman)
Kirstie Flynn
Roma Burke
Helen McDonald
Sinead Ryan
Conor McGinn
Brendan Kennedy

Apologies: Marie Louise Delahunty
Shane Whelan
Sandra Rockett
Brendan Keenan

Also present: Brian Purcell
Ailís Henry

Minutes

1. Adoption of agenda

There were no additional items added to the agenda.

2. No new conflict of interest

No new conflicts were declared.

3. Approval of draft minutes

The draft minutes of the meeting on 22 November were approved.

4. To Do List from previous meeting

Send note to Minister re Master Trusts and submissions to third party consultations.
Alice Kearns posted this letter to Minister on 12 December 2018.

Draft opinion on Master Trusts for Minister before next meeting

Kirstie Flynn and Roma Burke circulated their review of the Pensions Authority Consultation on the regulation of Defined Contribution Master Trusts, in advance on the meeting. Shane Whelan and Brendan Kennedy gave written comments via email.

Confirm date for meeting with Central Bank before next meeting

Jim Murray and Brian Purcell attended this meeting on 13 December 2018, further details in Agenda item 9.

Update on ESRI Gender Study

Sinead Ryan received an update from ESRI, discussed in further detail in Agenda item 6.

5. Meeting with Central Bank

Jim and Brian Purcell attended a meeting with Central Bank with four people who work in regulation and research. The discussion was cooperative and friendly and included issues of disclosure and capability of consumers. It was agreed that we should cooperate more closely, including a meeting at least once a year and ongoing exchange of information of research programmes, a process in which it would be useful if the CCPC could also be a part. The CCPC are carrying out research on consumer capability in handling financial decisions and Jim suggested that we should respond to that consultation.

6. Gender Study

Sinead Ryan provided an update on the gender research project. The draft of one of the three pieces of work is complete, dealing, inter alia, with 'why different genders make different financial decisions'. The other two drafts are due by the week of December 17th. Helen McDonald confirmed they would pay for this project provided there is proof the work is complete. Sinead Ryan suggested that the Pensions Council invite the ERSI to the January meeting to present the findings of the research. The council attendees agreed to this and Sinead will arrange this with the ERSI. Helen McDonald pointed out that Sinead Ryan and Brendan Kennedy should review this draft before the presentation to iron out any issues in advance. Sinead Ryan will communicate this with the ERSI.

7. Opinion on Master Trusts

Roma Burke and Kirstie Flynn circulated a draft of the Opinion on Master Trusts requested by the minister. In preparing the draft, they found it helpful to have seen copies of some of the submissions to the Authority's Consultation on the regulation of Defined Benefit Contribution/ Master Trusts. Shane Whelan sent comments on the draft opinion via email.

Roma began by outlining that they took a consumer approach to forming an opinion on this matter. The Pensions Authority allowed the access to the submissions to the consultation, which they both found very interesting to read the views and ideas from the various sources and noted the power of a consultation. Jim Murray briefly read down through the 13 short summaries and asked the council if they had any opinions or issues to raise on each item. Sinead Ryan questioned if there was any sense of the likely number of Master Trusts, i.e., how many are expected to be created, and how many members would be in them?

Brendan Kennedy explained how there are Master Trusts already in existence and the Pensions Authority would want them to conform to certain standards by mid-2019, it will be necessary for them to meet additional requirements post IORP II. There will be much higher governance obligations. Kirstie Flynn explained the situation in the UK as a bit like 'the wild west' and how Ireland will need to have regulations in place to avoid a similar situation. Brendan Kennedy also added that between ten and twenty-five Master Trusts would be enough to provide choice for people. Roma suggested she would rephrase the comments under Risk 3 in relation to conflicts of interest.

There was a discussion between the council members about viability issues surrounding Master Trusts, the importance of business plans and impacts for Trustees including their charges.

The issue of Benefit Statements was raised by Sinead Ryan. The Council noted that if an employer chooses a Master Trust, there should be a reporting channel for employees to contact directly if they have queries.

There was a long discussion over proposal 12 regarding the procedures that should be in place if a wind up were to occur, given the existing state support available in some cases of insolvency of DB schemes, and the guarantee scheme for bank deposits. Brendan Kennedy was in agreement with Shane Whelan's comments opposing state support in cases of insolvency of master trusts. It was agreed, however, that this was a subject that might be reviewed at some stage in the future. Roma and Kirstie agreed to reconsider and rephrase the funding of last resort piece.

The discussion came back around to Risk 3 and Roma agreed to take on Helen McDonald's comments to tweak the paragraph as a statement rather than a question.

Roma noted the suggestions and agreed to amend the draft opinion and then send it to Jim Murray for final tweaking before sending to Minister.

8. Auto Enrolment

There was a brief discussion on Auto Enrolment. Jim mentioned that the Minister might ask the Council do to some work on this in 2019. Sinead Ryan queried if

someone who was on long-term sick leave or maternity leave would have scope to pause payments or would their employer be obliged to pay a top- up.

9. Next Meeting – Thursday 17th January 2019 at 3:00pm.

The next scheduled meeting is on Thursday 17th January 2019 at 3:00pm at Verschoyle House.

10. To do list

Contact CBI/CCPC regarding research projects	JM
Send copy of Roadmap and Strawman to CBI meeting attendees	BP
Make changes to opinion on Master trust consultation piece	RB/KF/JM
Review Gender study drafts and meet with ESRI, invite to January meeting	SR