



An tÚdarás Pinsean
The Pensions Authority

THE PENSIONS AUTHORITY STATEMENT OF STRATEGY 2025 TO 2029

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INTRODUCTION

The Pensions Authority's Statement of Strategy 2025 to 2029 sets out our vision, mission and values and the strategic objectives and high-level strategies that will underpin our work programme for the next five years.

The statement of strategy is divided into five main sections:

Section 1: our vision, mission and values

Our vision defines our long-term ambition for occupational pensions¹. Our mission sets out the activities and roles we will undertake to further our vision. Our values are the principles we adopt in delivering this strategy.

Section 2: the operating context

Our strategy is a reflection of and a response to the environment in which we operate and the organisational strengths and challenges of the Authority: the most relevant factors are summarised in this section.

Section 3: strategic objectives and enablers

This section sets out what we want to achieve and undertake to advance our vision and fulfil our mission during the term of the strategy, and what enablers are needed to achieve this. We have included some high-level indicators and outcomes which will be used to identify and measure progress in each area of activity. These may be added to over the course of the strategy.

Section 4: culture statement

The culture statement sets out the kind of workplace we want to create to assist the organisation in achieving the objectives of the strategy.

Section 5: Our commitment to equality and human rights

Strategy implementation and review

The strategy statement sets out our priorities for the duration of the strategy and where we will deploy our resources. Our annual business planning process and our annual output statements and KPIs will be drawn up to align to this statement of strategy.

Each year, we will monitor our progress towards achieving our vision, mission, and objectives. The Executive will conduct an annual horizon scan throughout the lifetime of the strategy to ensure visibility on changes to the operating context and any impact that may have on the strategy.

A mid-term review of the strategy will be undertaken in 2027 to determine whether it remains relevant. A particular focus of that review will be to determine whether our oversight of occupational pension schemes is still appropriate in light of scheme number consolidation.

¹ The term "occupational pensions" includes PRSAs and trust RAC schemes.

SECTION 1 – VISION, MISSION, AND VALUES OF THE PENSIONS AUTHORITY

Our vision

A pensions system where retirement savings are secure, well-managed, cost-efficient and easily understood, and which encourages pensions savings.

Our mission

1. To oversee and supervise pension schemes and Personal Retirement Savings Accounts (PRSAs) effectively and efficiently to ensure the best outcomes for pension scheme members and thereby foster public confidence in pensions.
2. To provide information to the public through the publication of general guidance and information.
3. To provide expert advice to the Minister for Social Protection and to the Government on pension matters.

Our values

Public interest – we act in the interests of pension scheme members, prospective members and beneficiaries and PRSA contributors, with respect to their pension rights.

Professionalism – we carry out our work with skill, expertise, good judgement, and respect.

Integrity – we act honestly and ethically and are committed to accountability and transparency.

Effectiveness – we apply our efforts where they will have the greatest impact on member outcomes.

Efficiency – we are focussed on cost-effective operations and regulation.

Responsiveness – we adapt as circumstances change to meet our objectives.

Independence – we act objectively and impartially in carrying out our functions.

SECTION 2 – THE OPERATING CONTEXT

The key challenges and opportunities in our operating environment are:

Economic and fiscal context

Recent years have provided pension savings with a combination of good returns from equity markets and increased long term interest rates. The result has been good overall investment returns and, for defined benefit schemes, significant improvements in scheme solvency. However, high inflation in the past few years has impacted the value of these returns. In the immediate future, inflation is likely to be lower and interest rates are expected to reduce.

The policy context

The new Programme for Government was taken into account in the formulation of the strategy. The State Pension is and will continue to be the fundamental element of retirement provision. However, many people who wish to maintain their standard of living in retirement will need to have supplementary pensions savings in addition to the State Pension. This underlines the importance of having a properly regulated pensions system in which pension savers have confidence.

The development of an automatic enrolment pensions scheme is at an advanced stage. The legislative basis for auto-enrolment has been enacted, and it is scheduled to begin operations in 2026.

The supervisory context

The IORP II directive was transposed into Irish law in April 2021, and all group schemes must comply with the revised Pensions Act requirements. The directive also placed an obligation on the Pensions Authority to supervise on a forward-looking risk basis (FLRBS). One-member arrangements (OMAs) established before 21 April 2021 have a five-year derogation period until April 2026 to comply with the new regulations.

Because of the additional obligations and costs imposed on scheme trustees as a result of the transposition, considerable numbers of funded pension schemes have already transferred into master trusts. The Pensions Authority expects that eventually most, if not all, OMAs and small and medium sized group defined contribution schemes will migrate to PRSAs or Master Trusts (MTs).

Other regulatory changes will bring more complexity

to the role of trustees. The EU's Digital Operational Resilience Act (DORA) will strengthen financial institutions' cyber security resilience. This will be helpful towards good member outcomes, but many trustees of smaller pensions may struggle to conform to DORA in a cost-effective manner.

Similarly, the EU's Sustainable Finance Disclosure Regulation (SFDR) means that trustees must give consideration to the sustainability of the underlying investments in a pension fund, and also introduces a broad range of disclosure requirements relating to how these decisions were made.

The Authority believes that DORA and SFDR will further drive consolidation in the pensions arena as the new obligations made on trustees and providers will impose significant new reporting and technical requirements on them.

The role of the Pensions Authority

The Pensions Authority's most important role is the supervision of scheme trustees and PRSAs. The obligations on scheme trustees are considerably more demanding and complex than they have been before, and the supervisory and regulatory role of the Pensions Authority has accordingly become more challenging and extensive, including continuing to embed FLRBS in all supervisory activity. This complexity is likely to increase further as a result of changes to the financial environment and new obligations originating in the EU.

SECTION 3 – STRATEGIC OBJECTIVES AND ENABLERS

The table below sets out our objectives and the activities we will undertake to achieve them. These activities are underpinned by the following assumptions:

- All pension savers should be entitled to a high level of protection, which should not differ significantly between the different types of pension provision.
- Good outcomes for pension savers are best achieved not just by supervision of current or past compliance, but also by addressing potential future risks to member interests, which requires a system of forward-looking risk-based supervision.
- Pensions supervision must be supported by high quality communications to pension savers, which requires work by the Pensions Authority on its own and in cooperation with other relevant bodies.

Strategic objectives	Key outcomes	High-level strategies	High-level indicators
1. The Irish pensions system will comprise stable and sound occupational pensions and PRSAs that are well managed to appropriately high standards	<ul style="list-style-type: none"> • Good member outcomes for members of pension schemes and PRSA contributors • Compliant pension schemes • Compliant PRSA operations 	<ul style="list-style-type: none"> • Conduct an annual assessment of risk appetite and conduct an annual risk assessment of the market to inform FLRBS activity • Set out a roadmap for FLRBS and consolidation to accompany the strategy • Apply forward-looking risk-based supervision • Address non-compliance effectively in a proportionate and consistent manner • Where appropriate seek legislative change to make our oversight and supervision more effective • Periodic audits and engagements of compliance with payment of benefits and disclosure obligations of Section 52 (public sector) schemes • Clear guidance on trustee and PRSA provider obligations and best practice 	<ul style="list-style-type: none"> • Level of FLRBS activity and number of SRPs undertaken and their outcomes • Qualitative assessment of scheme annual compliance returns • Qualitative assessment of PRSA provider annual compliance reports • Periodic surveys of trustee and PRSA provider understanding
2. The Pensions Authority will encourage, facilitate and, where possible, direct further consolidation of DC pension schemes	<ul style="list-style-type: none"> • Good member outcomes for members of DC schemes • Ability for the Authority to appropriately supervise a consolidated DC market 	<ul style="list-style-type: none"> • Engagement with the trustees and providers of DC schemes • Detailed data requests to identify DC schemes with no trustees/ employers and schemes with no assets 	<ul style="list-style-type: none"> • Rate of consolidation • Increased data on DC schemes to inform the Authority's response to consolidation

Strategic objectives	Key outcomes	High-level strategies	High-level indicators
3. The Pensions Authority will be well known as an accessible, relevant, and practical source of information for the public, members, contributors, beneficiaries, and the pensions sector	<ul style="list-style-type: none"> • Our information services are used by the pensions sector and by the public • Our information is relevant, reliable, and understandable 	<ul style="list-style-type: none"> • Promote the availability of Pensions Authority information • Make available high-quality and easily accessible information and materials • Provide a high-quality enquiry service for members of the public and the pensions sector 	<ul style="list-style-type: none"> • Website and enquiries usage rates • User surveys
4. The Pensions Authority will be a valuable source of expert advice to the Minister for Social Protection and to the Government on pension matters	<ul style="list-style-type: none"> • Pensions Authority advice is clearly articulated, and Government policy is properly informed 	<ul style="list-style-type: none"> • Advise Government on pension issues and provide expertise and guidance on pensions as required • Conduct research and data analysis to inform our policy function and advice 	<ul style="list-style-type: none"> • Assessment by Authority members • Assessment by our parent department and other relevant Government Departments and agencies.
5. The Pensions Authority will report annually on the operation of the National Automatic Enrolment Retirement Savings Authority (NAERSA).	<ul style="list-style-type: none"> • Good member outcomes for participants in the auto-enrolment system • NAERSA achieves high standards of governance 	<ul style="list-style-type: none"> • Apply forward-looking risk-based supervision to prepare the supervisory report to be sent to the Minister for Social Protection 	<ul style="list-style-type: none"> • Quality of the annual report to the Minister

Enablers	Key outcomes	High-level strategies	High-level indicators
Enabler 1 Staff skills and knowledge	<ul style="list-style-type: none"> Minimised key person risk 	<ul style="list-style-type: none"> Address organisational skills needs through staff reallocation and training Staff training and development – technical and personal Good performance management 	<ul style="list-style-type: none"> Skills needs assessments Periodic assessment of key person risk
Enabler 2 Work planning and processes	<ul style="list-style-type: none"> Efficient use of finite resources Collaborative systems and work practices to facilitate a hybrid working environment 	<ul style="list-style-type: none"> Deploy project management processes throughout the organisation Apply change management processes to appropriate projects Maximise the role of IT and data in supervision support 	<ul style="list-style-type: none"> Annual assessment of project and change management effectiveness
Enabler 3 High quality IT systems	<ul style="list-style-type: none"> High quality, flexible and intuitive software for pensions data collection and supervision Repetitive manual processes minimised Reliable, secure and robust systems 	<ul style="list-style-type: none"> Build and maintain internal expertise so that new pensions software can be built and maintained in-house as far as possible Consult users of our software, both internally and externally, about planned changes to our systems 	<ul style="list-style-type: none"> Periodic IT performance and security audit
Enabler 4 Relevant, reliable, accessible and timely data	<ul style="list-style-type: none"> Accurate and timely data Assessment of risk in schemes is supported by high quality data 	<ul style="list-style-type: none"> Implement a strategy to address data requirements and expectations 	<ul style="list-style-type: none"> Progress versus data strategy milestones
Enabler 5 Robust corporate governance and controls	<ul style="list-style-type: none"> Public confidence in how the Pensions Authority is managed. 	<ul style="list-style-type: none"> Full compliance with the Code of Practice for State Bodies and with all statutory obligations 	<ul style="list-style-type: none"> Internal and external audit findings

SECTION 4 – PENSIONS AUTHORITY CULTURE STATEMENT

To achieve the Pensions Authority's vision and mission, the organisation and each of us must be good at what we do, and we must act in accordance with our organisation's values in carrying out our role. We will strive to shape the culture and to align it with achieving the goals that are set out in this strategy. Our values are: the public interest, professionalism, integrity, independence, effectiveness, efficiency and responsiveness. Our aim is that the public and our Authority colleagues will find us to be knowledgeable, efficient, reliable, sensible, and clear. We also want the Pensions Authority to be an attractive place to work.

To achieve this, we will:

- work together and support each other;
- encourage contributions from everyone – we will respectfully listen to different views and always aim to be open-minded;
- keep our promises and meet our commitments;
- provide and encourage staff development and training, for the benefit of the Pensions Authority staff; and
- encourage and support each other to maintain an appropriate work-life balance.

All of us have a part to play in making this happen. We expect everyone to contribute to an inclusive and respectful work culture and to play their part in the important work of the Authority.

SECTION 5 – OUR COMMITMENT TO EQUALITY AND HUMAN RIGHTS

The Pensions Authority is committed to delivering our Public Sector Equality and Human Rights duty to eliminate discrimination, to promote equality of opportunity and to protect the human rights of those we deal with and the staff who work here.

Our staff and those who use our services are treated with dignity and respect, and we recognise the enrichment brought by our diversity. We will continue to encourage a culture of participation and inclusion in our workplace by engaging where relevant and appropriate with both internal and external stakeholders on matters relating to Human Rights and Diversity, Equality and Inclusion.

We will deliver on our Public Sector Duty – by assessing, addressing and reporting on our efforts in our Annual Reports and on our website.

