

In Confidence

Minutes of a meeting of the Public Sector Pensions Authority (PSPA) held in the Committee Room, 3rd Floor, Main Government Building, Bucks Road on 24 October 2022 at 12 noon.

Present: PSPA

Mr M Kiernan (Chair)

Ms K Lord-Brennan MHK (Vice Chair)

Mr R Mercer MLC

Mr I Wright

In Attendance: Mr IT Murray

Ms K Brondon (Board Secretariat)

Mr J McMillan (Assistant Board Secretariat)

Apologies: Mrs D Halsall

Minute No. Minute

49/22 Minutes

The Board approved the Minutes of the meeting held on 26 September 2022.

50/22 Conflicts of Interest (minutes 12/21, 22/21, 42/21 and 64/21 refer)

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

51/22 Matters Arising

All matters were covered on the Agenda

52/22

Judicial Pension Scheme 2004 – Cost Sharing

PSPA Paper No. 16/22 was discussed by the Board in some detail, along with the options therein (Point 15). It was agreed that a modified version of option a. would be the most appropriate course of action, emphasising that cost sharing was being applied to all public sector pension schemes managed by the PSPA and that it was expected that it was also to be applied to the Judicial Pension Scheme 2004.

It was agreed that the Chief Executive (CE) / Deputy Executive (DCE) would draft and circulate proposed wording of a modified version of option a. prior to a further approach to the Judiciary.

53/22

Governance and Compliance Schedule

PSPA Paper No.15/22 was discussed by the Board in some depth.

The CE advised that data breaches would now be recorded as part of the Governance and Compliance Schedule. He also advised that the new Isle of Man Government Whistleblowing Policy had been published and circulated to all PSPA staff.

The provision of Monthly Financial Information (MFI) from Payroll (OHR) was discussed and the CE advised that a decision was still to be made by Payroll (OHR) as to whether this was achievable. Payroll (OHR) were discussing this with its consultants and the CE advised that it was a specific agenda item at the next meeting with the Interim Executive Director, OHR.

The CE advised that the PSPA had employed a new member of staff on a Limited Term Appointment to deal with the considerable backlog of leavers / preservation. There followed a detailed discussion on the lack of accurate and timely payroll information

being provided by Payroll (OHR) and the fact that it has been an ongoing problem and that many avenues had been explored trying to alleviate the problem. It was also raised that the problem was a significant risk to the PSPA and impacted scheme members and PSPA staff and also resulted in complaints.

It was agreed by the Board that the CE should also raise the PSPA's continuing concerns in his monthly meeting with the Interim Executive Director of OHR and that it should also be brought to the attention of the Interim Chief Secretary following that meeting.

The Vice Chair advised that both she and Mr Mercer would raise the matter at the PSC.

54/22

The Vice Chair left the meeting at 12.35 pm

55/22

Any Other Business

The following verbal updates were given by the DCE:

- i. **Defined Contribution Arrangement**– The DCE advised that this was progressing and that the process of formally contracting Employers with Aviva and MAC had commenced. The MUA had signed up and it is expected that Department of Home Affairs, IOM Hospice and others would follow shortly. The PSC was working with the Attorney General's Chambers regarding possible ministerial delegation from the PSC to the PSPA to help facilitate this process.

It was also confirmed that the DC arrangement would only be available to new employees, for those employers who have contracted with Aviva in January 2023.

- ii. **Re-Drafting of Teachers and Police Schemes** – The DCE advised that work was ongoing. The final draft of the Teachers Scheme was expected by the end of October 2022, then there would be consultation with Teachers’ representatives initially before going out to a full consultation. Work on the Police Schemes will recommence in December 2022.
- iii. **Procurement of a new Pensions Administration System** – The DCE confirmed that this continues to progress. The PSPA is finalising system requirements prior to a feasibility exercise to identify those suppliers who have a serious interest in supplying the system. From that exercise more accurate costings and expected project timelines would be attainable.
The Treasury has indicated that the procurement has approval in principle as it provides a key function for the PSPA. However, the Treasury’s proposed new capital project procedure means that the PSPA will probably be required to provide quarterly updates as to the progress of the project and monies would be released by Treasury accordingly once the project is formally approved.

56/22

Date of the next meeting – 5 December 2022 at 12 noon

The meeting closed at 12.50 pm