

Local Government Pension Scheme Advisory Board
10:30-12:30, Wednesday, 21 May 2025
Edinburgh Training and Conference Centre and MS Teams

Attendees

<u>SAB Members</u>	
Cllr David Parker (Chair)	Scottish Borders Council
Simon Watson (Joint Secretary)	UNISON
Arthur Nicoll	UNISON
Davena Rankin	UNISON
Andy Thompson (Vice Chair)	GMB
Kirsty Robb	Borders College
Cllr Vaughan Moody	East Dunbartonshire Council
Cllr Simon Mountford	Scottish Borders Council
Kenny Dick	Care Inspectorate
Cllr David Richardson	East Ayrshire Council
Cllr Mandy Watt	City of Edinburgh Council
<u>Advisers and Observers</u>	
Gareth Dixon (Joint Secretary)	COSLA
Mirren Kelly	COSLA
Gary Leadbetter	COSLA
Albert Chen	Lothian Pension Fund
Laura Colliss	North East Scotland Pension Fund
Ian Coltman	SPPA
Eva Sobek	SPPA
Catherine McFadyen	Hymans
Martin Smith	GAD
Cllr Stephen Smith	Chair of North East Scotland Pension Fund

Apologies

Graham McNab	UNITE
Brian Robertson	UNITE
Annette Drylie	GMB

Discussion

1. Welcome and Apologies

The Chair welcomed everyone to the meeting and apologies were noted.

2. Conflict of Interest Declarations

None advised.

3. Minute of Last Meeting and Matters Arising

The minutes of the previous meeting of 19 February 2025 was submitted and approved as correct record.

4. GAD Update on 2024 HMT Valuation

The SAB were provided with an update on the 2024 HMT Valuation. Time was also given for a short question and answer session.

It was advised that SPPA will consult with SAB on scheme-set assumptions from the valuation, which will likely be later this year in September 2025. It was further advised that the SAB would also be consulted on any benefit changes, which would be implemented in April 2027.

In relation to a question on the process around recommendations from the SAB on cost caps, it was advised that these would go to the SPPA and Scottish Ministers, with Scottish Ministers making the final decision.

5. SPPA Update

The update covered the proposed amendments to the Local Government Pension Scheme (Scotland) Regulations 2018, regulations changes pending in England and Wales and an update on the Pensions Regulator's Pension Dashboard.

In relation to the Pension Dashboard, it was queried whether the SAB was monitoring progress on Pension Funds meeting delivery requirements and whether they were experiencing any issues or concerns. It was agreed the Joint Secretaries would write to the Pension Funds to explore this.

ACTION: Joint Secretaries to contact Pension Funds to ask about delivery of Pension Dashboard and any issues they may be experiencing.

There was some conversation around the change to the minimum pension age and whether the SAB or SPPA should be communicating this more widely. The SPPA advised that they were working on central government communications, which could serve as a prototype to allow funds to communicate the change to their members. It was noted this would be forthcoming in the next month or two. SPPA colleagues noted it may be beneficial if the SAB also communicates these changes.

It was raised that it may be useful to have a discussion around what protection can be put in place for existing scheme members would be valuable, and that it would be useful to understand the timescales for stakeholders to feed in any views to the consultation. SPPA advised that the framework is reserved legislation, which means there may be limited protections that can be explored. It was noted that communications will be going out shortly and, if this prompts discussion, then it can be explored further.

6. Good Governance Workshop Report

The SPPA were presented with a paper for noting, which provided some information around the Good Governance Seminar that occurred in February 2025.

In relation to a question around action being taken forward, it was noted that these would inform agenda planning for future meetings.

ACTION: Joint Secretaries to have a look at actions and discuss what might be possible and develop an action plan.

It was agreed that it might be a useful exercise to convene the Good Governance Working Group and to ask funds what they do around inductions to explore good practice.

ACTION: Materials from the Seminar to be recirculated.

7. Scottish LGPS Funds' Investments in Scotland

The SAB were presented with a report and appendix on the SAB survey of Scottish Funds "Investments in Scotland," with a summary of the responses being provided verbally.

It was highlighted that agreement would need to be sought from the Pension Funds before the responses could be published. It was agreed that the report and responses could be shared with Scottish Ministers, confidentially.

ACTION: Joint Secretaries to ask Pension Funds about what they are comfortable with being published (cover paper and full responses).

The SPPA noted that Ministers will welcome this information, whilst recognising the difficulty around framing questions appropriately and so it was highlighted that any advice that can be provided around this would be welcomed.

Some discussion took place around developing a standard reporting template, to allow for easier comparison. It was agreed that a working group should be formed to look at this. The SPPA confirmed it would be happy to be involved in this and facilitate any conversations, if required.

ACTION: Joint Secretaries to work with SPPA and SAB advisers to consider setting up a working group and provide recommendations to the SAB on next steps.

8. Update on SAB Actions Including Working Groups

The SAB were provided with verbal updates on agreed SAB actions and from working groups.

In terms of the cost transparency working group, it was noted there had been no further meetings or interactions since the last update.

Regarding the SAB working group on references through Board, it was noted that the plan was to meet in June.

In relation to the gender pension gap, it was noted that the working group was working on guidance for administering authorities on how to calculate gender pension gaps and when to undertake this. It was noted that the final copy can be shared, when available. It was also highlighted that there was a consultation on access and fairness at a UK level, which only applies to England and Wales, but the SAB may wish to respond to this.

In terms of net zero, the working group had concerns over aggregating data from funds up to the scheme level and consistency around how funds collect information. The current UK Government's position is that net zero remains a commitment, but it is not a high priority at this point. The group also looked at the Fit for the Future consultation and the funding

strategy to incorporate climate change risk, and the updated legal guidance on fiduciary duty with discussion on the SABs role in this in terms of providing guidance.

9. Fit For the Future – Developing a Scottish View

The SAB were provided with a verbal update on organising a Fit for the Future – Developing a Scottish View event. It was advised that the joint secretaries had drafted a letter to send to a number of possible facilitators for the event and how this would operate.

10. Report on SAB Attendance at Scottish and Northern Ireland LGPS Funds Meeting

The SAB considered a report from the representatives of the SAB who attended one of the regular meetings of Scottish and Northern Ireland LGPS Funds meeting.

In relation to SAB advice on fiduciary duty and local investments, it was agreed that the working group to be developed (as discussed under Item 7) could also consider these matters, including around the consideration of seeking legal advice, and a proposal be brought back to a future SAB.

11. Future Resourcing of SAB

The SAB was advised that, following the recruitment process for the Policy Officer post to support the work of the SAB, the preferred candidate had been offered and had accepted the post. It was highlighted that it was a fixed term post for twelve months and that the role would be reviewed and the SAB would have a role in this.

12. SAB Work Plan

The SAB considered a paper which provided an update on the current status of the Work Plan and highlighted progress in certain areas.

It was noted that the English and Welsh SAB had invited the Scottish SAB to nominate Scottish Pension Fund Officers to sit on some of their working groups. This included the Good Governance Working Group, Knowledge and Skills Working Group and Peer Support Offer Working Group. It was agreed that the Joint Secretaries should write to the Scottish Funds asking for nominations to sit on these groups.

It was also noted that the English and Welsh SAB had invited the Scottish SAB to nominate a SAB member to sit on their Investment Committee. It was agreed that Cllr David Richardson would be nominated.

The Work Plan was noted.

13. AOB

There was no other business.

Future Meeting Dates:

The SAB agreed the future meeting dates of:

- Wednesday, 27 August 2025, 10:30 – 12:30 (hybrid)
- Wednesday, 26 November 2025, 10:30 – 12:30 (by MS Teams)