

## SAB Budget and Levy 2024/25

### Purpose

1. This paper follows on from discussion on the SAB Budget and Levy at the SAB’s May meeting. The SAB agreed the Levy for 2023/24 based on the previous quantum of £40k and allocated on the previous fund size proportions. It was agreed to defer decision on allocations for 2024-25 for consideration at the November SAB, with a proposed formal Budget to be agreed and set for 2024-25. This paper presents the proposed 2024/25 SAB Budget and makes a proposal on the SAB Levy quantum and allocation.
  
2. The SAB Accounts to November 2024 are presented in the annex for information and to aid comparison with the proposed Budget.

### SAB Budget 2024/25

3. The proposed Budget for 2024/25 is set out in the table below. This takes account of ongoing known costs such as Transparency Code Portal. The Budget factors in an assumption of costs for the provision of professional support to the SAB, which is covered in the paper on this agenda under item 8. An assumption is included for potential future legal fees, which has not largely featured in previous SAB spending plans. Given a number of areas such as climate reporting, cost control, discrimination considerations, it seems appropriate to include an assumption for legal costs on an annual basis.

Table A: Proposed SAB Budget 2024/25

SAB Budgeted Items	Amount	Comment
Website/domain costs	£0	Hosted by COSLA and no re-charge
Events - catering & room hire	£4,000	Sum based on booking rooms at eg COSLA + lunches for up to 4 SAB meetings a year
Transparency Code Online Portal 24/25	£14,000	Needs to be confirmed
Professional support to the SAB	£25,000	As set out in item 8
Consultants fees (none planned for 24/25 yet)	£0	

Legal Fees	£2,500	The SAB sought professional legal advice for Cessation Guidance to be adapted for Scottish Funds, assumption is based on the cost of this.
Workshop Training	£4,000	Assumption for future SAB workshops etc
<b>Total</b>	<b>£49,500</b>	

### SAB Levy

4. As the SAB was previously informed, the annual Levy on the Pension Funds is based on a historic proportion of Fund size. It is now proposed to update this for the 2024/25 levy using the most recently reported Pension Fund Net Assets, as the most appropriate reflection of the size of a Fund.
5. The budgeted net financial position for 2024/25 is above the current SAB levy of £40k and this is without any consultancy costs being assumed. However the current surplus on the 2023/24 Accounts suggests that there will be more than sufficient funding carried forward to cover this.
6. It is therefore proposed that the levy remains at £40k, but reviewed again for 2025/26. This is a known sum budgeted for by Funds, which looks to be reflective of the planned expenditure by the SAB, with any increase requiring the SAB to set out a clear explanation.

### Recommendations

7. The SAB is asked to:
  - i. Agree the SAB proposed Budget for 2024/25
  - ii. Agree the SAB levy for 2024/25 (as per para 6).

**LGPS Advisory Board  
Accounts  
as at November 2023**

	£	£
<b>Income</b>		
Deferred income b/f	69,539	
23/24 income received from Pension Funds	<u>40,000</u>	
		109,539
<b>Expenditure</b>		
Website/domain costs	0	
Events - catering & room hire	1,470	
Transparency Code Online Portal	14,000	
Consultants fees	0	
Workshop Training	9,000	
Legal Fees	<u>2,500</u>	
		26,970
<b>Balance on account</b>		<b>82,569</b>