

Dear LGPS Colleague – The Scheme Advisory Board is keen to improve communication of the work it is undertaking on your behalf. Although the Board’s website at www.lgpsboard.org can be helpful in this respect, the Board has now agreed that a bullet point summary of each Board meeting should be sent to scheme stakeholders as soon as possible after each meeting. A more detailed summary will be available on the Board’s website in the “Board Publications” section.

This email covers the main points of the Board meeting held on the 16th January 2019. The meeting commenced with a minutes silence in memory of the late Councillor Ian Greenwood.

SAB Cost Cap

- Statement detailing the SAB package circulated on the 21st December 2018
- Ongoing discussions with HMCLG and other interested parties
- Q&A paper for administering authorities being prepared
- 1st April deadline for scheme changes is becoming increasingly challenging
- MHCLG confirmed that a consultation paper is almost ready to go
- A shortened consultation could take place once government has given the green light
- On introduction of the SAB package, the HM Treasury cost cap scheme valuation will then be undertaken

Cost Transparency – Compliance System

- Deadline for bids for the compliance contract was the 22nd January
- Four bids were received
- SAB will consider recommendation from the bidding panel.
- Northern Ireland LGPS is to be added to the Code of Transparency

Academies and Third Tier Employers’ Projects

- SAB was advised that work on both projects had been deferred because of other competing priorities but that work would recommence as a matter of urgency in January.

Good Governance in the LGPS Project

- Contract has been awarded to Hymans Robertson
- SAB agreed to rename the project to allay fears of separation from local government

Responsible Investment

- The Board agreed that the guidance on Responsible Investment should be extended to include a checklist on climate change risk.
- Work also to be undertaken on assisting administering authorities in developing policy statements on climate change risk.

MHCLG Draft Statutory Guidance on Pooling

- MHCLG confirmed that this was not a public consultation
- Informal comments from SAB, administering authorities, local pension boards and pool companies requested
- SAB will submit a composite response but member’s organisations may respond directly
- Closing date for comments is 28th March

IORP II Directive

- SAB agreed to open discussions with MHCLG on the scope for introducing some of the key elements of the Directive into scheme regulations or guidance

Local Pension Boards

- SAB agreed that the Secretariat should prepare a follow up survey to test the ongoing effectiveness of local pension boards for consideration at the next meeting in April

2019/20 Budget and Workplan

- 2019/20 to be a year of consolidation
- Some work on annual and lifetime tax allowances may need to be undertaken
- Secretariat to firm up 2019/20 budget and workplan for final consideration by SAB

Pensions Regulator

- SAB was advised that no reply had been received to the Chair's letter of November 2018.
- SAB tasked the Secretariat to chase a reply.

Stop Press – Following an exchange of emails it transpires that Lesley Titcomb had replied in December but that this had not been received by the Chair or the Secretariat. A copy of the missing letter has been requested. Lesley Titcomb also confirmed that a senior member of her team will be asked to attend the next SAB meeting in April.

BOB HOLLOWAY

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