

Scottish LGPS
Scheme Advisory Board

Additional Specialist Support for SAB

The SLGPS SAB's main functions are laid out in the Local Government Pension Scheme (Governance) (Scotland) Regulations 2015, and are to:

- (a) to provide advice to the Scottish Ministers, at the Scottish Ministers' request, on the desirability of changes to the Scheme; and
- (b) to provide advice (on request or otherwise) to the scheme managers or the Scheme's pension boards in relation to the effective and efficient administration and management of—
 - (i) the Scheme and any statutory pension scheme that is connected with it; and
 - (ii) any pension fund of the Scheme and any connected scheme.

There are a wide range of activities covered by this brief, and the work of the SAB is supported by a set of advisors from funds, actuaries, personnel, finance and COSLA, with attendance by SPPA. There is also scope for a legal advisor, and the potential for support from GAD.

The SAB already gets support in producing the annual report via an arrangement from the SPPA. The SPPA and Scottish Funds contribute funding to the LGA to provide technical advice on the LGPS. Part of this arrangement includes provisions of the statistical element of the Scottish SAB annual report is produced (on a similar basis to the English and Welsh SAB annual report).

When there are specific pieces of work to be undertaken – for example on climate reporting – the SAB often sets up working groups including the joint secretaries, advisors, and SAB members. However, lack of capacity has meant larger pieces of work have been delayed, or need significant procurement processed to recruit external consultants for lengthy periods of time – for example on the structures review project.

It has been identified that the SAB may benefit from more ready access to external assistance to support its work. One example of this might be to understand the implications of different governance options for funds. Assistance in developing a 'pre-breach' mechanism for the cost collar is another, and there will be more.

It is recommended that:

- The SAB consider scenarios where additional external support would be desirable.
- The SAB ask the joint secretaries to report back with options to provide this assistance.