

Scheme Advisory Board

Hybrid meeting held on 21 July 2025

Item 3 – Paper A – Actions and Agreements

Actions and agreements – 24 March 2025 – 2.00pm

Present

Councillor Roger Phillips	Chair
Jon Richards	Vice-Chair (UNISON)
Councillor John Beesley	Scheme Employer Representative
Councillor Christopher Weaver	Scheme Employer Representative
Councillor Andrew Thornton	Scheme Employer Representative
Emelda Nicholroy	Scheme Employer Representative (Universities and Colleges Employers Association)
George Georgiou	Scheme Member Representative (GMB)
Garry Warwick	Scheme Member Representative (GMB)
John Neal	Scheme Member Representative (UNITE)
Tommy Bowler	Scheme Member Representative (UNITE)
George Graham	Practitioner Representative (South Yorkshire Pensions Authority)
Kelvin Menon	Association of Local Authority Treasurers representative – ALATS
Nick Kirby	Trades Union Congress (TUC)
Ben Lavelle	Ministry of Housing, Communities and Local Government (MHCLG)
Matt Gurden	Government Actuary's Department (GAD)
Eva Sobek	Scottish Public Pensions Agency (SPPA)
Alan Wilkinson	SPPA
David Murphy	Northern Ireland Local Government Officers' Superannuation Committee (NILGOSC)
Jeremy Hughes	Local Government Association (LGA) – Deputy Board Secretary
Lorraine Bennett	LGA – Principal Pensions Adviser
Becky Clough	LGA – Board Support and Policy Officer
Ona Ehimuan	LGA – Pensions Secretary
Sophia Chivandire	LGA – Research and Data Analyst
Naomi Cooke	LGA – Interim Head of Pensions and Board Secretary

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Jo Donnelly	Outgoing Board Secretary (Observer)
Clair Alcock	Incoming Head of Pensions and Board Secretary (Observer)
Charity Main	Nominated Scheme Employer Representative for the education sector (Observer)
Cllr George Jabbour	Border to Coast Joint Committee Chair (Observer)
Olusola Aiku	Scheme Member Representative (Observer)

Item 1. Welcome, apologies and introductions

1. The Chair welcomed attendees to the meeting including Cllr George Jabbour, and Olusola Aiku to the meeting as observers. Both exited the meeting for confidential items. Also present as observers were Charity Main who had been nominated to replace Emelda Nicholroy from April 2025 and Clair Alcock who will be the new Board Secretary from 19 May 2025. As incoming representatives, they remained in the meeting for the confidential items. The outgoing Board Secretary, Jo Donnelly, was also present for the meeting including the confidential items along with Naomi Cooke who is the interim LGA Head of Pensions and Board Secretary. Sophia Chivandire who joined the Secretariat team in December 2024 was also welcomed to her first Board meeting
2. Apologies for absence were received from Chris Tansley (UNISON), Gary Delderfield (Evershed Sutherland), Cllr John Fuller (Employer Representative), Cllr Nathan Yeowell (LGPC Chair) and Sarah Tingey (LGA). Teresa Clay (MHCLG) also sent apologies; Ben Lavelle attended the meeting in her place.

Item 2. Meeting protocol and declarations of conflicts of interest

3. The Chair reminded attendees of the hybrid meeting protocol. There were no declarations of interest.

Item 3. Interim arrangements in absence of Board Secretary

4. The Chair informed the Board that Naomi Cooke, Head of Workforce at the LGA, would be acting as the interim Head of Pensions and Board Secretary until the newly appointed Clair Alcock started her role on 19 May 2025.

Item 4. Actions and agreements from 25 November 2024 meeting (Paper A)

5. The minutes of the meeting of 25 November 2024 were confirmed as an accurate record of the meeting. Under matters arising, Ben Lavelle (BL) informed the Board that a new member of staff had been recruited to the MHCLG team and is developing a work programme to be shared with the Board in due course. The Chair informed members that new Funding Strategy Statement (FSS) guidance had been published and thanked the

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working group, including the lead officer Rachel Brothwood, Becky Clough from the Secretariat team as well as MHCLG and Chartered Institute of Public Finance and Accountancy (CIPFA). It was confirmed that the Board sent a letter to the Minister to request that the upper probate limit be raised, and a response was awaited.

6. It was also confirmed that the budget for 2025/26 has been approved by the Minister. A Medium-Term Financial Strategy will be presented to the Board along with an updated Risk Register at the July meeting once the new Head of Pensions is in post.

Item 5. LGPC Update (Paper B)

7. Lorraine Bennett (LB) introduced Paper B to the Board. A response to the Government's consultation on inheritance tax had been submitted by the LGPC team. The Government's response had not yet been received.
8. The implementation of the McCloud remedy is ongoing, and a series of webinars are being held with Affinity Connect. Administering authorities have been given the discretion to not include estimated underpin information in the 2024/25 statements for a particular member or class of members, however the Government has not issued any guidance on when and how to apply this. The administration software systems have not been updated fully yet, so some calculations are being done manually or are on hold which poses an ongoing challenge for administering authorities.
9. An overview of the Government's plans to increase the normal minimum pension age (NMPA) from 55 to 57 from 6 April 2028 was given and the Board was invited to take a stance on issue of protections for existing members. The change which is legislated for in the Finance Act 2022 allows for transitional protection to certain members through a protected pension age (PPA), however without additional explicitly stated protections in the LGPS regulations, members would not be able to take their benefits until age 57 after the aforementioned date. However, putting protections in place for current members would increase administrative complexity and would potentially be discriminatory.
10. George Georgiou (GG) said that communication and clarity from the Government on this issue is needed, adding that it is important to know who and how many will be affected. John Neal (JN) said that Unite would like to see additional protections put in place to cover all members of the scheme and no options should be weakened. Emelda Nicholroy (EN) added that there was risk of further issues if a retirement age of 55 had also been stated in contractual documentation and this was not in line with the change or any additional protection given. Employment contracts would need to be checked to see whether such terms had been included.

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11. Jeremy Hughes (JH) suggested that it may be useful for the Board to seek its own legal advice on this matter adding that if the change also applied to deferred members then there was a need to communicate with them too. Jon Richards (JR) added that it would be sensible for Government to conduct an informal consultation on the options and include the Board before proposals are publicly published. Ben Lavelle (BL) replied that this would be considered and invited the Board to provide a consensus view on the matter. The Chair said that it will be important for the Government to learn from the past in terms of reducing complexity and the Board concluded that MHCLG should bring forward their proposals for the Board to consider before agreeing on a stance.

ACTION – that MHCLG bring forward their proposals on NMPA to the Board.

Item 6. Local Government Reorganisation and the LGPS

12. JH introduced Paper C to the Board which gave an overview of local government reorganisation currently being discussed nationally and the potential impacts these changes could have on the LGPS. On top of the key aspects outlined in the paper, JH added that the current plans presented an opportunity to align with the work being done on fund governance and to give further consideration to the creation of single-purpose LGPS administering authorities.

13. The Board noted that the challenge of local government organisation should not be underestimated with reorganisation of front-line services a huge undertaking. It was important that LGPS issues were also given proper consideration in the process.

Item 7. Fit for the Future consultation: next steps post consultation

14. JH gave an update to the Board on the Fit for the Future consultation. The final draft of the Board's response to the consultation was submitted on 16 January 2025 and had been circulated in advance to the Board for agreement. As the Board's response was drafted and submitted without the opportunity for the Board to meet and discuss (given the tight deadline), the Board was invited to give further comment under this item.

15. Areas that the Board still felt needed further clarity included pool governance, especially relating to conflicts of interests, local growth, role of strategic authorities and guidance to implement the good governance recommendations. On pool governance in particular, the Secretariat has been exploring procuring further legal advice on a series of practical questions. Exact timing for the Government's response to the consultation could not be given by MHCLG representative. The Chair had asked the Secretariat to arrange a meeting to discuss these issues with Pension Committee Chairs and the Minister after the local elections.

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Item 8. Summary of legal advice on fiduciary duty (Paper D – Annex A classified as confidential)

16. Olusola Aiku and Cllr Jabbour as observers left the meeting at this item. JH introduced Paper D to the Committee and highlighted that annex A contained a draft summary of the Secretariat's understanding of the legal advice received from Nigel Giffin KC.
17. Board members agreed that the full advice was extremely useful and agreed that a summary of the advice was also helpful to give an overview of the key principles laid out in the advice. The Board reflected on the need for consistent messages in the advice given, with reference to the separate legal opinion on sharia and LGPS, and it was also raised that Cushon had also provided advice on fiduciary duty, specifically relating to the push from Government to invest more in the UK. The Secretariat undertook to try and get hold of Cushon's advice.
18. The Board agreed that the summary of advice should be published. It was also agreed that more practical guidance for funds was needed on how to obtain scheme member views on the ESG element of the investment strategy.

ACTION – that the Secretariat published the summary of the legal advice on fiduciary in the LGPS

Item 9. Scheme Annual Report 2023/24 – initial findings (Paper E)

19. Becky Clough (BC) introduced Paper E to the Board. The data for the 2023/24 had been collated and sent to the LGA's Research team for quality analysis. The data included in the paper showed the changes in membership along with the breakdown of asset classes and some initial data on the rate of compliance with the new Annual Report Guidance however the latter was still being worked on. Following on from the publication of the guidance in 2024, funds had been asked to publish their reports with a 'best endeavours' approach to complying with the guidance. Further information to be included in the final Scheme Annual Report had been sought from Club Vita and was expected in early April. The Secretariat is now finalising plans to publish the Scheme Annual Report once it has been finalised.

Item 10. SAB Website Upgrade Project and communications strategy (Paper F – confidential)

20. Ona Ehimuan (OE) introduced Paper F to the Board which gave an overview of the Board's plan for the procurement of a new SAB website and high-level plans for a new communications programme designed to further promote the work of the Board. Included at Annex A was the updated plan for the website procurement and at Annex B was the specification for the new website. The

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Chair welcomed the plans saying that it is important to continue to evolve and improve the ways the Board engages with the sector. Members of the Board said that it would be important to assess the effectiveness of the existing communications channels to feed into the ongoing developments. The Board agreed that the Secretariat continue to deliver the updated project plan and continue developing the new communications programme.

ACTION – that the Secretariat continue the work contained in the Website Upgrade project plan and develop a new Board communications programme

Item 11. Board and Committee Membership – Paper G

21. OE introduced Paper G to the Board. The Board discussed and approved all the recommendations within the paper.
22. The Board noted that the second terms of Emelda Nicholroy, Garry Warwick, Chris Tansley and Jon Richards were coming to an end in April 2025 and thanked them for their contributions over the last 10 years. Charity Main who was present at the meeting as an observer had been nominated to replace Emelda on the Board and nominations for the other outgoing members had been requested by the Secretariat.
23. Paper G included principles to be added to the Board's Term of Reference documenting the considerations made when dealing with nominations of new members. The Board agreed with the addition of these principles however said the wording contained in the paper needing adapting to better reflect the nomination practices of member representatives in particular. It was agreed that the Board should submit their comments on the wording by 28 March 2025.
24. At the last Board meeting on 25 November 2024, it was agreed to establish a conflicts of interest register for Board and Committee members and for a summary of this to be published on the Board website. Annex A contained the draft declarations form to be circulated for the collation of the register. The Board noted one edit to be made and subsequently approved the form for usage.

ACTION – that the Secretariat circulate the approved declarations of interest form to all Board and Committee members and that Board members submit their comments on the Board nomination principles to the Secretariat by 28 March 2025

Item 12. Compliance and Reporting Committee (CRC) Report (Paper H)

25. Becky Clough (BC) introduced Paper H to the Board which gave an overview of the key items discussed at the last CRC meeting on 17 February 2025. The Audit Roundtable last met on 9 December 2024 and the Board had

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submitted a response to the Government's consultation on [Local Audit Reform](#), which closed on 29 January 2025. The Committee had also discussed the Fit for the Future consultation and in particular the plans to implement the Board's Good Governance recommendations. The Committee's workplan for 2025 was approved by the Board.

Item 13. Cost Management Committee Report (Paper I)

26. George Georgiou (GGe) introduced Paper I, which gave an overview of the key items discussed when the Committee met on 24 February 2024. The Committee discussed the progress made on the Gender Pensions Gap and Opt Outs. There are plans for a Gender Pensions Gap roundtable to be hosted by the Board to bring together various stakeholders to further discuss the topic.
27. The Committee discussed the 2025 triennial fund valuations, and the associated Section 13 report that the Government Actuary's Department would produce. GGe drew the Board's attention to the [letter](#) from Michelle Warbis, a Deputy Director at MHCLG, concerning the use of interim contribution reviews and looking ahead to the 2025 local fund valuations. At a meeting held with fund actuaries, also on 10 March 2025, the Board was asked to consider issuing a further statement, following on from the [surplus statement](#) and new [Funding Strategy Statement \(FSS\) guidance](#) to provide some guidance to administering authorities. The Board agreed to draft a statement to be published on the Board website.
28. The Board also received and approved the Committee workplan for 2025.

ACTION – that the Board drafts a statement using the principles from the new FSS guidance and the previously published surplus statement to assist with the 2025 triennial fund valuations

Item 14. Investment Committee Report (Paper J)

29. Cllr Andrew Thornton (AT) introduced Paper J to the Board, reviewing the items of discussion from the last Investment Committee meeting on 3 March 2025. Included at Annex A was the revised project plan for the Code of Transparency data project and at Annex B was the Committee workplan for 2025 which was approved. The Board also noted that the RIAG Terms of Reference had been amended to extend the length of Sandra Stewart's (RIAG Chair) term to match that of the Group members. The Board also received and approved the Committee workplan for 2025.

Item 15. AOB and date of next meeting

30. The Chair informed the Board that a letter had been received from the Association of Consulting Actuaries (ACA) requesting that the Board

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considering producing guidance to give greater consistency to exit valuations between administering authority. It was agreed to refer the letter to the CMBDA committee for consideration.

ACTION – that the Secretariat refers the ACA's letter on the treatment of employers on exit to the CMBDA committee

31. The Board thanked the outgoing Board Secretary, Jo Donnelly for her leadership and commended her contributions to the Board over the last three years after stepping down from the role in February 2025 to become the next Chief Executive Officer of the London Pension Fund Authority.
32. The date of the next meeting is set for 21 July 2025 at 1:30pm.
