
Scottish Local Government Pension Scheme Advisory Board

SPPA Update - 23 February 2022

1. Regulations - Draft Amendments to The Local Government Pension Scheme (Scotland) Regulations 2018 (SSI 2018/141) (for discussion)

1.1 The consultation on the Draft Amendments to The Local Government Pension Scheme (Scotland) Regulations 2018 (SSI 2018/141) was published on 1 November 2021 and after a 2 week extension provided at the request of Stakeholders, closed on 21 January 2022

1.2 We received 14 responses to the consultation, several of them regarding how regulations 60, Actuarial valuations of pension funds and regulation 61, Special circumstances where revised actuarial valuations and certificates, will work in practice.

1.3 In their response to the consultation, stakeholders have advised that guidance will be necessary to ensure the proper use of these flexibilities, similar to the [Guide to Employer Flexibilities](#), as provided by the Scheme Advisory Board for E&W in March 2021.

1.4 We also received comments on the amendments to survivor benefits to address the differences in survivor partner pensions between surviving civil partners, survivors of married same-sex couples and male survivors of female married members and addressing the proper function of the 'underpin' calculations.

1.4 We have asked our legal team for their advice on whether changes to these amendments are required.

2. Government Actuary's Department (GAD) - Cost Cap update (advisory)

2.1 Following HMT's cost control consultation, HMT officials confirmed that they would welcome further discussion on the points raised by the E&W Scheme Advisory Board. The E&W SAB believe that a more transparent arrangement is needed to better influence outcomes and suggested that the Board's own cost management arrangement should be re-evaluated.

2.2 There will be a paper on the Board's own cost management arrangement going to the investment committee when it meets on the 21st February. It is expected that the paper will be posted on the SAB website at <https://lgpsboard.org/index.php/about-the-board/meetings> early next week.

3. McCloud Update – Progress on the Pensions Bill (for awareness)

3.1 The Public Service Pensions and Judicial Offices Bill is currently working its way through the committee stage and is on track to get Royal Assent early in 2022.

3.2 The Department for Levelling-up, Communities and Housing in E&W (DLUCH) have confirmed that they intend that their final McCloud remedy regulations will be made in Summer 2022. Scheme regulations will then be backdated to 1 April 2014.

3.3 Scottish Ministers intend to mirror those regulations. It is intended that Scheme regulations will be made in the second quarter of 2022 and coming into force on 1 April 2023. The Local Government Pension Scheme (Transitional Provisions and Savings) (Scotland) Regulations 2022 will be backdated to 1 April 2015.

4. The Pensions dashboards: consultation on the draft Pensions Dashboards Regulations 2022 (for discussion/action)

4.1 The UK Government's consultation on the draft Pension Dashboard Regulations 2022 was published on 31 January 2022 and will close on 13 March 2022. They believe Pensions' dashboards will revolutionise the way people interact with their pensions. This will make accessing pensions information easier by allowing people to see what they have in their various pensions and provide a comprehensive view of what a person may receive in retirement.

4.2 Larger pension schemes will be the first to connect to the digital architecture from April 2023 with a connection deadline for the first cohort (the largest Master Trusts) at the end of June 2023. The final cohort's deadline for large scheme is set for the end of September 2024. Medium and smaller providers will follow from October 2024 until 2026. Information on State Pensions will be included on dashboards from the start.

4.3 Public Sector Pensions will be expected to connect by April 2024. SPPA has raised their concern to the Department for Work and Pensions (DWP) that this timeline will be challenging due to the requirement to also address the McCloud remedy at the same time.

4.4 The Scheme Advisory Board may also wish to comment on this consultation.

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