

Public Sector Pensions Authority

Operations Report

Quarter 2 2023-24

November 2023



**Isle of Man**  
Government

*Reilts Eilan Vannin*

## Operations Report

Section	Page Number
Executive Summary	3
Membership Information	5
Retirement Cases	6
Forthcoming Retirements	7
Financial Information	8

## 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 366. This slightly exceeds the operational goal of having no more than 300 tasks outstanding. The total output over the quarter was 2744 cases completed, with 2419 cleared within the service Level Agreements (SLA) shown below, resulting in a performance of 87%.

### 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 (Q2 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.

#### 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
<b>Operations Manager</b> (Data, refunds, transfers, Annual Benefit Statements)	Catherine Devine	T 685717 E <a href="mailto:catherine.devine@pspa.im">catherine.devine@pspa.im</a>
<b>Data Manager</b>	Mark Williams	T 687097 E <a href="mailto:mark.williams@pspa.im">mark.williams@pspa.im</a>

### Pension Scheme Membership information

This section sets out the membership profile of each scheme as at the 30 September 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	10350
Judicial Scheme 2004	5
Police Pension Regulations 1991 and 2010	220
Teachers Superannuation Order 2010	1355
<b>Total</b>	<b>11930</b>

#### Deferred Members with Preserved Benefits

Scheme Name	Deferred Memberships
Isle of Man Government Unified Scheme	3512
Police Pension Regulations 1991 and 2010	76
Teachers Superannuation Order 2010	430
Judicial Scheme 2004	1
<b>Total</b>	<b>4019</b>

#### Pensioners

Scheme Name	Pensioner Memberships
Isle of Man Government Unified Scheme	6691
Judicial Scheme 2004 and 1992	11
Police Pension Regulations 1991 and 2010	305
Teachers Superannuation Order 2010	1238
The Superannuation Manual Workers No1 Scheme	53
<b>Total</b>	<b>8298</b>

## 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	78
Unified Scheme	Ill Health Retirement	3
Teachers	Normal Retirement	16

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.

<b>Scheme</b>	<b>Normal Retirement Age (NRA)</b>	<b>Number</b>
Police 1991	55	11
Teachers	60 or 65	87
Unified Scheme	65	287

### 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 30 September 2023. It also includes data for the 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 97 retirements recorded in the quarter to 30 September 2023. The total number of retirements for previous years are listed in the table below:

<b>Scheme Year</b>	<b>Number of retirements</b>
2019-20	279
2020-21	297
2021-22	294
2022-23	259
2023-24	180

2. For the end of the quarter to 30 September 2023 the average retirement age for retirements was 60 years and 3 months. The average retirement ages are shown below:

<b>Scheme Year</b>	<b>Average Retirement Age</b>
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
2023-24	60 years and 3 months

3. Transfers-in: total transfers into the schemes to the end of the quarter is £1.12m
4. Transfers-out: total transfers out from the schemes to the end of the quarter is £33,000
5. Income and Expenditure: total income to the end of the quarter is £43.1 million and expenditure totalled £67.63 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	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
Contributions Combined	<b>2023/24</b>	<b>34,241</b>	<b>6,310</b>	<b>1,300</b>	<b>133</b>	<b>0</b>	<b>41,984</b>
Transfers In	2018/19	1,562	1,051	783	0	0	3,396
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
Transfers In	2022/23	2,421	201	199	0	0	2,821
Transfers In	<b>2023/24</b>	<b>497</b>	<b>1</b>	<b>624</b>	<b>0</b>	<b>0</b>	<b>1,122</b>
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	2022/23	0	0	0	0	0	0
Other	<b>2023/24</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
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	2022/23	67,876	12,492	2,647	227	0	83,242
<b>Total Income</b>	<b>2023/24</b>	<b>34,738</b>	<b>6,311</b>	<b>1,924</b>	<b>133</b>	<b>0</b>	<b>43,106</b>
EXPENDITURE	Year	£000	£000	£000	£000	£000	£000
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	2022/23	-63,772	-15,301	-6,526	-435	-315	-86,349

Pensions in Payment	<b>2023/24</b>	<b>-35,651</b>	<b>-8,442</b>	<b>-3,622</b>	<b>-241</b>	<b>-179</b>	<b>-48,135</b>
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	2022/23	-23,240	-3,005	-2,038	-55	0	-28,338
<b>Lump Sum</b>	<b>2023/24</b>	<b>-13,644</b>	<b>-2,423</b>	<b>-490</b>	<b>-90</b>	<b>-1</b>	<b>-16,648</b>
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	2022/23	-3,430	-121	-46	0	0	-3,597
Triviality Payments	<b>2023/24</b>	<b>-1,787</b>	<b>-81</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>-1,868</b>
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	2022/23	-296	0	-787	0	0	-1,083
Injury Benefit Schemes	<b>2023/24</b>	<b>-162</b>	<b>0</b>	<b>-428</b>	<b>0</b>	<b>0</b>	<b>-590</b>
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	2022/23	-335	0	-41	0	0	-376
Transfers Out	<b>2023/24</b>	<b>-21</b>	<b>0</b>	<b>-12</b>	<b>0</b>	<b>0</b>	<b>-33</b>
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	2022/23	-448	-29	-5	0	0	-482
Refunds Paid	<b>2023/24</b>	<b>-320</b>	<b>-33</b>	<b>-6</b>	<b>0</b>	<b>0</b>	<b>-359</b>
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	2022/23	-91,521	-18,456	-9,443	-490	-315	-120,225

Total Expenditure	<b>2023/24</b>	<b>-51,585</b>	<b>-10,979</b>	<b>-4,558</b>	<b>-331</b>	<b>-180</b>	<b>-67,633</b>
CASHFLOW	Year	£000	£000	£000	£000	£000	£000
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	2022/23	-23,645	-5,964	-6,796	-263	-315	-36,983
Net Cashflow	<b>2023/24</b>	<b>-16,847</b>	<b>-4,668</b>	<b>-2,634</b>	<b>-198</b>	<b>-180</b>	<b>-24,527</b>

### Current Value of Funding Deficit - All Schemes

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

<b>CASHFLOW</b>	<b>Year</b>	<b>£000</b>
Net Cashflow	2018/19	-43,128
Net Cashflow	2019/20	-38,928
Net Cashflow	2020/21	-44,450
Net Cashflow	2021/22	-42,951
Net Cashflow	2022/23	-40,718
Net Cashflow	2023/24	-24,527

### 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.