

## **Note of Proposed Changes**

These Regulations made under section 1 of the Public Service Pensions Act 2013 include provisions in relation to pension boards and a Scheme Advisory Board that are required to be included in regulations made under that section in terms of sections 5 and 7 of that Act. They also include further provisions provided by the Scottish Local Government Pensions Group for the new Local Government Pension Scheme and agreed in a series of bilateral meetings between COSLA and the Trade Unions representing local government employees in Scotland.

**Regulation 1** covers citation, commencement and extent and also gives definitions.

**Regulation 2** sets up the Scheme Advisory Board as required by section 7 of the Public Service Pensions Act 2013 whose main functions are a) to provide advice to Scottish Ministers, at the Scottish Ministers' request, on the desirability of changes to the Scheme; and (b) to provide advice (on request or otherwise) to the Scheme managers or the Scheme's pension boards.

**Regulation 3** provides for the constitution of the Scheme Advisory Board, providing that it must have equal representation on it of 7 local government employer (as defined in regulation 1 of the Regulations) and 7 relevant trade union representatives chosen by their respective organisations.

**Regulation 4** provides against conflicts of interest of members of the Scheme Advisory Board as required by section 7(4) of the Public Service Pensions Act 2013.

**Regulation 5** provides for the establishment for each Scheme manager of a pension board with responsibility for assisting the Scheme manager.

**Regulation 6** provides for the constitution of pension boards as required by section 5 of the Public Service Pensions Act 2013, again with equal representation of local government employers and representatives of relevant Trade Unions. It also provides that it shall be normal practice for the pension board to meet at the same place and at the same time as the Pensions Committee and to consider the same agenda; in which case the Chair of the Pensions Committee shall act as chair of both meetings.

**Regulation 7** provides against conflicts of interest of members of pension boards.

**Regulation 8** sets out the remit of pension boards.

**Regulation 9** provides for a process of review in case of a disagreement on certain matters between a pension board and a Pensions Committee.

**Regulation 10** provides that pension boards and Pensions Committees must agree and implement a programme of training for their members but the members still have personal responsibilities to ensure that they are properly trained to carry out their functions.

These Regulations do not cover provisions in relation to employer cost cap as provided for in section 12 of the Public Service Pensions Act 2013. A cost cap will be set on the completion of the necessary actuarial work expected to conclude towards the end of 2015. An amendment to the Scheme will be made at that time to include the cost cap.