

Freedom of Information Request

Date of receipt: 20th January 2023

Date of response: 3rd March 2023

Freedom of Information request regarding CARE Pension Scheme

Request

Please may I be advised of the following:

Since the CARE Scheme replaced the Final Salary Scheme in (I believe) 2016:

1. How many employees have remained in the Final Salary Scheme?
2. How many employees have transferred to the CARE scheme?
3. How many new entrants have there been to the Final Salary Scheme?
4. How many new entrants have there been to the CARE Scheme?
5. Are there any circumstances in which a new entrant may be accepted into the Final Salary Scheme?

Response provided by the Policy & Resources Committee:

Although the requested information is nearly all in the public domain - Billet d'Etat VII April 2015, Billet d'Etat III February 2016, and Billet d'Etat XII July 2022, we are happy to explain the position and confirm the numbers as requested.

The Final Salary section of the Public Servants' Scheme was closed to all new entrants with effect from 1 May 2015. Of those members in the scheme as at 29 February 2016, only those who were within 10 years of their normal pension age on 31 December 2013 were entitled to continue to accrue benefits in the Final Salary section of the scheme. Therefore, in answer to questions 1 and 2, only approximately 1,200 employees who were within 10 years of normal pension age on 31 December 2013 remained in the Final Salary Scheme (and many of these have now retired) with all other employees and all new recruits from 1 May 2015 moving into the CARE scheme.

The answers to Questions 3 and 5, therefore is that there have been no new entrants to the Final Salary section since May 2015 and there are no circumstances in which a new entrant may accrue benefits in the Final Salary section. (For completeness, there are members recruited from the UK public sector who transfer Final Salary benefits from a UK public sector scheme and are credited with Final Salary benefits but they do not accrue Final Salary benefits for service in Guernsey).

As a result of the 2015/2016 reforms the mix of active members in the Scheme consists of : (1) those who continued to accrue benefits in the Final Salary section; (2) those who were in the Scheme prior to 1 May 2015 and then transferred to the CARE Transition section for future service in March 2016; and (3) those who joined from 1 May 2015 and are in the (different) New Joiner CARE section. As time passes those in (1) and (2) leave and new joiners will be in (3). The change in the membership profile is illustrated by published data from the valuation of the Superannuation Fund at 31 December 2016 and (most recently) 31 December 2020 as follows :

	2016	2020
Final Salary section	22%	9%
CARE Transition	60%	42%
New Joiner CARE	18%	49%

This profile will have changed further since December 2020 and precise details will be available at the next valuation.