

APPROVED

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**An Coimisiún Pinsean
Pensions Commission**

**Terms of Reference, Principles and Procedures for
Members of the Commission**

Acceptance of Principles and Procedures for Members of the Pensions Commission

Member of Pensions Commission: _____

I confirm that:

I have read and agree to follow principles and procedures set out in this document.

Signed: _____

Date: _____

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Terms of Reference, Principles and Procedures, Pensions Commission

1. Introduction

The Pensions Commission was established in November 2020 under a Programme for Government commitment to

“examine sustainability and eligibility issues and outline options for the Government to address issues including qualifying age, contribution rates, total contributions and eligibility requirements”.

The Commission will report to Government by June 2021 and the Government will have six months to respond. As announced on Budget Day in October 2020, the planned increase in the State Pension Age to 67 in January 2021 will be deferred. This deferral will be provided for in the Social Welfare Budget Bill later this year.

The scope and remit of the Commission’s work is bound by the need to examine and make recommendations for the sustainability of State Pensions and the Social Insurance Fund. This is ambitious given the tight timeframes for its work and the complexity of issues to be examined.

The public policy and social issues in relation to funding a sustainable and adequate State pension system are complex. The Commission must be completely independent in its deliberations, and its work must be transparent, evidenced and unbiased. In addition, public perception of its independence and objectivity will be essential for the perceived legitimacy of its recommendations.

The purpose of this document is to propose principles and procedures that will assist Members in their vital role as collective champions of the Commission’s work in public and political fora, and support the timely, effective and collaborative achievement of the Commission’s ambitious Terms of Reference.

2. Terms of Reference

The Terms of Reference for the Commission, taking account of issues of cross-generational equity, are to:

1. Review the current State Pension arrangements in terms of scheme types (the State contributory and the State non-contributory pensions), eligibility criteria, and trends in numbers qualifying, levels of expenditure, and levels of social insurance contributions, taking account, where relevant, of socio-demographic characteristics (e.g. gender);
2. Review the projected changes in demographics, earnings and the labour market, and associated costs – examining information, data and analysis from various sources including the CSO, IFAC, Department of Finance studies, the Department of Public Expenditure & Reform, the Department of Social Protection, the Actuarial Review of the Social Insurance Fund, the EU and the OECD;

3. Review previous analyses of the State Pension arrangements and recommendations for changes including those set out in the National Pensions Framework 2010, the OECD Review of Pensions in Ireland 2013 and the Roadmap for Pensions Reform 2018;
4. Review the situation in other countries, the changes they have planned or legislated for and the approaches taken;
5. Seek views of recognised experts and representative/advocacy groups by inviting submissions and/or presentations;
6. Examine how private sector employment contracts specifying retirement ages below the State Pension Age may be impacting on the State's finances and pension system;
7. Consider how people who have provided long-term care for incapacitated dependents can be accommodated within the State pension system;
8. Develop a range of options for the Government to consider in order to address the sustainability of the state pension and the Social Insurance Fund in terms of pension age, eligibility criteria, contribution rates, pension calculation methods and pension payment rates; and
9. Submit a report on its work, findings, options and recommendations to the Minister by 30 June 2021.

It should be noted that as part of its remit in item 8 (pension calculation methods), the Commission will examine and consider options to meet the Programme for Government commitment to "Introduce a Total Contributions approach, aligning a person's contributory pension more closely with the contributions they make. This will include a provision for credited contributions, ensuring that people who take time off work to care for loved ones are not disadvantaged."

In order to support the Commission in its work the Department will assign a secretariat and arrange for relevant elements of the most recent Actuarial Review of the Social Insurance Fund to be updated.

3. Objectives

The objectives of this document are:

- to set out an agreed set of general principles
- to promote and maintain confidence and trust
- to set out procedures to ensure the Commission's work is conducted with integrity and that it adheres to accepted ethical, management and quality standards in all of its activities
- to guide the Chair and Members of the Commission in their deliberations
- to set out the roles and responsibilities of the Chair, Members and the Secretariat and Departmental observers
- to advise Members and the Chair if and when there are conflicts of interest or significant concerns arising that principles and procedures are not being followed appropriately

General Principles

The Commission's work should endeavour to follow the general principles set out below:

- ***Trust***
- ***Ethical***
- ***Respect***
- ***Equality and fairness***
- ***Confidentiality***
- ***Loyalty***
- ***Transparent and visible through the public dissemination of written material and outputs***
- ***Efficiency***

4. Collective Commitment of Commission and Commission Members

In the interests of Commission integrity, clarity and accountability, it is important that the work and decisions of the Commission are properly represented in any fora, debates, media etc. outside of the Commission.

In order to promote the independence and good standing of the Commission, the principle of collective commitment should operate in relation to the business of the Commission. Therefore, all Members are asked to abide by the decisions of the Commission and not to publicly adopt, promote or engage in a position, a view or a course of conduct which in the reasonable opinion of the Commission does not reflect the position, view or approach of the Commission as articulated in such decisions. This shall also apply in respect of social media sites.

Engagement with the media on behalf of the Commission will be through the Secretariat or the Chairperson only, as appropriate.

5. Role of the Chairperson

The Chairperson is responsible for leadership of the Commission and ensuring its effectiveness in all aspects of its role. She should set expectations regarding culture, diversity, values, and behaviours for the Commission and for the tone of discussions in meetings. To ensure consistency and continuity of oversight, good practice suggests that the Chairperson should continue in his/her role as chairperson for the duration of the Commission, in so far as this is practicable.

Responsibilities

Agenda: The Chairperson is responsible for the effective management of the Commission's agenda and ensuring that adequate time is available for discussion of all agenda items, in particular strategic issues. The Chairperson and the Secretariat should consult in advance of the Commission meeting to agree the agenda.

Openness and Debate: Essential to the effective functioning of the Commission is dialogue which is both constructive and challenging. The Chairperson should promote a culture of openness and debate by facilitating the effective contribution of all Commission Members. As appropriate, Government officials and others may be invited to attend meetings, to give presentations or to answer Members' questions.

Timely Information: The Secretariat is responsible for ensuring that the Commission receives accurate, timely and clear information. The Chairperson should ensure effective communication with all relevant stakeholders. The Secretariat will support the Commission in the exercise of its functions and will provide administrative and other supports to the Commission and to the Chairperson in carrying out his/her role.

Information flows: Under the direction of the Chairperson, the Secretariat will provide administrative support to ensure good information flow within the Commission, between the Commission and DSP officials and the Minister, and anyone else as appropriate.

Oireachtas Committee: The Chairperson may need to be available to the appropriate Oireachtas committee as required.

Decision-making in respect of principles and procedures: Recognising that the principles and procedures set out in this document are a guide for the Chair and Members, the Chair can decide to implement corrective procedures should significant concerns arise that principles and procedures are not being followed appropriately. These procedures may relate to resolving conflicts of interest, discussions with Members, discussions with the Minister for Social Protection, or any other procedures the Chair may deem important to maintain the independence and good standing of the Commission's work.

6. Role of Commission Members

- Members should endeavour to attend all meetings of the Commission.
- Members should not use their mobile phones in meetings unless there are urgent business matters (for which Members are requested to step out of the meeting).
- Members should seek to maximise their inputs into the Commission's work by allocating sufficient time before meetings to scrutinise papers and other written material.
- Commission Members are collectively responsible for the output of the Commission and no one individual should have unfettered powers of influence.
- Commission Members should bring an informed independent judgement to bear on issues and should contribute constructively to the delivery of the Terms of Reference and achievement of timelines.
- Commission Members are reminded that they have been nominated in their personal capacity and should not circulate any material, including documents, emails, draft reports, to any other person, including those within their organisation.
- Members undertake to keep all deliberations, materials and any other outputs of the Commission's work confidential and not for wider circulation until such time as the Chair decides to put these in the public domain. This also includes exercising care in the storage of mail, documents, and the disposal of records either electronic or paper.

Confirmation of Appointment: The Minister will issue to each new Commission Member a letter including but not limited to the following:

- Role of the Commission and that of a Commission Member
- Duration of appointment and renewal provisions
- The time commitment involved

Non-disclosure of information: Members should note the non-disclosure of privileged or confidential information does not cease when Commission Membership has ended.

Document Retention: Members should return or dispose of all Commission documentation once the Commission's report is in the public domain. The Secretariat will keep a repository of documents that can be made available to Members if needed.

7. Role of the Secretariat

The Secretariat will provide all administrative, logistical and other supports to the Commission to enable its timely, effective and efficient deliberations.

Responsibilities

- *Logistical support:* Including organising meetings and venues/virtual meeting links, circulating documents to Members one week in advance, organising logistics for consultations, organising presenters.
- *Administrative support:* With Chair, drawing up agendas, taking minutes of meetings, maintaining website, records management, data protection controls as needed, naming conventions, and any other protocols and mechanisms as decided to facilitate the Commission's work.
- *Communications support:* Establishing communications channels and issuing preferred forms of communications, liaising between the Chair, Members, DSP senior officials, the Minister, and other stakeholders as appropriate. Handling media queries, press releases, etc.
- *Technical support:* Drafting working papers, reports and other outputs for the Commission's deliberations. Organising technical advice, output or other supports as required from relevant organisations and Departments. Sourcing external services for research and analysis if required.
- *Parliamentary and related support:* Answering PQs, Representations, FOI Requests routine media queries and any such related matters.

8. Conflicts of Interest

In the interests of proper standards of conduct, the activities of the Commission must always be conducted in an objective manner and be seen to be so conducted.