

June 2015

BULLETIN

Welcome

The Scottish Local Government Pensions Scheme Advisory Board (SLGPSAB) is responsible for advising Scottish Ministers on the desirability of changes to the design of the scheme and the implication of other policy issues. Also the Board is responsible for the provision of advice to the Scheme managers or the Scheme's pension boards in relation to the effective and efficient administration and management of the scheme.

The minutes of meetings will be published on the SPPA website and there will be a short bulletin like this after each meeting.

The Scheme Advisory Board held its first meeting on 30 April 2015. Cllr Stewart Cree was elected as Chair and Harry Frew as Vice-Chair.

Draft work plan

The focus of the April meeting was consideration of a draft work plan for the SAB.

The immediate tasks include:

- Rigorous approach to the collection and consistency of fund data, including investment costs.
- A template to ensure greater transparency in the reporting of investments.
- Review of the investment regulations to give greater flexibility to pension funds.
- Guidance on fiduciary duty as it applies to the SLGPS.
- Funding issues and the impact of the latest fund valuation outcomes.
- Review benefits regulations in light of experience with the new scheme.
- A review of the structure of funds in Scotland.

The draft plan will go to Scottish Ministers and will then be published.

Pensions Choice

The UK Government's pensions choice provisions came into effect on 5 April 2015. As a Defined Benefit scheme the SLGPS is not directly affected. However, members can transfer their pension to a Defined Contribution scheme in order to realise a lump sum payment. There are charges and tax implications of doing this and the SLGPSAB is concerned about the risk of miss-selling and pensions scams. SLGPS pension funds have already taken some initial actions and the SAB will consider further guidance at its August meeting.

For further information:

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