

**SCOTTISH FIREFIGHTERS PENSION SCHEME ADVISORY BOARD
FPS SAB 16/10/2018 - 01**

MINUTES

**Date: 16th October
2018**

Location: Victoria Quay, Edinburgh

Chair: Lorimer Mackenzie (SPPA)

Attendees: Chris McGlone (FBU)
Gordon McQuade (FBU)
Fiona McOmish (SFRS) by audioconference
Glyn Morgan (FOA)
George Russell (GAD)

Apologies: Nicola Hector (SFRS)
Sean Starbuck (FBU)
Anne Buchanan (SFRS)
Clair Alcock (LGA)

Secretariat: Clare Moffat (SPPA)

**Scottish
Government/SPPA
officials** Jim Preston (SPPA)
Claire McGow (SPPA)
Lorna Smith (SG)

Apologies: Derek Smith (SG)

1. Welcome and introductions

The Chair welcomed everyone to the Scheme Advisory Board (SAB) meeting. The group provided brief personal introductions for the benefit of all members and officials.

2. Conflicts of interest

2.1 No conflicts raised. The Chair noted and highlighted that other members are members of other public sector schemes.

3. Scheme valuations

3.1 The Chair introduced “Cost of rectification options” which GAD presented, detailing worked examples to assist the SAB advise the Scottish Ministers on the measure or combination of measures that could be adopted to rectify the cost cap breach.

3.2 SAB discussed the calculations, considered which options would benefit most members and also the possibility of offering members the choice to select bespoke rectification measure(s).

3.3 SAB discussed whether any rectification measures could positively impact scheme participation, concluding that there is no evidence that price sensitivity is a causal link to scheme retention at this stage although Chair confirmed that SPPA are keen to refine tools to address reasons for opt outs. SAB queried if scheme revenue could be secured by making a case that 50/50 may be best for the Scheme and would assist member retention.

3.4 SAB confirmed adjustment of accrual rate appeared to be the most stable option at present, and GAD to provide detail of how the scheme will look when adjusted by the new accrual rate.

Action Point

GAD to summarise worked examples if accrual rate is adjusted to 52.6 by next SAB meeting on 01/11/2018.

3.5 Chair confirmed SPPA's commitment to support employers with communication of the rectification options, once decided. SAB welcomed SPPA's support with communications.

4. Contribution Rates from 2019

4.1 SPPA asked the SAB to consider the structure of contributions from April 2019 for the 2015 CARE Scheme. Following discussion, SAB concluded that this should be reviewed post valuation actions and added to the Work Plan for the time being.

Action Point

SPPA to add review of contribution rates from April 2018 to Work Plan

5. AOB

5.1 SAB accepted the minutes of the last meeting (26/09/2018) without changes. SPPA to publish at earliest convenience.

6. Future meeting dates

Next meeting will be held on 1 November 2018, Victoria Quay Conference Room 8, 11:00-15:00