

Public Sector Pensions Authority

Operations Report

Quarter 4 2022-23

May 2023



Isle of Man
Government

Reilrys Ellan Vannin

Operations Report

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Executive summary

Membership Information

The figures shown on pages 5 to 8 reflect current membership data held by the PSPA.

Work Statistics

The number of tasks outstanding at the end of the quarter is 513. This exceeds the operational goal of having no more than 300 tasks outstanding. The total output over the quarter was 3294 cases completed, with 2947 cleared within the service Level Agreements (SLA) shown below, resulting in a performance of 89%.

Service Level Agreements (SLA)

The service level agreements are:

5 working days for miscellaneous enquiries

7 working days for Estimates

8 working days for New Starters

9 working days for Transfers, Deaths, Deferred Preservations, Refunds and Awards

Operation Team - Work for the next period (Q1 2023-24)

Employer Data

The timeliness and accuracy of starter and leaver data being submitted by OHR has improved but there is still a backlog of missing information and delays in receiving leaver salary and service information. Work continues on improving the quality of the data and to provide it in an automated format. Work by the team to address the backlog of work caused by this issue continues.

Annual Benefit Statements

Statements for members who have left the schemes, known as Deferred Members, will be issued during May and June 2023.

Implementation of a new pension administration system

The team is diverting resources to prepare the data and calculation suites for the build of its new administration system, which is set to start in July 2023 and run until April 2024. This build of this system will impact on the PSPA's operations and service times and the PSPA will ensure members and their representatives are kept informed of any changes to its services.

PSPA administration team

Below are the contact details of the team administering the IOM Public Service Pension Schemes:

Team Member	Name	Contact Details
Operations Manager (Data, refunds, transfers, Annual Benefit Statements)	Catherine Devine	T 685717 E catherine.devine@pspa.im
Data Manager	Mark Williams	T 687097 E mark.williams@pspa.im

Pension Scheme Membership information

This section sets out the membership profile of each scheme as at the 31 March 2023. The PSPA reports the number of memberships in a scheme not the number of individual members. This is because schemes operate a "one employment equals one membership" rule. As such, members who are employed in multiple employments will have multiple memberships.

Active Memberships

Scheme Name	Active Memberships
Isle of Man Government Unified Scheme	10516
Judicial Scheme 2004	6
Police Pension Regulations 1991 and 2010	231
Teachers Superannuation Order 2010	1391
Total	12144

Deferred Members with Preserved Benefits

Scheme Name	Deferred Memberships
Isle of Man Government Unified Scheme	3381
Police Pension Regulations 1991 and 2010	72
Teachers Superannuation Order 2010	412
The Superannuation Manual Workers No1 Scheme	1
Judicial Scheme 2004	1
Total	3867

Pensioners

Scheme Name	Pensioner Memberships
Isle of Man Government Unified Scheme	6559
Judicial Scheme 2004 and 1992	10
Police Pension Regulations 1991 and 2010	302
Teachers Superannuation Order 2010	1214
The Superannuation Manual Workers No1 Scheme	51
Total	8136

Retirement Cases

The table below details the number and description of Retirement Cases completed during the reporting period.

Scheme	Description	Number
Unified Scheme	Normal Retirement	55
Police Schemes	Normal Retirement	4
Teachers	Normal Retirement	8
Judicial	Normal Retirement	1

Description Key	Type
Normal Retirement	Member has collected their pension entitlement at or after their schemes permitted retirement age.
Ill Health Retirement	Member has been awarded their pension early due to ill health
Actuarial Reduced Retirement	Member has collected their pension earlier than the schemes Normal Retirement Age
Augmented Retirement	Member has retired on grounds of redundancy or approved early retirement and received augmented benefits

Forthcoming retirements

This section highlights the members of the schemes who will attain or will be beyond their Normal Retirement Date (NRD) within the next quarter.

Scheme	Normal Retirement Age (NRA)	Number
Police 1991	55	9
Teachers	60 or 65	94
Unified Scheme	65	280

NOTE

- For the purposes of this report we have assumed a NRA for all Unified Scheme members is age 65.
- Although this table is based upon the Normal Retirement Age (NRA) for each Scheme, there are variations which mean that some members can retire at differing ages and a number of members retire after NRA. For the purpose of this table, only the Normal Scheme Retirement Age has been analysed.

Financials

The Table on pages 9, 10 and 11 reports the income and expenditure from the schemes managed by the PSPA for the quarter to 31 March 2023. It also includes data for the year 2022-23 and previous years for comparison purposes. It is important to note that these figures are compiled on a cash flow basis and are unaudited. Furthermore, the figures are subject to rounding and may not correctly total.

Commentary and Observations:

1. There were 68 retirements recorded in the quarter to 31 March 2023. The total number of retirements for previous years are listed in the table below:

Scheme Year	Number of retirements
2010-11	224
2011-12	353
2012-13	368
2013-14	366
2014-15	393
2015-16	398
2016-17	345
2017-18	355
2018-19	328
2019-20	279
2020-21	297
2021-22	294
2022-23	259

2. For the end of the quarter to 31 March 2023 the average retirement age for retirements was 58 years and 8 months. The average retirement ages are shown below:

Scheme Year	Average Retirement Age
2013-14	59 years and 7 months
2014-15	59 years and 2 months
2015-16	59 years and 2 months
2016-17	59 years and 7 months
2017-18	59 years and 6 months
2018-19	59 years and 4 months
2019-20	59 years and 10 months
2020-21	59 years and 6 months
2021-22	59 years and 9 months
2022-23	59 years and 6 months

3. Transfers-in: total transfers into the schemes to the end of the quarter is £2.8m
4. Transfers-out: total transfers out from the schemes to the end of the quarter is £376,000
5. Income and Expenditure: total income to the end of the quarter is £83.2 million and expenditure totalled £120.2 million.

ELEMENT	YEAR	UNIFIED SCHEME	TEACHERS' SCHEME	POLICE 1991 & 2010 SCHEMES	JUDICIAL 1992 & 2004 SCHEMES	MANUAL WORKERS NO 1	TOTAL
INCOME	Year	£000	£000	£000	£000	£000	£000
Contributions Combined	2017/18	47,908	9,680	2,087	220	2	59,897
Contributions Combined	2018/19	48,455	9,896	2,207	209	0	60,767
Contributions Combined	2019/20	55,548	10,078	2,275	220	0	68,121
Contributions Combined	2020/21	58,379	10,533	2,425	257	0	71,594
Contributions Combined	2021/22	60,430	10,890	2,430	268	0	74,018
Contributions Combined	2022/23	65,455	12,291	2,448	227	0	80,421
Transfers In	2017/18	953	822	965	0	0	2,740
Transfers In	2018/19	1,562	1,050	783	0	0	3,395
Transfers In	2019/20	154	0	571	0	0	725
Transfers In	2020/21	453	20	383	0	0	856
Transfers In	2021/22	1,262	255	53	202	0	1,772
Transfer In	2022/23	2,421	201	199	0	0	2,821
Other	2017/18	135	0	0	0	0	135
Other	2018/19	87	0	0	0	0	87
Other	2019/20	0	0	0	0	0	0
Other	2020/21	43	0	0	0	0	43
Other	2021/22	0	0	0	0	0	0
Other Q4	2022/23	0	0	0	0	0	0
Total Income	2017/18	48,996	10,502	3,052	220	2	62,772
Total Income	2018/19	50,104	10,947	2,990	209	0	64,250
Total Income	2019/20	55,702	10,078	2,846	220	0	68,846
Total Income	2020/21	58,875	10,553	2,808	257	0	72,493
Total Income	2021/22	61,692	11,145	2,483	470	0	75,790
Total Income Q4	2022/23	67,876	12,492	2,647	227	0	83,242
EXPENDITURE	Year	£000	£000	£000	£000	£000	£000
Pensions in Payment	2017/18	-47,130	-12,879	-6,079	-495	-348	-66,931
Pensions in Payment	2018/19	-50,700	-13,435	-5,603	-480	-351	-70,569
Pensions in Payment	2019/20	-53,800	-13,872	-6,603	-431	-354	-75,060
Pensions in Payment	2020/21	-56,961	-14,318	-6,028	-481	-340	-78,128

Pensions in Payment	2021/22	-59,463	-14,644	-6,188	-461	-309	-81,065
Pensions in Payment Q4	2022/23	-63,772	-15,301	-6,526	-435	-315	-86,349
Lump Sums	2017/18	-25,245	-2,996	-2,398	-51	-38	-30,728
Lump Sums	2018/19	-23,025	-2,503	-1,259	0	0	-26,787
Lump Sums	2019/20	-21,862	-1,431	-1,237	-130	0	-24,660
Lump Sums	2020/21	-25,975	-2,939	-423	0	0	-29,337
Lump Sums	2021/22	-22,954	-2,247	-1,219	-356	-16	-26,792
Lump Sum Q4	2022/23	-23,240	-3,005	-2,038	-55	0	-28,338
Triviality Payments	2018/19	-1,295	-95	-87	0	0	-1,477
Triviality Payments	2019/20	-1,509	0	0	0	0	-1,509
Triviality Payments	2020/21	-2,270	-274	0	0	0	-2,544
Triviality Payments	2021/22	-3,810	-61	0	0	0	-3,871
Triviality Payments Q4	2022/23	-3,430	-121	-46	0	0	-3,597
Injury Benefit Schemes	2020/21	-278	0	-763	0	0	-1,041
Injury Benefit Schemes	2021/22	-297	0	-768	0	0	-1,065
Injury Benefit Schemes Q4	2022/23	-296	0	-787	0	0	-1,083
Transfers Out	2017/18	-664	-9	0	0	0	-673
Transfers Out	2018/19	-1,179	-373	0	0	0	-1,552
Transfers Out	2019/20	-923	0	0	0	0	-923
Transfers Out	2020/21	-143	0	0	0	0	-143
Transfers Out	2021/22	-267	-20	-99	0	0	-386
Transfers Out Q4	2022/23	-335	0	-41	0	0	-376
Refunds Paid	2017/18	-237	-32	-8	0	0	-277
Refunds Paid	2018/19	-154	-10	-4	0	0	-168
Refunds Paid	2019/20	-216	-26	-5	0	0	-247
Refunds Paid	2020/21	-242	-6	-16	0	0	-264
Refunds Paid	2021/22	-373	-45	-32	0	0	-450
Refunds Paid Q4	2022/23	-448	-29	-5	0	0	-482
Total Expenditure	2017/18	-73,276	-15,916	-8,485	-546	-386	-98,609
Total Expenditure	2018/19	-76,353	-16,416	-6,953	-480	-351	-100,553
Total Expenditure	2019/20	-78,310	-15,329	-7,845	-561	-354	-102,399
Total Expenditure	2020/21	-85,869	-17,537	-7,230	-481	-340	-111,457

Total Expenditure	2021/22	-87,164	-17,017	-8,306	-817	-325	-113,629
Total Expenditure Q4	2022/23	-91,521	-18,456	-9,443	-490	-315	-120,225
CASHFLOW	Year	£000	£000	£000	£000	£000	£000
Net Cashflow	2017/18	-24,280	-5,414	-5,433	-326	-384	-35,837
Net Cashflow	2018/19	-26,249	-5,469	-3,963	-271	-351	-36,303
Net Cashflow	2019/20	-22,608	-5,251	-4,999	-341	-354	-33,553
Net Cashflow	2020/21	-26,994	-6,984	-4,422	-224	-340	-38,964
Net Cashflow	2021/22	-25,472	-5,872	-5,823	-347	-325	-37,839
Net Cashflow Q4	2022/23	-23,645	-5,964	-6,796	-263	-315	-36,983

Current Value of Funding Deficit - All Schemes

For comparison purposes the historic net cash-flow values have been increased to show the current value.

CASHFLOW	Year	£0
Net Cashflow	2017/18	-39,829
Net Cashflow	2018/19	-39,175
Net Cashflow	2019/20	-35,358
Net Cashflow	2020/21	-40,374
Net Cashflow	2021/22	-39,012
Net Cashflow	2022/23	-36,983

Important notes:

These figures are compiled on a cash flow basis and are unaudited.

Figures are subject to rounding and may not correctly total.

Injury Awards represent payments of Permanent Injury Allowance from Police Injury Benefits Regulations 2010 and Public Sector Injury Benefits Scheme 2015.