

## **In Confidence**

Minutes of a meeting of the Public Sector Pensions Authority (PSPA) on 3 April 2019 in the PSPA Meeting Room, Prospect House, Douglas

**Present:**                   **PSPA**  
Mr J B Carter, (Chairman)  
Hon C C Thomas, MHK (Vice Chairman)  
Mrs J Poole-Wilson MLC  
Mrs D Halsall  
Mr I Wright

**In Attendance:**       Mr I T Murray  
Mr I W C Burnett, (Secretary)  
Ms K C Brondon

**Apologies:**               Mrs J Mooney

**Minute No.   Minute**

**17/19           Conflicts of Interest**

There were no conflicts of interest declared in addition to those previously recorded.

**18/19           Minutes**

The minutes of the meeting of 11 March 2019 were approved and signed by the Chairman.

### **Matters Arising**

**08/19** Public Sector Pensions Reform

The Board noted the outcome of the Tynwald debate regarding the report entitled "*Public Sector Pensions - Legacy Funding Update: A Second Cabinet Office Report*". The Board noted that the agreed Tynwald motion committed the PSPA to a number of deliverables, including the establishment of a voluntary Defined Contribution pension scheme by 31 December 2020.

The Executive advised that it was in the process of determining what work would be required in order to deliver the requirements of the Motion.

The Board considered that the debate on the report had been a very full one with many well-reasoned points of view being expressed during its course.

**09/19** Isle of Man Government Unified Scheme 2011 (GUS) – cost sharing

The Executive confirmed that the consultation process with regards to Public Sector Pension Cost Sharing would commence on the three potential approaches within the next week. The Board noted that the proposals would be shared with the Trade Union Technical Advisory Group ahead of the consultation.

The Board noted that the Executive proposed to deliver a Tynwald Member workshop on Cost Sharing ahead of the commencement of the consultation.

## **19/19 Risk Register Review**

The Board considered and noted the contents of the Risk Register.

The Board noted in relation to Risk 2 – Loss of Key Members of Staff – that the Finance Manager remained on long term absence and that in the coming weeks there maybe a number of other staff moves. The Executive advised that these had been factored into the PSPA’s future strategy report.

## **20/19 PSPA Board: Governance Review**

The Board considered a memorandum, dated 19 March 2019, from the Chief Executive seeking the Board’s agreement to a review the Governance and training requirements of the PSPA Board in line with the Report entitled “Review and Consideration of Future Challenges for the PSPA” and current PSPA Governance Statement.

The Board noted that there had been an increase of focus on Governance Issues within the UK public sector pensions, and that on the Isle of Man it was one of the key aspects relating to the proposals for the Post Office Pension Scheme.

The Board agreed that Scheme Governance should be ‘embraced’ and after due consideration:

- (a) Approved the formation of a sub-group, on an ad hoc working group basis, made up of three Board representatives along with two members of the Executive;
- (b) Approved the sub-group attending a half-day workshop to progress this matter, this being stage 1 of the review process;
- (c) Approve the appointment of Buck to assist with stage 1;
- (d) Thereafter, approved the retention of the services of Buck, if required, to complete the review process, subject to future costs and work being approved by the Executive.

## **21/19 Public Sector Pensions – Reform**

Public Sector Pensions Bill – The Board noted that in line with the Council of Minister’s Legislative Committee the PSPA had commenced consultation upon and amendment Bill to the Public Sector Pensions Act 2011. It was noted that the proposed amendments included:

- changes to how schemes for members of the Judiciary are to be made, with a view to mirror those arrangements in place under the Act for the majority of Public Servants. (Section 3);
- changes to the provision for making Schemes so that the definition of Schemes includes Pension Regulations and Orders; (Sections 4 & 6); and
- Changes to the Tynwald procedures so that any amending legislation which makes only administrative changes to Schemes (as opposed to changes to accruals, benefits or contribution levels) should be required to be laid before Tynwald and therefore subject to a “negative resolution” (Section 15).

The Board noted this consultation was set to close on 17 May 2019.

Teachers’ Pension Scheme – the Board noted that at a recent meeting held with the Teaching Unions concern had been raised by the Unions

about the outcome of the Tynwald Debate on the Cabinet Office report, and in particular about the introduction of a Defined Contribution Scheme. The Unions had proposed that a Working Group be established and that Teaching Unions would be part of that Group.

The Board noted the Unions view, but given that the future work emanating from the Tynwald motion was still under consideration by the Executive it was too early to determine what form joint working with the Unions would take.

Judicial Pension Scheme – The Board noted that the Executive was awaiting a final draft of the Judicial Pension (Amendment) Scheme from the drafter in the Attorney General’s chambers.

**22/19**

**Any Other Business**

Retained Firefighters - The Board noted that a letter had been received from the Fire Brigades Union regarding Retained Firefighters joining the Unified Scheme. The Executive advised that this was a long standing issue, which was currently with the Department of Home Affairs, as the Employing Authority, for consideration as to how it wished to progress. The Executive advised it was due to meet with the Department in the near future to discuss the matter further and would update the Board of the outcome of those discussions at the next Board meeting.

Contribution figures on Pay Slips – A concern was raised by a Member of the Board that the new Government Payslips contained incorrect information relating to Pension Contributions. The Executive advised that it was in discussion with colleagues from the Pay Roll Department and would update the Board further at its next meeting.

**Date of Next Meeting**

The next meeting will be held on Monday 20 May 2019 commencing at 09.00.

**There being no other business the meeting closed at 11.25.**

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\_\_\_\_\_ **Date**