

**Local Government Pension Scheme Advisory Board**

**13:30-15:30, 6 September 2023**

**UNISON, 131 West Nile Street, Glasgow**

**Attendees**

Sarah Watters	COSLA
Ed Gordon	COSLA
Cllr David Richardson (Chair)	East Ayrshire Council
Michael Scanlan	GAD
Martin Smith	GAD
Catherine McFadyen	Hymans
Claire Scott	Independent Consultant
Neil Campbell	ISIO
Jeremy Hughes	Local Government Association
Bruce Millers	Lothian Pension Fund
Cllr David Parker	Scottish Borders Council
Cllr Simon Mountford	Scottish Borders Council
Connie Reid	Scottish Government
Kimberley Linge	SPPA
Alan Wilkinson	SPPA
Richard McIndoe	Strathclyde Pension Fund
Simon Watson	UNISON
Davina Rankin	UNISON
Stephen Smellie	UNISON

**Apologies**

Kirsty Robb	Borders College
Kenny Dick	Care Inspectorate
Cllr Mandy Watt	City of Edinburgh Council
Jonathan Sharma	COSLA
Martin Booth	Directors of Finance
Cllr Vaughan Moody	East Dunbartonshire Council
Angela Rainey	SPDS
Graham McNab	UNITE
Brian Robertson	UNITE
Annette Drylie	GMB

**Discussion**

**1. Welcome and Apologies**

The Chair opened the meeting and members were introduced. The Chair noted two changes to the agenda – Item 8 and Item 10.

**2. Appointment of SAB chair and Vice Chair**

### Item 3 – Minute of the Previous Meeting

Brian Robertson was nominated by the Employees Side to be the new SAB Chair. Cllr David Parker was nominated as Vice-Chair. For the purposes of the meeting on 6 September, Cllr David Richardson was nominated as Chair.

#### 3. Conflict of Interest Declarations

Claire Scott declared a conflict of interest in relation to the agenda item on Specialist Support to the SAB. The SAB agreed that this item would be moved to the bottom of the agenda.

#### 4. Update from English & Welsh SAB

The SAB received an update from Jeremy Hughes of the Local Government Association on the UK Government's 'Economy Activity of Public Bodies (Overseas Matters) Bill' (also known as the BDS Bill).

The SAB noted the powers this granted to UK Ministers and there was agreement with the position of the English and Welsh SAB (EWSAB) that this constitutes overreach, in particular the reference to "moral disapproval" and lack of clarity surrounding enforcement.

The SAB discussed the impact on the Scottish Local Government Pension Scheme

The SAB also heard of UNISON's campaign against the Bill.

The SAB agreed that the SAB should respond to the UK Government opposing the contents of the Bill. This work would be led by Bruce Miller of Lothian Pension Fund and circulated to SAB Members.

Davena Rankin also volunteered to take part in the Gender Pensions Working Group.

Actions:

- Jeremy Hughes to send link to parliamentary evidence session.
- Davena Rankin to take place on Gender Pensions Working Group.
- SAB to respond to consultation on Bill, with work on this response to be conducted by Bruce Miller. This will be done by Friday 8 September.

#### 5. National Care Service and LGPS

The SAB received a presentation from SPPA and Scottish Government colleagues on the impact of the National Care Service proposal on the SLGPS and its members.

Action:

- Presentation slides to be shared with the SAB.

#### 6. Training Workshops

Claire Scott opened the item, noting that feedback to the initial SAB Training Workshop had been positive and advised that comments had been taken on board prior to the two upcoming workshops.

### Item 3 – Minute of the Previous Meeting

The SAB were advised that video recordings of the workshops were being prepared for those SAB members who were unable to attend.

SAB members advised that the first workshop had been useful.

SAB agreed that the recommendations emanating from the training workshops would be circulated to local pensions funds.

#### Actions:

- Joint Secretaries to bring recommendations arising from Training Workshops back to a future meeting of the SAB prior to potential circulation to local pension funds.

### 6. Minute of Last Meeting and Matters Arising

The minutes of the last meeting were agreed.

### 7. GAD Update 2020 Valuation Assumptions

Michael Scanlon and Martin Smith of the GAD delivered a presentation to the SAB.

The SAB was advised that there will be no changes to member benefits as a result of the 2020 valuation, with the SAB noting that deaths had been fewer than expected in the 2017 assumptions.

### 8. SPPA Update

The SAB was advised the McCloud Regulation Instruments and laid in Parliament with new regulations set to come into effect from 1 October 2023.

On the EWSAB Cost Management consultation, the SAB heard that no discussion from EWSAB had been forthcoming but discussions may be restarted.

SPPA colleagues advised that they had received comments on Regulations 60 and 68A and that work on these comments was in development.

The SAB advised that pension savings statements are required to be circulated on 6 October (statutory deadline), with advisers noting that regulations may not be changed by this date. It was advised that breaches of this deadline may lead to regulatory intervention and that delays may impact those on higher incomes and those with accrued service.

The SAB heard that SPPA is noting ongoing work in England and Wales regarding a consultation on investment reforms. This consultation covers pooling, investment of 5% on Levelling Up, greater investment in high growth UK companies (England and Wales only) The SAB noted concern at further direction from the UK Government. Lothian and Strathclyde Pension Funds are not planning to respond to the consultation. Hymans will publish a response.

#### Actions:

- SPPA to discuss statutory deadline with SPPA Head of Policy. SPPA to feedback to the SAB via the Joint Secretaries.
- SPPA colleagues to communicate with Pension Funds w/c 11 September.

#### 9. Specialist Support to the SAB

The SAB were updated on previous discussions regarding the possibility of technical support being acquired by the SAB. This support could be implemented via COSLA, with tender published on annual basis and three organisations or individuals chosen to be retained.

It was noted that the total cost of this was unknown at this point, though it was estimated at around £10,000 per year.

Action:

- Joint Secretaries to speak to Scotland Excel about next steps.

#### 10. SAB Annual Report 2021/22

The SAB was asked for comments on the draft 2021/22 SAB Annual Report. The SAB queried whether demographic data on the age of LGPS members would be available, though it was noted this is difficult to obtain.

Action:

- Sarah Watters to speak with COSLA about obtaining data on age.

#### 11. SAB Work Plan – Review of Activities

The Group heard that the final Workshop is due to take place in late November.

SW updated the Group on the Transparency Session due to take place on 21 September.

#### 12. AOB

No items.