

In Confidence

Minutes of a meeting of the Public Sector Pensions Authority (PSPA) held via MS Teams, at 2.30 pm on 12 April 2021.

Present:

PSPA

Mr R Harmer, MHK (Vice Chairman)

Mrs J Poole-Wilson MLC

Mr I Wright

Mrs D Halsall

In Attendance:

Mr I T Murray

Ms K C Brondon

Mrs M Ludwig-Looney (Secretary)

Apologies:

Mr J B Carter (Chairman)

Minute No.

Minute

15/21

Conflicts of Interest

Mr R Harmer and Mrs J Poole-Wilson both declared a conflict of interest in respect of Item 7 on the Agenda

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

16/21

Minutes

The minutes of the meeting held on 8 March 2021 were approved and arrangements would be made to have them signed outside of the meeting by the Chair.

Matters Arisingi. VDC Update (minutes 89/20 and 03/21 ii. refer)

The Deputy Chief Executive provided the Board with a verbal update in respect of the matter; the Board noted that the matter remained with Treasury, primarily due to the fact that issues relating to the recent Budget and the COVID 19 situation were taking priority.

ii. Fees Order Update (minute 08/21 refers)

The Deputy Chief Executive provided the Board with a verbal update on this matter. The Board noted that the PSPA was advised by the Attorney General's Chambers that the primary legislation which the original PSPA Fees Order 2014 was based on (namely Fees and Duties Act 1989) has been repealed on 1.01.2018 and consequently the PSPA cannot make an amendment to the existing Order which would have fallen away. As a result the PSPA is required to redraft the Order on the enabling legislation - The Fees and Duties provisions in the sections 81/82 of the Interpretation Act 2015.

iii. Unpaid OML Update (minute 09/21 refers)

The Deputy Chief Executive provided a verbal update on this matter. The Board noted that the matter has now been referred to OHR and as yet there was no feedback received.

iv. Administration Issues update (minutes 97/20, 84/20, 78/20 and 11/21 refer)

The Board was given a verbal update on the matter by the Deputy Chief Executive. The Board noted that there are still significant delays in both the delivery and quality of data by OHR, despite having Service Level Agreements in place for some of the types of data (Starter and Leaver Processes). The DCE informed the Board that the Senior Management has come to a conclusion that it will now endeavour to make the best use of the data that is available to PSPA. The emphasis has therefore now switched onto considering what resources the PSPA requires to be able to fulfil its Statutory Duties. The DCE pointed out to the Board that the Statutory Duties directly

only apply to the PSPA and that there are no Statutory Obligations for OHR in respect of the data provision to the PSPA.

The Board noted that the Chief Executive and the Data and Systems Manager is meeting the Director of HR Services on 16.04.2021 to discuss the latest issues.

The Chief Executive highlighted to the Board that the Monthly Financial Information is of a particular concern to the PSPA as if this does not resolve the current data problems then this will leave the PSPA in a similar position having to rely upon manually produced data with the potential for ongoing inaccuracies and a requirement for additional resources. The Chief Executive expressed a view that up until recently, the PSPA was confident that this matter would be moving forward having OHR's Senior Staff support, but there are particular aspects of the agreement that have failed and this will be discussed at the forthcoming meeting.

The Board, after some discussion, agreed that this matter should now be escalated to the OHR Executive Director – [REDACTED] and that the possibility of creating a Statutory Obligation for the provision of data by OHR should be explored if the matter was not satisfactorily resolved.

18/21

Presentation on Triennial Actuarial Valuation 2019

[REDACTED] from Hymans Robertson LLP joined the meeting at 3.00pm.

The Chief Executive introduced them to the Board and proceeded to initiate the presentation with a brief update on the work involved in producing the latest Triennial Valuation and the actions required to finalise the results.

The Board was presented with the pre-retirement demographic assumptions paper and with the results of the 2019 Actuarial Valuation. [REDACTED] gave an overview on the Data and Assumptions part of the Valuation and [REDACTED] talked about the results of the Valuation and the cashflow projections for the future.

Hymans Robertson LLP's representatives left at 4PM and the Board approved the results and agreed that the next steps should be for the PSPA to review the data report to be prepared by Hymans Robertson and if that looked as expected, a valuation report would be finalised (which could then be discussed with the trade unions) along with finalising the accounting statements for the 2019 accounts.

19/21

Baseline Cost Sharing Valuation and other Demographic Assumptions

The Board considered an updated paper received from the Chief Executive (CE) (PSPA Paper No. 08/21) with regard to the revised pre-retirement ill health demographic assumptions to be used for the 2016 baseline Cost Sharing Valuations following a further review by Hymans Robertson LLP.

The Board was content to adopt the revised Cost Envelope demographic assumptions from the 2013 valuations for the 2016 baseline Cost Sharing valuations for the Government Unified and Teachers' Schemes and for the demographic assumptions papers to be shared with the trade unions as previously requested.

20/21

Isle of Man Government Unified Scheme (Amendment) Scheme 2021

Mrs J Poole-Wilson and Mr R Harmer had both declared a conflict of interest as Members of Tynwald who would be affected by this Scheme.

The Board received a paper from the CE (PSPA Paper No. 09/21, 09/21 – Appendix 1 and 09/21 – Appendix 2) with regard to the consultation on changes to Tynwald Members' Pensions with a recommendation to approve and thereafter for the Chair to sign the draft Isle of Man Government Unified Scheme (Amendment) Scheme 2021.

Mrs Poole – Wilson had some queries on the draft Scheme and it was agreed that she would discuss these with the Chief Executive and the Deputy Chief Executive after the Board Meeting is finished.

The Board proceeded to note the results of the consultation and Consultation Response Document and subject to any required amendments to the draft Scheme, to approve the Scheme for onward transmission to Tynwald.

21/21

Any Other Business

[Redacted content]

The meeting concluded at 4.17pm.

Date of the next meeting 10 May at 1.30PM (Mrs Halsall reminded the meeting that she had previously given her apologies for the 10th May meeting)