



Public Sector Pensions Authority

Consultation on the Public Sector
Pensions Administration (Fees) Order
2024

Opens: 12 April 2024
Closes: 24 May 2024

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Introduction

This Consultation Document is issued by the Public Sector Pensions Authority (the PSPA).

The (PSPA) was established under the Public Sector Pensions Act 2011 and is responsible for the Management and Administration of the majority of Public Sector Pension Schemes in the Island. The purpose of the consultation is to obtain views in relation to the Public Sector Pensions Administration (Fees) Order 2024 at **Appendix 1** of this document.

This consultation document focuses on increases that the PSPA is proposing to make to its charges for administration associated with Divorce and the Dissolution of Civil Partnerships, the provision of multiple, hypothetical and ad hoc estimates for pension benefits and transfer values as permitted by the Public Sector Pensions Administration (Fees) Order 2014.

The PSPA proposes that the charges will increase from 1 August 2024. The consultation period will be six weeks. It will start 12 April 2024 and will close at midday on 24 May 2024.

How to Respond

This consultation exercise is designed to invite comments on the draft documentation at **Appendix 1**. The PSPA would welcome your views. Comments should be submitted by midday 24 May 2024 in writing and preferably by email to: Feedback.PSPA@gov.im, or in writing to:

Mr J McMillan
Public Sector Pensions Authority
3rd Floor, Prospect House
27-29 Prospect Hill
Douglas, Isle of Man, IM1 1ET

When submitting your views please indicate whether you are responding on behalf of an organisation or in a personal capacity. To ensure that the process is open and honest, responses can only be accepted if you provide your name with your response. Unless specifically requested otherwise, any responses received may be published either in part or in entirety. Please mark your response clearly if you wish your response and name to be kept confidential. Confidential responses will be included in any statistical summary and numbers of comments received.

Electronic copies of this document are available on the PSPA Consultation page of the PSPA website at: www.pspa.im

A summary of the responses received will be published after the closing date for this consultation and will be available on the PSPA website or by contacting the PSPA.

List of Consultees

List of people and organisations consulted:

- Scheme Members
- Scheme Member Representatives
- Treasury
- Attorney Generals Chambers
- Law Society

This consultation has been carried out in accordance with the Isle of Man Government's Public Engagement and Consultation Principles.

Confidentiality and Data Protection

The information you send may be published in full or in a summary of responses. All information in responses, including personal data, may be subject to publication or disclosure in accordance with the access to information regimes (these are primarily the Freedom of Information Act 2015 and the Data Protection Act 2018).

If you want your response to remain confidential, you should explain why confidentiality is necessary. Your request will be acceded to only if it is appropriate in the circumstances. An automatic confidentiality disclaimer generated by your IT system will not, of itself, be regarded as binding. The Authority is registered with the Information Commissioner as a data controller under Isle of Man data protection legislation.

The Authority collects and processes personal data to carry out its functions under relevant legislation and may share personal data with other parties where there is a legal basis for doing so. Further information on how the Authority collects and processes personal data can be found in the [Privacy Policy](#) on the Authority's website.

Background

In 2014 the PSPA introduced the Public Sector Pensions Administration (Fees) Order 2014 to cover the administrative cost of providing information to scheme members that it is not statutorily obliged to do, these include ad hoc, multiple and hypothetical quotes. The PSPA is required to provide information to the Courts in respect of divorces proceedings and dissolution of civil partnership and is entitled to charge for its administration services in doing so.

The costs for these services, as set out in the Schedule of the Public Sector Pensions Administration (Fees) Order 2014 were increased with effect from 1st December 2021 and have not been increased since that date.

Purpose of Consultation

The purpose of this consultation document is to seek feedback on increases to administration charges proposed by the PSPA.

The charges have been benchmarked against those charged by comparable public sector pension schemes in the UK and fall within the charging guidelines published by the Pensions and Lifetime Savings Association (PLSA).

The PSPA has drafted an amending scheme which increases its administration fees from 1 August 2024.

The revised charges are shown in the Schedule of the Public Sector Pensions Administration (Fees) Order 2024 at **Appendix 1**.

Next Steps

The PSPA would welcome your views on the Public Sector Pensions Administration (Fees) Order 2024.

Following closure of the consultation period, the PSPA will review the responses received and publish a Consultation Response document on the PSPA's website.

The PSPA will then finalise an Amending Scheme for consideration by the Council of Ministers and subject to its approval lay before July 2024 Tynwald.

Statutory Document No.

C

Interpretation Act 2015

PUBLIC SECTOR PENSIONS ADMINISTRATION (FEES) ORDER 2024

Laid before Tynwald:

Coming into Operation: in accordance with article 2

The Public Sector Pensions Authority, with the concurrence of the Treasury¹, makes the following Order under section 81(1) of the Interpretation Act 2015.

1 Title

This Order is the Public Sector Pensions Administration (Fees) Order 2024.

2 Commencement

This Order comes into operation on 1 July 2024².

3 Administration Fees

- (1) The Schedule (which has effect for that purpose) specifies the fee payable in respect of the matters referred to in it.
- (2) Fees must be paid to the Public Sector Pensions Authority in full and in advance.

4 Revocation

The Public Sector Pensions Administration (Fees) Order 2021³ is revoked.

¹ Under Section 83 of the Interpretation Act 2015, the general fee power may be exercised by the Public Sector Pensions Authority only with the concurrence of the Treasury.

² Tynwald procedure – negative, in accordance with section 81(1) of the Interpretation Act 2015.

³ SD 2021/0308.

MADE

J P B CARTER

Chair

Public Sector Pensions Authority

SCHEDULE

PUBLIC SECTOR PENSIONS ADMINISTRATION FEES

1 Cash Equivalent Transfer Value (CETV)

The fees payable for the provision of a CETV upon a divorce or dissolution of a marriage or civil partnership are⁴ –

Matter	Fee (£)
Provision of a CETV in respect of a Scheme member, who is not in receipt of a Pension (where statutory disclosures have already been met in the preceding 12 months).	£300.00
Provision of a CETV in respect of a Scheme member, who is not in receipt of a Pension (where statutory disclosures have not already been met in the preceding 12 months but where the CETV is required within 6 weeks).	£300.00
Provision of a CETV for a Scheme Pensioner.	£300.00

2 Pension Sharing Order on Divorce

The fee payable for the implementation of a pension sharing order⁵ is –

Matter	Fee (£)
Acknowledgement and implementation of a pension sharing order (including record creation and ongoing maintenance).	£2,750.00

3 Pension Earmarking Order on Divorce

The fee payable for the implementation of a pension attachment order⁶ is –

Matter	Fee (£)
Acknowledgement and implementation of a pension attachment order.	£1,650.00

4 Pension Benefits Estimates

- (1) The fees payable for the provision of estimates that the Public Sector Pensions Authority determines fall outside the requirements of the

⁴ Permitted under the Pensions on Divorce etc. (Charging) Regulations 2000 (of Parliament) (SI 2000/1049) as applied by the Pension Schemes Legislation (Application) (No. 2) Order 2001 [SD 381/01].

⁵ As provided for under section 31 of the Matrimonial Proceedings Act 2003.

⁶ As provided for under section 34 and identified as an attachment order under section 87(1)(d) of the Matrimonial Proceedings Act 2003.

Occupational Pension Schemes (Disclosure of Information) Regulations 1996⁷ are –

Matter	Fee (£)
At current or a future date or age - An estimate of pension benefits at a stipulated point (whether stated as an age or date) between the minimum pension age and maximum pension age	£75.00
Age, at current or future date - Information based on hypothetical circumstances (e.g. projected pensionable pay, future pensionable service or transfer in	£75.00
Ill Health - An estimate of pension benefits if the member retires on grounds of ill health and a claim form has not been received	£75.00
Life Assurance Lump Sum - An estimate of the lump sum payable if the member was to die before taking their pension benefits to current date	£75.00
Death Benefits - An estimate of surviving dependants benefits if the member was to die before taking their pension benefits	£75.00

5 Cash Equivalent Transfer Value or Statement of Entitlement

The fees payable for the provision of a Cash Equivalent Transfer Value (CETV) or a Statement of Entitlement (SOE) that the Public Sector Pensions Authority determines falls outside the requirements of the Occupational Pension Schemes (Disclosure of Information) Regulations 1996 are –

Matter	Fee (£)
A second request for a CETV or Statement of Entitlement (made within 12 months of the Public Sector Pensions Authority receiving a first request) - The value of pension benefits if the member decides to transfer to another Registered Pension Scheme and the request is within age and time limits: CETV for Active members SOE for Deferred Members	£300.00
A replacement request for a CETV or Statement of Entitlement required where the scheme option forms are not returned within 3 months of the guarantee date - The value of pension benefits if the member decides to transfer to another Registered Pension Scheme and the request is within age and time limits. The value is guaranteed for three months from the guarantee date.	£300.00

⁷The Pension Schemes Legislation (Application) (No. 2) Order 1998 [SD192/98] applies, as set out in the Schedule to that Order, the Occupational Pension Schemes (Disclosure of Information) Regulations 1996 (S.I. 1996/1655) to the Island.

EXPLANATORY NOTE

(This note is not part of the Order)

This Order specifies the fees payable to the Public Sector Pension Authority from the 1 July 2024 in respect of the administration associated with implementing Pension Sharing and Earmarking Orders under the relevant applied legislation.

This Order also specifies the fees for the provision of transfer information on divorce and the dissolution of civil partnerships, and the provision of estimates for pension benefits and transfer values.

This Order revokes the Public Sector Pensions Administration (Fees) Order 2021 [SD2021/0308].