2026-11
ITEM 06

SAB Attendance at the Scottish and NI LGPS meeting 14 October 2026

The SAB Joint Secretary and Policy Officer attended a hybrid meeting of the Scottish and Northern Irish Funds on behalf of the Scottish LGPS Advisory Board in Glasgow.

The meeting started with a presentation on "Pensions and AI: regulations, risks, rewards and recommendations for pension funds" which provided practical advice as well as some eye-opening statistics on the scale of AI use and the chase for regulation to catch up.

The meeting then discussed a wide range of topics that are affecting LGPS in Scotland, Northern Ireland and England and Wales. It received reports from the SPPA, the Scottish SAB, LGA, and an update on the Member training event in November 2026.

The Joint Secretary of the SAB presented the SAB's October bulletin as an update. The SAB was asked on the progress of a review of the Governance regulations and draft constitution for Pension Boards. The Secretariat agreed to take this to the Good Governance Working Group.

Other topics covered under policy and regulatory developments include:

- **SPPA consultation.** The consultation on the National Minimum Pension Age and regulations updates have been further delayed, however SPPA committed to delivery by the end of October.
- **SPPA new colleague.** The meeting welcomed a new Policy Manager at the SPPA, Belinda David, adding some welcome capacity to the team.
- **SCAPE rate and updated GAD factors.** The LGA provided information on the update to GAD factors following a query in August as well as confirming the release of the third and final batch of factors by SPPA.
- **TCLSDBs and McCloud top-up payments.** HMRC has confirmed how the £30,000 limit for a trivial commutation lump sum death benefit (TCLSDB) applies when a further payment is due following a review under the McCloud remedy.
- **Tax and benefit changes**. Further developments were provided on inheritance tax changes applying to deaths from 6 April 2027, including the launch of a second technical note.

Topics covered under operational and member communication issues include:

- **GAD recharge of costs to Pension Funds.** Pension Funds agreed that they were planning to write to the Minister setting out their objection to the decision to recharge costs for GAD from SPPA to the Funds.
- **Member training event November 2026, further details of the events were shared along with progress on registrations.**

Topics covered under general discussion include:

- **Update on the Draft Vision statement for local investment.** Funds provided updates on discussions held on the vision statement with Pension Committees. The need to be aware of multiple tracks of activity including from Scottish Government and the SAB was noted. Further discussion on local investment was expected at the IGG meeting to follow the next day.
- **Pensions UK report: Put outcomes before structure in LGPS reform.** It was noted that this report may be particularly relevant to Scottish Funds given the PSR agenda.

The next LGPS Scotland and NI meeting will be held by Falkirk Pension Fund on 8th and 9th December.

The Board are asked to:

1. **Note the topics covered in the last meeting and are invited to provide additional comments or seek points of clarification on activity.**
2. **Note that the next meeting of the LGPS Scotland and NI meeting will be held by Falkirk Pension fund on 8th and 9th December.**
3. **Confirm progress in future updates on review of draft constitution for Pension Boards given the upcoming changes expected following the 2027 elections (see ITEM 07 – Report from Working Groups).**