
PENSIONS COUNCIL

Meeting on Wednesday, 09 December at 3.00pm
Virtual meeting

Attendance: Jim Murray (Chair)
Joanne Roche
Tim O'Hanrahan
Munro O'Dwyer
Kirstie Flynn
Eoin Dormer
Roma Burke

Apologies: Brendan Kennedy
Roshin Sen
Stephen Gillick
Deirdre Cummins

Also present: Ailís Henry (Note taker)
Brian Purcell

Quorum: Quorum present
7 of 11 Council Members present (6 required)

Minutes

1. Adoption of agenda

The proposed agenda for this meeting was agreed.

2. Conflict of interest

No conflicts of interest were declared

3. Approval of draft minutes

The minutes of the meeting held on 18 November 2020 were approved by the Council.

4. Review of Recent Developments

Brian Purcell provided an update on the recent developments from the Department of Social Protection (DSP):

- The required amendment to primary legislation will be brought before the Oireachtas later this year as part of the Social Welfare Bill 2020 for enactment in advance of the 1st January 2021. This amendment will defer the State pension age increasing to 67, which had been set to take place on 1st January 2021.
- Work continues on IORP II, discussions ongoing with the Office of the Parliamentary Counsel. Brexit has caused some delays for the OPC and this has resulted slowed the transposition process.
- Auto enrolment will be introduced in a phased basis from 2022 which will take account of the impact of Covid-19 on employers and employees.

Roma Burke added that the Pension Commission members met with the Minister. The Commission expect to hold a variety of consultations and will seek opinions and presentations from relevant groups and organisations.

5. Work Programme - discussion on future work.

The Chair referred to future work document that was circulated to members in advance of the meeting.

1. Review of PRSAs in the context of both accumulation/saving and decumulation

It was suggested by Roma Burke and the Chair that at the next meeting in January, DSP and PRSA actuaries would each give 20 minute presentations to the Council, to provide council members with a better understanding of PRSAs.

2. Decumulation – general issues, review of ARFs, cost efficiency

Tim O’Hanrahan expanded on this and suggested it would be interesting to look at identifying potential options and simple decumulation products.

3. Opportunities for better regulation – lower cost, reduction of administrative burdens, cost benefit analysis for example security costs

Munro O’Dwyer suggested examining the benefits of regulations and legislation but not limiting it to cost benefits but more at how it adds value to those saving for retirement.

4. The situation of Older Pensioners

The Chair commented that from a preliminary search there does not seem to be much existing work on this area. Munro added that ARFs are now 20 years old, and there be value in looking at the data and experiences .Roma added it might be difficult to get data on ARFs and it would be within Central Bank’s jurisdiction. Roma also noted from an advisors perspective that it might be useful to look at how older pensioners should be classified. Brian Purcell added that he is not aware of any research being carried out on this topic in the department but he will check.

5. CPA, role and functioning; surveillance of investment strategies/providers

After discussion about the CPA, the Chair agreed it would be beneficial to continue this discussion if Roshin Sen could confirm and clarify the issue regarding the CPA at the next meeting. It was suggested if a short summary could be drafted up for the Council clarifying the issue it would enable the Council to look at specific areas.

6. Own initiative response to IDPTRG

Roma commented that this topic of work might tie into PRSA work. After the presentations about PRSAs at the next meeting it might help the Council set out some practical next steps in terms of work for the Council

7. Preparations for 2022 roll out of Automatic Enrolment.

There was a brief discussion about the rollout of Automatic enrolment and potential consequences for the industries that are most hit by the covid-19 pandemic.

8. Requests from the Minister or Department

The minister suggested a work item could be on the topic of the gender pension gap arising from supplementary pensions. Tim noted there were interesting papers and presentations at a recent Insurance Ireland conference, Tim will send two of the papers that he has to Brian and Roshin. Brian will check if Roshin has the third paper, and the three will be circulated to the Council for consideration.

9. Pensions Commission

It was noted that other areas of work may arise as a result of Pension Commission's consultations throughout the year.

6. Other Business

Central Bank Presentation

Tim O' Hanrahan, suggested to the Council that his colleagues could do a presentation on the Central Bank pension funds statistics which was welcomed by the Chair, and a date will be discussed for this presentation in the new year.

Next Meeting:

The next meeting of the Pensions Council will take place on Wednesday, 20 January 2021.

7. To-do list

Invite presenters (LCP and DSP)for PRSA presentation at next meeting	RB, BP,RS
Note for clarifying CPA issue	RS/BP
Circulate papers on gender pensions gap	BP