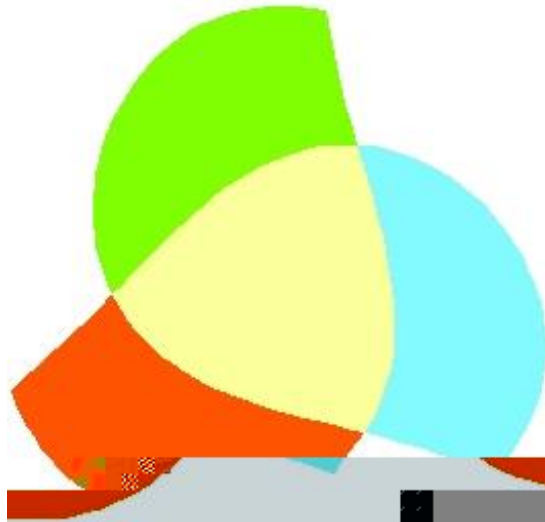




PUBLIC SECTOR PENSIONS AUTHORITY

Response to the Consultation on Cost Sharing for Public Sector Pension Schemes

13 November 2019

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PART 1 – FOREWORD

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cost increase and all of this fell on members, the PSPA is concerned that members would not willingly bear all of the increase without Government accepting some of the share;

- (d) The PSPA considers that the six year rather than three year cost sharing valuation period under the 75%/25% split option would give time for any required benefit or contribution changes to bed-in. It considered that a three year valuation period would mean almost continual discussions around possible changes and that one valuation would merge into the next.

In addition the PSPA has determined:

- i. That the Recovery Period should remain at 8 years but should be tested by the actuaries at each cost sharing valuation to ascertain whether the average future working lifetime of scheme members remained at 8 years;

PART 4 - NEXT STEPS

The PSPA will now formalise the Cost Sharing Scheme legislation and carry out1 0 0 1 oJ