

Responsible Investment Advisory Group

Meeting of the 5th January 2022

Item 2 Paper A

Actions and Agreements

1st September 2021 Meeting – 11.00am to 1.00pm

Those attending –

Sandra Stewart – Greater Manchester Pension Fund – Chair

Lily Tomson – The Pensions Council

Graham Cook – Environment Agency

George Graham – South Yorkshire Pensions Authority

Tim Mpofu – Haringey Pension Fund

Kevin McDonald – ACCESS

Valborg Lie – Central

Frances Deakin – LPP

Piers Lowson – Baillie Gifford

Sarah Wilson – Minerva

Joe Dabrowski – PLSA

Sam Gervaise-Jones – bfinance

Ned Whitehead - Redington

Observers –

Teresa Clay - MHCLG

Oliver Watson – MHCLG

Tom Harrington – Greater Manchester Pension Fund

Secretariat –

Joanne Donnelly – Deputy Board Secretary

Bob Holloway – Pensions Secretary

Item 1 – Welcome, introductions and apologies

1. The Chair opened by welcoming members to the first hybrid meeting including new members Sam Gervaise-Jones and Ned Whitehead representing the asset owners workstream for the Investment Consultants Sustainability Working Group.

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2. Apologies were received from Debbie Fielder (Clywd Pension Fund), Caroline Escott (RPMI Railpen), Ashley Hamilton Claxton (RLMA), John Neal (UNITE) and Jonathan Sharma (COSLA)

Item 2 – Actions and Agreement from 7th July Meeting

Agreed that the actions and agreements paper represents a true and fair account of the meeting of the 7th July 2021

Item 3 – Presentation from Lily Tomson, Occupational Pensions Stewardship Council

3. Lily Tomson gave the group a comprehensive and detailed account of the Pension Council's remit, governance, working methods and a timeline of their agenda. Full details of the Pensions Council can be found at <https://www.gov.uk/government/groups/occupational-pensions-stewardship-council>

Item 4 – MHCLG Update on TCFD Reporting

4. MHCLG confirmed that the public consultation on the LGPS' TCFD reporting regulations is due to be published in October 2021 and will run for 12 weeks. The aim is for the regulations to be in place in April 2022 with the first report to be published at the end of 2023 for the 2022/23 reporting period.
5. The group was advised by MHCLG that account had been taken of the concerns raised at the 7th July meeting about terminology, in particular, about the metric for measuring carbon footprint and that the consultation will follow the definitions used in the recent DWP consultation for private sector schemes.
6. The group highlighted the need for consistency in terminology. MHCLG confirmed that the consultation will be proposing the Weighted Average Carbon Intensity (WACI) metric to measure carbon footprint.
7. It was suggested that the LGPS will be able to learn from the experiences of private sector schemes' reports with the time lag enabling the LGPS to refine its reporting regime before the first reports are due.

Agreed – that the position as set out above is noted

Item 5 – A to Z Responsible Investment Guidance Update

8. The group was advised of the Secretariat's intention to survey pension committees and local pension boards on the uptake, usability and helpfulness of the A to Z guidance.

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Agreed - that the Secretariat should proceed with a short survey subject to the Chair's approval.

Item 6 – SRG “Say on Climate” Survey

9. The group were invited to comment on the FRC's survey that had been circulated to members prior to the meeting. Several members agreed to circulate responses or briefing papers to group members and the Chair suggested that the Local Authority Pension Fund Authority (LAPFF) could be asked for a view. It was also suggested that there are some positive elements of the survey in particular on transparency and setting benchmarks for transition plans.

Item 7 – Pension Committee Engagement

10. The group were invited to comment on the growing number of cases reported in the media about pension committee meetings being interrupted by special interest and lobby groups.
11. The group agreed that engagement with such organisations, where possible, should be the preferred approach but that guidance in the run up to COP26 would be helpful, particularly where the membership of pension committees changed significantly at the May 2021 local elections.

Agreed that the matter would be raised at the forthcoming Investment Committee meeting on the 20th September with a recommendation that the committee should invite the Secretariat to prepare guidance.

Item 8 – AOB and date of next meeting

12. No AOB items were raised.

Agreed – that the Secretariat will circulate details of dates for the next six RIAG meetings to the group for comment.

Bob Holloway
Pensions Secretary
Scheme Advisory Board.