

In Confidence

Minutes of a meeting of the Public Sector Pensions Authority (PSPA) on 11 February 2015 at 16.00 in the PSPA Meeting Room, Goldie House, Douglas.

Present: PSPA

Mr J Carter (Chairman)

Hon C R Robertshaw, MHK (Vice Chairman)

Mr E Holmes

Mr T P Wild, MLC

In Attendance: Mr I T Murray

Mr I Burnett (Secretary)

Apologies: Mr K Flint

Minute Minute

Conflicts of Interest

There were no conflicts of interest declared.

11/15 Appointment of GAD in respect of the Tynwald Motion

The Board considered a draft notice to Trade Union representatives regarding the December Tynwald motion which requires the PSPA to appoint a suitable person or persons to validate the Hymans Robertson figures contained in the Working Group report, and the PSPA's recommendation that the Government Actuary's Department (GAD) perform this work. The purpose of the draft notice was to seek the Unions' views with respect to this proposed appointment.

The Board was aware of a report regarding the Ci65 review and that the report contained worked carried out by GAD and another firm of actuaries, Mercers, and that the results set out in the report showed that each set of actuaries had reached different conclusions.

The Chief Executive highlighted that the differences were due to different assumptions being used by both sets of actuaries, which was not uncommon, and that this was summarised within the report, with a more detailed explanation set out as an annex to the report. It was also noted that the annex showed that different data had also been used by both sets of actuaries, which would lead to different conclusions being reached. Finally the Board noted that the report concluded that both firms of actuaries were making predictions based upon a number of assumptions, but that ultimately experience may prove that neither of their forecasts would come to fruition.

After due consideration the Board concluded that it was content for the memorandum to be issued to trade unions and, subject to the feedback received, that GAD should be appointed to carry out this work.

The meeting closed at 16:40