

## **Specialist Support to the SAB: Update**

### **Purpose and background**

This paper updates on specialist support to the SAB. At the SAB's February meeting the recommendation from the Joint Secretaries to appoint Barnett Waddingham as specialist support was agreed.

The agreement is for 5 days work on a fixed fee basis, with up to a further 5 days on a daily rate for one year.

### **Areas of Support/ recommendation**

Specific areas of support to be provided are still to be determined. BW has provided a list of suggested workstreams set out below. However the Joint Secretaries propose that further consideration is given to areas to request support, working with SAB Advisers, and that firm proposals are brought to the SAB's September meeting.

Should it be felt in the meantime that a work area arising may merit a request, the Joint Secretaries will inform SAB Members prior to a request being placed.

SAB Members may wish to comment on the areas set out and offer thoughts to assist the Joint Secretaries.

### **Areas of Support Note from Barnett Waddingham**

Scottish Scheme Advisory Board: Proposed workstreams to be covered by the 5 days fixed fee

1. Good Governance Guidance. To prepare draft guidance on best practice in governance for LGPS Funds for discussion with the secretariat. This guidance to be based on:
  - Existing best practice in Scottish LGPS Funds
  - Examples of best practice in E&W LGPS Funds
  - Existing statutory guidance
  - The TPRs General Code of Governance
  - THE E&W Good Governance recommendations
  - Relevant industry wide standards (eg Cyber policies)

We would estimate this work taking three days including surveying Scottish Funds for examples of best practice, producing a draft, discussing and revising accordingly and presenting as a report for the Board.

2. Preparing options for climate reporting regulations in Scotland. This would seek to learn from the experience in E&W together with existing practice in Scottish LGPS Funds and would include:

- Adapting the E&W draft regulations
- Regulations linking to DWP regulations with suitable amendments
- Regulations to comply with TCFD requirements

We would estimate an initial draft report on the above options to take one day.

3. Drafting of an explanatory note on the impact of the EAPB Bill on Scottish LGPS Funds to include:

- Setting out the prohibitions and exclusions in the Bill
- Highlighting the risk of legal challenge as a result of the Bill
- Steps to minimise the risk of challenge

We would estimate a half a day to draft this note.

4. Preparing a high level 'lessons learned' note on the application of the E&W SAB cost management process to include:

- Setting out the operation of the process
- Describing the potential benefits of the process
- High level proposals on how such a process could operate in Scotland

We would estimate a half a day to draft this note. Should the Board wish to pursue this matter further we would be happy to prepare a more detailed report on options for regulation which we would estimate at a further two days of additional work including presenting the report to the Board.

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