

In Confidence

Minutes of a meeting of the Public Sector Pensions Authority (PSPA) on 18 September 2015 at 09:30 in the PSPA Meeting Room, Goldie House, Douglas.

Present: PSPA

Mr J Carter (Chair)
Mr J P Shimmin, MHK (Vice Chair)
Mr E Holmes

In Attendance: Mr I T Murray

Mr I W C Burnett (Secretary)
Ms K C Brondon

Apologies: Mr T P Wild, MLC

Minute No

44/15 Board Membership

Board Members expressed their sadness at the untimely passing of their fellow Board Member, Karl Flint.

The Board wished to place on record its recognition of the contribution he had made to the work of PSPA and as well as to the wider Isle of Man Public Service.

The Board noted that as appointments to the PSPA Board were made by the Council of Ministers, Cabinet Office had confirmed that the usual protocol in such circumstances was to wait for the funeral to take place before commencing the appointment process.

Cabinet Office had requested that the PSPA Board confirm that it was content to continue to progress business whilst being one Board Member short. The Board confirmed that it was content to do so.

The Vice Chair informed the Board, that as the appointment to the vacant Board position was one made by COMIN, he would absent himself from any discussion held within, or decision made by, COMIN regarding the appointment.

45/15 Conflicts of Interest

Mr Shimmin declared that as a former Teacher and deferred member of the Teachers' Pension Scheme he had a conflict in relation to the agenda item concerning the Teachers' Pension Scheme. The remainder of the Board noted his position, but concluded his input would be valuable for the specific agenda item relating to Teachers Pensions.

46/15 Board Training

The Board considered that as it was one Member short, and Mr Wild was absent, it may be prudent to postpone the planned training session.

After further consideration the Board agreed that the previously agreed training programme should be postponed until such time as all the Board positions were filled.

47/15 Minutes

The minutes of the meeting of 28 July 2015 were approved and signed by the Chairman.

48/15 Matters Arising

The Vice Chairman congratulated the Executive on the layout of the PSPA Board Meeting agenda and in particular in relation to Matters Arising. The Vice Chairman explained he found this useful and avoided having to sift through previous minutes to identify relevant items.

The Vice Chairman suggested the Executive may wish to share this approach with other areas of Government such as Cabinet Office.

X

Minute not Published.

Tynwald Members Scheme

The Board noted that the Executive had met with a number of individual members of the Scheme on a one to one basis, all of whom had accepted the proposals. It was noted that the Executive had been invited to meet with the Emoluments Committee in order to discuss the proposals further.

Isle of Man Government Unified Scheme (Amendment) Scheme 2015

It was agreed that this should be placed on the order paper for the October 2015 sitting of Tynwald. The Executive confirmed it would prepare a briefing paper for the Vice Chairman.

49/15 Risk register review

The Risk Register was reviewed and the changes that had been made since the previous meeting of the Board were noted.

50/15 Quarterly Performance Report – Quarter 1, 2015/16

The Board considered the Quarterly Performance Report for the first quarter of 2015/16 ending June 2015 and received a verbal briefing summarising the key points in the report from the Director, Operations.

The Board sought clarification as to whether these reports were published and it was agreed that a version of these reports should be published on the PSPA website. It was agreed these should also be submitted to the Council of Ministers for information on a quarterly basis.

51/15 Proposals for Teachers' Pension Reforms 2015

The Board considered a Memorandum dated 3 September and received a verbal update from the Director of Operations regarding proposals for reforms to the Teachers' Pension Scheme.

The Board noted the response which had been received from the Teaching Unions and in particular, the proposal that all new Teachers be allowed to join the Protected Section of GUS. The Board also noted the Department's concerns over the impact the PSPA's proposals may have upon recruitment of new Teachers.

The Board noted that the PSPA proposals included, in the case of difficult to fill posts, the facility for the Department to be able to offer Protected Membership to a prospective new entrant who is seeking similar pension terms to those they had in the UK Scheme, on a case by case basis, but in exchange for higher employer and

employee contributions.

However, in relation to the proposal put forward by the Teaching Unions, the Board determined that it could not agree to all new teachers being offered protected status in GUS as of right.

The Board requested that its decision be communicated to the Teaching Unions and the Department for further discussion.

52/15 Public Sector Pensions Reform – Proposals for Police Pensions Regulations

The Board considered a memorandum, dated 7 September, and received a verbal update from the Deputy Chief Executive regarding proposals for reforms to the Police Pension Regulations.

The Board considered a draft proposal and options document which it was recommended would form the basis of initial discussions with the Department and Police Representatives.

After due consideration the Board approved the proposals set out in the Paper and options document, and agreed that the draft document be forwarded and discussed with members of the Police Joint Consultative Committee at the earliest opportunity.

43/15 Public Sector Pensions Committee

The Board received a verbal update from the Chief Executive in respect of the work of the Committee and noted that the report from First Actuarial had been received. The Board noted that the report supported the assumptions and work carried out by Hymans in relation to the original Working Group Report published in December 2014. The Board noted that the report supported the proposed changes made in the Working Group Report.

The Board considered that as it had taken some time for the First Actuarial Report to be received that the deadline for reporting back to Tynwald in February 2016 would be tight. The Board expressed its concern that if this deadline was not met there may be a perception that there was a lack of urgency from the PSPA to progress matters. The Board therefore considered that work needed to be progressed in a timely manner, and in particular focusing on the recommendations made in the Working Group report. The Board noted that these were to be discussed by the Committee's Technical Sub-Committee ahead of the October meeting of the Pensions Committee.

Date of next meeting

The Board agreed the next meeting would take place on Monday 12 October 2015 starting at 09:30 am.

The meeting closed at 11:10