

LGPS SAB – Supporting Employers and Local Pension Boards

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About the SAB – Who are we?

The Local Government Pension Scheme Advisory Board

Welcome **About the Board** Sub Committees Meetings and papers Structure Reform Scheme Data News Contact us



Board membership

The membership of the Board is designed to include a broad spectrum of scheme stakeholders. Members have been appointed either by appropriate representative bodies or by nomination and election. Please contact the Board member most appropriate to your interests in order to ask questions about the work of the Board or to put forward items for consideration. The Terms of reference of the Board are currently being reviewed and will be publishing here once that process is complete

Board Chair

Cllr Roger Phillips
Before his appointment as chair Cllr Phillips was vice chair of the Board and also chaired the LGA's UK wide Local Government Pension Committee. He is a member and former leader (2003-2011) of Herefordshire Council and has been a lead LGA member on workforce and pay negotiations since 2007. He also chaired the LGPS2014 Project Board which brought together employer, employee and government representatives in order to reform the scheme. Cllr Phillips was appointed a fellow of the Royal Society of Arts in 2006.



Board Vice Chair

Scheme Employers

Scheme Members

Non voting members

Scheme Advisors

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Articles Most Read

- Welcome to the website of the Scheme Advisory Board
- About the Board
- Board analysis
- Board membership

What do I do?

- Represent education employers
- Non-Local Authority employer member
- Nominated and appointed by a panel of Education Sector Employers which must include:
 - University and Colleges Employers Association (UCEA)
 - Association of Colleges (AOC)
 - Academy Finance Directors

Issues for education employers

- Cost of the scheme
- Lack of control
- Lack of employer voice

Statutory duties

- **The LGPS Scheme Advisory Board** is a body set up under Section 7 of the Public Service Pensions Act 2013.

Remit

- To provide advice to the Secretary of State for the DCLG on the desirability of changes to the scheme.
- To provide advice to LGPS scheme managers and pension boards in relation to the effective and efficient administration and management of the LGPS and connected schemes.

Purpose

- The purpose of the Board is to both reactive and proactive. It will seek to encourage best practice, increase transparency and coordinate technical and standards issues.
- It will consider items passed to it from the DCLG, the Board's sub-committees and other stakeholders as well as items formulated within the Board. Recommendations may be passed to the DCLG or other bodies. It also has a liaison role with the Pensions Regulator. Guidance and standards may be formulated for local scheme managers and pension boards.

Work programme

- Matters that the SAB has a statutory requirement to fulfil under Scheme regulations (for example, providing guidance to administering authorities, the cost control process),
- Matters upon which the SAB have been asked to take forward by Government (for example, the scheme annual report, the deficit management project),
- Matters that the sector has raised as important for the Scheme (for example, guidance on the Pensions Regulator's code of practice),
- Matters that the SAB itself deems as priorities for the Scheme in order to improve its governance and long term sustainability (for example, value for money guidance, knowledge and understanding guidance).

Sub-committees and other groups

- Investment, engagement and governance
- Cost management and scheme design
- Deficits Working Group

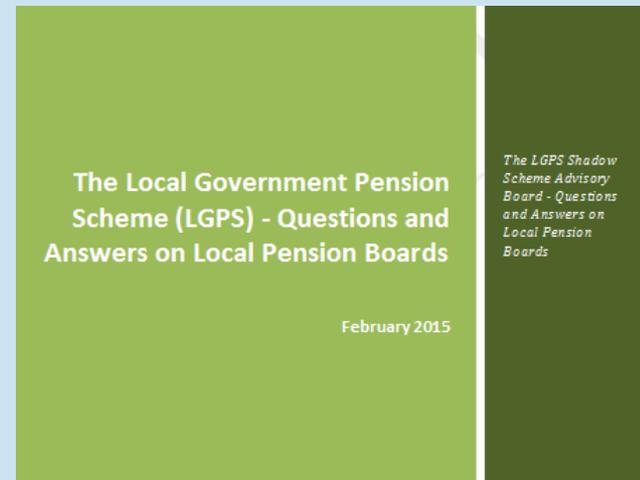
How does the SAB interact with Local Pension Boards?

Prepares training and guidance:

- SAB guidance falls under the provisions of section 7(3) of the PSPA 2013 which requires that scheme managers (i.e. administering authorities) and Local Pension Boards to regard to it.

Local Government Pension Scheme (LGPS)

Guidance on the creation and operation of Local Pension Boards in England and Wales



- Event for Local Pension Board chairs later this year

How does the SAB interact with Local Pension Boards?

Aims to provide a 'bona fide' single information source for all LGPS stakeholders on the:

- a) “general health” of the LGPS nationally
- b) “specific health” of each LGPS fund relative to other LGPS funds
- The LGPS annual reports will enable stakeholders to assess, benchmark, and track the health of the LGPS over various time periods.

Local Government Pension Scheme

Scheme Advisory Board

Triennial valuations in the LGPS (England & Wales)

Scheme Annual Report 2015



Chair's Statement

On behalf of the Scheme Advisory Board I am delighted to be able to present the third Annual Report for the Local Government Pension Scheme (LGPS) in England and Wales. The LGPS is one of the largest defined benefit (DB) schemes in the world and is the largest DB scheme in England and Wales, with over 11,000 employers, 5.1m members and assets of £217bn.

How does the SAB interact with Local Pension Boards?

Helps to demonstrate that LGPS funds are meeting statutory duties:

- PSPA 2013 requires that up to date information must be published on:
 - (a) who the members of the board are,
 - (b) representation on the board of members of the scheme or schemes, and
 - (c) the matters falling within the board's responsibility.
- Monitoring the investment pooling project

Cost management process 2016

- Under the new public service pension scheme framework, the costs of the pension schemes must be periodically assessed to ensure that the reforms are affordable and sustainable.
- In the LGPS in England & Wales, there will be two slightly different mechanisms used to do this:
 - a) the employer cost cap process as operated by HMT, and
 - b) the future service cost process as operated by the SAB
- Both processes could lead to changes to the scheme design or to the level of members' contributions if the costs of the LGPS are shown to have moved sufficiently from the target.



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