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## LGPS Governance

The Scottish Public Pensions Agency has published a public discussion [paper](#) on new governance arrangement for the Scottish Local Government Pension Scheme. This arises out of the recommendations of the Hutton Report and the provisions of the UK Public Service Pensions Act. The Act requires that there should be a new scheme advisory board and that each fund should have a pension board made up of equal numbers of employee and employer representatives.

The trade union side position is set out in a [paper](#) presented to SLOGPAG in July last year. That paper welcomes the provisions of the Public Service Pensions Act that strengthen the governance arrangements for the Scottish LGPS. The limited member engagement is outdated and as the Hutton Report recommended, governance needs to be brought up to date with current best practice. As Dave Watson sets out in this blog [post](#), the LGPS is probably the last pension fund to operate with limited member representation and no separation from the administering authority.

The new scheme advisory board is not a big change in Scotland as we have had a similar body in SLOGPAG for many years. The main area of difference is over the fund level pension boards. The employers want to keep investment decisions solely in the hands of councillors by retaining the current arrangements and placing the new pension boards in a scrutiny role. We believe this is unnecessary duplication, contrary to the Hutton recommendations, and an attempt to keep the LGPS in its outdated governance model.

The consultation also begs the wider issue of separation from the administering authorities because of the potential conflict with local government legislation and the EU IORP Directive. In addition it has already been agreed that the number of funds in Scotland or the potential for shared services will be reviewed, starting this year.

The public consultation is unlikely to generate much in addition to the existing positions of stakeholders on this issue and SLOGPAG will return to this issue next month. There will be a branch and Pension Champion meeting to consider these issues on:

**Friday 7 February at the Thistle Hotel, Cambridge Street, Glasgow, starting at 11am**

Please ensure your branch is represented at this meeting.

### LGPS Regulations

Following the ballot on the Heads of [Agreement](#), the draft regulations have now been published for public consultation and can be viewed on the SPPA [website](#).

### More pension information at:

Scottish Pension Web Pages: <http://www.unison-scotland.org.uk/pensions/index.html>

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