

## **PE22. LOCAL GOVERNMENT PENSION SCHEME - GOVERNANCE ISSUES**

The Committee considered a report by the Chief Finance Officer providing an update on the recent developments in relation to the governance arrangements in respect of the ongoing reform of the Local Government Pension Scheme (LGPS) through the Public Service Pensions Act 2013 with effect from 1 April 2015.

The report detailed that a Heads of Agreement on scheme governance had now been reached between COSLA, Trades Unions and the Scottish Government and the statutory regulations underpinning governance rules would be finalised in early 2015.

The key milestones were as detailed below:-

- The consultation period for the draft regulations from 16 October to 27 November 2014;
- The Scottish Public Pensions Agency (SPPA) review of consultation comments from 28 November to 19 December 2014;
- The final drafting of regulations from 5 to 16 January 2015; and
- The ministerial signing off of the regulations on 27 January 2015.

The report thereafter detailed the following requirements within the Act for the operation of the Pensions Board including:-

- Ensuring the secure compliance with the scheme regulations and other legislation relating to the governance and administration of the scheme and the Pensions Regulator;
- To undertake any such other matters as the scheme regulations may specify;
- Having an equal number of employer and member representatives (a minimum of 4 trade union and 4 employer);
- That the scheme manager should be satisfied that members did not represent a conflict of interest; and
- That meetings should take place concurrently with the Pensions Committee.

In furtherance of the requirement to establish a Pension Board it was proposed to consult Fund Employers and Trade Unions for their views as to how the new arrangements could best operate and the report provided information on the consultation action plan and associated implementation timescales.

### **Decision**

**The Committee:-**

- (1) noted the report; and**
- (2) agreed that a joint meeting between the Committee and the Panel would be convened in December 2014 at a date to be confirmed.**