

AGENDA

Item		Paper	Timings
1	Welcome, apologies, introductions and declarations of interest	Verbal	11.00
2	Actions and agreements from meeting of 10 November 2025	Paper A	11.05
3	Ministry of Housing, Communities and Local Government (MHCLG) Update	Verbal	11.10
4	SAB response to MHCLG Fit for the Future closed consultation	Verbal	11.20
5	SAB Governance structure changes post Fit for the Future	Paper B	11.40
6	Code of Transparency Compliance Update	Paper C	12.05
7	Code of Transparency Framework Project	Paper D	12.15
8	Responsible Investment Advisory Group (RIAG) Report	Paper E	12.25
9	Workplan update	Paper F	12.35
10	AOB	Verbal	12.45
11	Date of next meeting	Verbal	12.50

Investment Committee Meeting
23 February 2026, 11.00am to 1.00pm
Room 6.5, 18 Smith Square, London and
Microsoft Teams

Paper A: Actions and agreements of meeting held on 10 November 2025

Present

Councillor Andrew Thornton	Chair – West Yorkshire Pension Fund
Councillor Robert Chapman	Local Authority Pension Fund Forum (LAPFF)
Sandra Stewart	Greater Manchester Pension Fund (Chair of Responsible Investment Advisory Group (RIAG))
Peter Wallach	Practitioner – Merseyside Pension Fund
Euan Miller	Practitioner – West Yorkshire Pension Fund
Nick Buckland	Practitioner – Kent Pension Fund
Jeffrey Dong	Practitioner – Swansea Pension Fund
Colin Cartwright	Investment Consultant (Aon)
David Walker	Investment Consultant (Hymans)
Tony English	Investment Consultant (Mercer)
Pete Smith	Investment Consultant (Barnett Waddingham)
Fiona Miller	Asset Pool (Border to Coast)
Chris Rule	Asset Pool (Local Pensions Partnership Investments – LPPI)
Andrew Dobbie	Member representative – UNISON
Tommy Bowler	Member representative – Unite
George Georgiou	Member representative – GMB
John Wiffen	Academies representative – The Green School Trust
Christophor Ward	Government Actuary’s Department (GAD)
Teresa Clay	Ministry for Housing, Communities and Local Government (MHCLG)
Oliver Watson	Ministry of Housing, Communities and Local Government (MHCLG)
Rachel Howcroft	MHCLG
Bramman Rajkumar	MHCLG

Secretariat

Clair Alcock	Head of Pensions and Board Secretary, Local Government Association (LGA)
Jeremy Hughes	Senior Pensions Secretary, LGA
Becky Clough	Board Support & Policy Officer, LGA
Sophia Chivandire	Pensions Policy and Support Officer, LGA
Ona Ehimuan	Pensions Secretary, LGA
Sarah Tingey	Research and Data Analyst, LGA

1. WELCOME AND APOLOGIES

The chair welcomed all in attendance and informed the committee that Chris Sier, CEO of ClearGlass Analytics had sadly passed away in early November. Chris has been instrumental in the progress that has been made in investment cost transparency in the LGPS including contributing to the development of the Code of Transparency and work on the Cost Transparency Initiative (CTI) templates. The committee expressed their condolences for his passing.

Cllr Chapman had been nominated for a second term on the committee by the Local Authority Pension Fund Forum (LAPFF) and his nomination was approved by the board chair, Councillor Roger Phillips on 30 October 2025.

Apologies had been received from George Georgiou (GMB) and Tommy Bowler (Unite).

2. DECLARATIONS OF INTEREST

There were no declarations of interest.

3. ACTIONS AND AGREEMENTS FROM PREVIOUS MEETING

The actions and agreements from the meeting held on 7 July 2025 were agreed as a true and correct record of the meeting.

4. MHCLG UPDATE

Oliver Watson (OW) gave a confidential update, including information about the incoming changes to investment strategy statement and pooling guidance. The guidance would be consulted on before the end of the year; however, a high-level overview of key features was presented to the committee to gather early feedback. The committee gave OW feedback on the presentation and asked follow up questions particularly on the topic of responsible investment (RI) and how each

fund's requirements would be considered by the pools. This issue would be particularly acute if funds weren't able to align their RI policies.

5. CODE OF TRANSPARENCY (COT) COMPLIANCE UPDATE

Ona Ehimuan (OE) introduced paper B to the committee, summarising the compliance figures in the paper and gave an update on those asset managers that had a significant number of late templates. The completion rate for 2024/25 had increased significantly from the report at the previous meeting. This was in line with reporting trends from previous years, where there was normally an increase of template uploads by code signatories post financial year end.

6. CODE OF TRANSPARENCY FRAMEWORK PROJECT

OE introduced paper C to the committee. Since the last meeting, the founder's group had five further project meetings, and a market engagement session was held at the LGA offices on 13 August 2025. This event was attended by 8 potential suppliers, some of whom provided feedback on the draft specification for the framework. At the time of the committee meeting, the specification and quality questions were still under development, with the procurement exercise expected to launch no later than January 2025. Annex A contained the project timetable for the framework project which was agreed by the committee. The committee noted the update and agreed to submit a paper to the Board to sign off on the updated Code of Transparency and FAQs.

ACTION – that the secretariat submits a paper to the Board containing the updated Code of Transparency and FAQs and an update of the framework project

7. NEW POOLING STEERING GROUP

OE introduced paper D to the committee. At the last Board meeting on 24 July 2025, the secretariat was asked to consider the ways that the relationship between the Board and the pools could be strengthened. Specifically, the Board wanted to formalise a closer link with each of the asset pools and the pools collectively, to ensure they could input to discussions and collaborate with the Board on key topics and issues as they arise post Fit for the Future. This would be particularly important after the implementation of the Fit for the Future consultation.

As a result, the secretariat drew up proposals for a new Pooling Steering Group in paper D, including a confidential draft Terms of Reference (ToR) which had been

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circulated to committee as annex A. The committee fed back on the proposals and the draft ToR. Generally, the idea of bringing the pools into the Board's structure more formally was supported however further discussion with pool representatives would be needed to ensure this would be done in the most productive way. It was agreed to discuss the proposals further with pool representatives outside of the meeting before drawing up more detailed proposals on how the pools should work with the Board and its committees. These would then be put to the Board for them to make its final decision.

ACTION – that the secretariat submits the comments made by the committee on the new pooling steering group to the Board for consideration.

8. PENSION SCHEMES BILL – LOCAL INVESTMENT

Jeremy Hughes (JH) introduced paper E to the committee. The committee's views were invited on the most appropriate ask of AAs in relation to new strategic authorities and specifically whether clarification of what "co-operation" with strategic authorities means in this context should be sought.

OW reconfirmed that the LGPS should not be used to finance projects that have not been subject to appropriate due diligence or that are not consistent with the fiduciary duty. He said that this will be made clear in the incoming guidance.

The committee expressed the risk of undue burden on funds and pools to do the work of the strategic authority in identifying and developing viable projects. It was said that it must be clear to these authorities that they are to set their own plans. It would also need to clear who would shoulder the cost of due diligence processes. This was acknowledged with OW saying that the due diligence process will need to be proportionate to avoid undue burden on involved parties.

OW also confirmed that reporting requirements for local investment will take a 'light touch' approach, rather than requiring a set, common reporting format. The committee agreed with this approach, noting the range of different types of investment that might be classed as local investment and that reporting the impact of the investment locally was often more an art than a science, even if the financial returns on the investment could be clearly stated.

9. RESPONSIBLE INVESTMENT ADVISORY GROUP (RIAG) REPORT

Sandra Stewart (SS) introduced paper F, the contents of which were noted by the committee.

10. BOARD RESPONSE TO PALESTINE SOLIDARITY CAMPAIGN LETTER

JH gave the committee an update on the letter and position paper that was received by numerous funds from the PSC). He pointed out the statements in response made by the Board on 29 August and 18 September 2025. The Board also wrote a letter to the Minister requesting a view from the Government on these matters on 13 October 2025.

The committee were whether any further actions from the Board would be helpful and the MHCLG official present was asked for an update on a response to the letter sent by the Board. Teresa Clay (TC) confirmed that a response would be sent but the Government would not be taking a view on the matters raised by the PSC as it is a question for the courts. The committee noted that to date, PSC had not initiated any legal challenge on these matters. Andrew Dobbie (AD) said that UNISON had been asked to endorse the PSC letter but had declined. Their position was that while disinvestment by LGPS funds was a perfectly valid response to recent events, it was a decision that should be taken locally, in full consideration of the types of investment held and involving member representatives.

Members of the committee raised questions about the preparedness of pools for the increased pressure they are likely to receive from lobby groups once all assets are pooled in 2026. Whilst the pools are not politically led, they were increasingly likely to find themselves in the public spotlight and being asked to account for decisions that had political ramifications. It was said that some pools have already started thinking about how they supported funds in responding to lobbying and how they themselves might need to become more public facing.

11. COMMITTEE WORKPLAN

OE introduced paper G to the committee. It was agreed to submit the 2026 workplan to the Board with edits to reflect the discussions had at the meeting.

ACTION – that the secretariat submit the 2026 workplan for the Investment Committee to the Board for approval

12. AOB AND DATE OF NEXT MEETING

There were no AOB items raised.

The date of the next meeting was confirmed as 2 March 2026 at 11.00am.

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23 February 2026, 11.00am to 1.00pm
Room 6.5, 18 Smith Square, London and
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Paper B: Scheme Advisory Board (SAB) Governance structure changes post Fit for the Future

Key points to note

The secretariat has further discussed the plans for a new Pooling Steering Group with the Board, pool representatives and MHCLG representatives. There is clear support for setting up a group and a good deal of consensus on its purpose. We are proposing that the group initially be established with a clear focus on topics around implementation of the Fit for the Future (FFTF) changes and a carefully selected membership to enable this. The focus and membership of the Investment Committee will also need to change to adapt to the FFTF changes.

Recommendation

That the committee discusses the emerging proposals for changes to the Scheme Advisory Board's governance structure following the *Fit for the Future* structural changes and provides feedback on the suggested changes to the committee's scope, name and membership.

Background

At the Board meeting held on 21 July 2025, the Board asked the secretariat to explore ways to develop a more formalised relationship between the Board, its committees and groups and the pools. The aim was to ensure that the full range of perspectives could be reflected in the Board's discussions and to support collaborative thinking on issues as they arise. The secretariat subsequently presented a proposal for a new Pooling Steering Group to the Investment Committee at its meeting on 10 November 2025. The committee's comments were reported back to the Board on 24 November 2025, and the secretariat were instructed to engage with the pools to determine how best to achieve the Board's aims.

Considerations

The Board reviewed the comments of the committee and concluded that more time should be taken to scope out the right governance structure going forward. It was

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agreed that new ways of working would be needed to sufficiently meet the needs of funds and fulfil its statutory duties post Fit for the Future which represents a major change in the scheme's operating model. The Board maintains that a new group presents an optimal opportunity to establish closer links between the pools and the wide range of representative groups the Board works with to identify priority issues, as well as opportunities for collaborative and strategic working on these.

At the instruction of the Board, the secretariat held a discussion with representatives from the six pools on 23 January 2026. At that meeting, the key themes were:

- It was important to establish a forum in which all of the six pools could participate equally
- Any additional group would need to have a clear purpose that was distinct from other groups or committees within the Board's structure
- The membership and terms of reference of the group should follow that purpose. It was felt that most issues would benefit from pool, fund and adviser voices being represented, although there were some topics (like the Code of Transparency) which would be more in the pools' province than funds'
- The secretariat's proposal might need some revision to achieve these aims.

Feedback from this meeting was subsequently discussed with the Chair of the Board, Cllr Roger Phillips. The outcomes from that were:

- We shouldn't let "the best be the enemy of the good". It was important to bring all of the pools within our structures, with a clear purpose and a recognition that whatever structure was decided upon would need to be reviewed and possibly refined as the changing relationship between funds and pools settles in
- There was a need for a more comprehensive review and reshaping of the entire investment arm of the Board's governance structure and to that end have also had discussions with the Responsible Investment Advisory Group (RIAG) when it last met on 9 February 2026.

The secretariat would therefore invite the Investment Committee's view on a proposal to establish a group that initially has a clear, limited focus on topics around implementation of the Fit for the Future (FFTF) changes and a carefully selected membership (including representatives from each pool) to review this. Depending on how this group functions, we will either broaden out its remit or else use the learning from it to establish a more definitive governance solution.

The secretariat's recommendation is also that RIAG is retained within the evolved

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structure to harness the depth of expertise from its members and provide opportunities for wider industry discussions, horizon scanning and identification of best practice examples that can be implemented with the LGPS.

With regards to the Investment Committee, this review also creates the opportunity to shape the committee's remit and scope to better respond to the changes arising from the Fit for the Future proposals. The secretariat's initial thoughts that a stronger focus is placed on discussions around investment strategy which would better utilise the expertise of the committee. Early thoughts are that the new pooling group would look more closely at issues that may arise from the implementation of the proposals over the next 12 to 18 months. Further review is likely to be taken in the future to ensure that the structure in place and focus of each group remains responsive to the identified needs of the scheme.

There is also the possibility of establishing working groups under this committee to look at issues that require in depth discussions from a specific group of stakeholders. Examples of this include a Pool Annual Report working group which we anticipate will need focussed discussion between pool representatives and fund officers to produce outputs that are fit for purpose.

The secretariat have successfully used smaller groups to support the work of the Compliance and Reporting Committee, and we will also investigate ways in which this could support the work of the Investment Committee. Before doing so, the secretariat will undertake a mapping exercise to determine the existing groups in the scheme that already support funds and pools to mitigate the risk of duplication in the scheme (across investment, administration and governance themes).

The various discussions that have been had over the last few months have solidified the conclusion that the underlying aim of a governance structure that better supports the scheme and enables a closer working relationship with the pools is supported by all parties. The secretariat will continue to develop the proposals in line with the feedback we have received.

At this stage, the committee's views are invited to feed into the updated proposal and forward plan that will be taken to the board on 23 March

2026. Should this be approved by the Board, the secretariat will move to the next stage of this process which will include any changes to membership, naming and scope and remit as required.

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Paper C: Code of Transparency Compliance Update

Key points to note

Standing report. Compliance remains high (average of 98.5% across 2019/20 to 2024/25) although some signatories are persistently late with their templates. Templates are now due 60 days after the end of the relevant period for listed assets, 90 days after for unlisted assets. This means that response rates for 2025/26 will start to be reported at the next meeting.

Recommendation

That the committee notes this summary report.

Background

The Local Government Pension Scheme (LGPS) Code of Transparency (the Code) requires signatories to provide certain cost information to their LGPS clients. To enable the Scheme Advisory Board (SAB) to have direct oversight of Code compliance, as well as see scheme-wide cost data, the SAB make available an online system, specifically for the LGPS, which is provided by Byhiras. This was launched at the end of March 2020.

Compliance

The table in annex A sets out how uptake and use of the system has developed since the system was launched. The below table shows the rate of compliance per year between 2019/20 to 2024/25 compared to the last meeting. Compliance for templates covering 2025/26 will begin to be reported at the next meeting.

	Completion rate	Predominate asset class in missing templates
2019/2020	99% (increase from 98%)	Infrastructure and Unlisted equity (more commonly known as private equity)
2020/2021	99% (same at the last meeting)	Unlisted equity and Property
2021/2022	98% (same at the last meeting)	Unlisted equity, Property, Active listed equity and 'Other'
2022/2023	99% (same at the last meeting)	Property and Active listed equities
2023/2024	98% (same as the last meeting)	Property, Active listed equity, Active listed fixed income, Multi asset funds/diversified and 'other'
2024/2025	98% (same as last meeting)	Property, Active listed equity, Unlisted equity, Active listed fixed income, Private debt and 'other'

Ongoing engagement

The secretariat has ongoing engagement with fund managers that still have a significant number of late templates as at the date of this report. These are:

JP Morgan Asset Management

11 late templates out of 219 required templates (3 for 2024/25, 3 for 2023/24, 1 for 2022/23 1 for 2021/22, 1 for 2021, 2 for 2020), a decrease from 18 at the last meeting. The secretariat contacted JP Morgan in February 2026 at which point they had 16 late templates. Some of these were due to incorrect reporting dates which have been rectified. We are awaiting an update on the remaining templates.

Aviva Investors Global Services Limited

36 late templates out of 38 required templates (4 for 2024/25, 4 for 2023/24, 4 for 2022/23, 4 for 2021/22, 4 for 2020/21, 2 for 2019/20, 3, for 2024, 3 for

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2023, 3 for 2022, 3 for 2021 and 2 for 2020) which is the same as the last meeting. We have been informed that their templates are sent directly to their clients, however there has been no progress on getting templates uploaded to the system including our offer to arrange an alternative method of authentication to the use of the PingID which they flagged as an issue for them. They have also expressed issues with the schedules on the system not reflecting the reporting deadlines needed. As a next step, the secretariat will contact the funds affected to see whether this is something they would like the Board to further enforce.

Madison Capital Funding

12 late templates out of 12 required templates (3 for 2024, 3 for 2023, 3 for 2022 and 3 for 2021). The new company was contacted in February 2026 for a progress update on uploading these historic templates after being informed by one of their LGPS clients that Madison Capital Funding was acquired by Apogem Capital in April 2022. The new company was also encouraged to sign up to the Code in October 2025. No response has been received.

Neuberger Berman

11 late templates out of 867 required templates (8 for Q1 and Q2 2025/26, 1 for 2024/25 and 2 for 2023/24), an increase from 10 at the last meeting. We have been informed that these are being looked into and will be uploaded to the system.

Annex A - Headline statistics on cost transparency compliance system users and uses

Cumulative totals to the date shown

Date	No. of managers on system	Total no. of schedules established	No. of templates complete	No. of templates due	No. of templates late
June 2020	46	1,023	922	96	5
January 2021	69	1,358	1,265	0	93
April 2021	86	2,984	1,394	1,448	142
September 2021	95	4,252	3,639	163	450
November 2021	103	4,551	3,732	208	611
February 2022	107	4,995	3,863	439	693
May 2022	114	7,326	4,089	2,215	1,022
September 2022	113	7,102	6,360	53	744
November 2022	115	6,884	6,411	15	458
February 2023	114	7,147	6,508	264	363
May 2023	114	9,584	6,869	2,344	371
July 2023	113	9,706	7,751	1,603	352
November 2023	115	9,792	9,418	15	359
February 2024	116	10,357	9,630	262	465
July 2024	118	13,154	11,344	1,571	239
November 2024	120	13,319	12,952	54	313
February 2025	120	13,633	13,011	319	303
July 2025	120	16,320	14,649	1,451	210
November 2025	122	16,457	16,209	55	193
February 2026	123	16,761	16,270	311	180

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Totals (non-cumulative) for each financial year

Date	No. of managers with schedules	Total no. of schedules established	No. of templates complete	No. of templates due	No. of templates late
2019/20	78	1,431	1,419	0	12
Change from Nov 2025	Up 1	Down 7	No change	No change	Down 7
2020/21	103	2,671	2,652	0	19
Change from Nov 2025	No change	No change	No change	No change	No change
2021/22	111	2,917	2,879	0	38
Change from Nov 2025	Up 2	No change	Up 4	No change	Down 4
2022/23	109	3,067	3,043	0	24
Change from Nov 2025	No change	No change	No change	No change	No change
2023/24	108	3,097	3,066	0	31
Change from Nov 2025	Up 3	No change	Up 2	No change	Down 2
2024/25	108	3,150	3,109	0	41
Change from Nov 2025	Up 1	Down 2	Up 3	No change	Down 5

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Paper D: Code of Transparency Framework Project

Key points to note

The Cost Data Monitoring and Benchmarking framework is still expected to launch in April 2026. The revised Code of Transparency has been published following approval by the Board on 24 November 2025. The Secretariat are working with Byhiras to make plans for the central data system ending in August 2026. The Board have discussed including references to the Code of Transparency in statutory guidance the Ministry of Housing, Communities and Local Government (MHCLG) MHCLG to future proof the code's importance in the sector.

Recommendation

That the committee notes the progress update for the project and submits the updated project plan(s) to the board for approval.

Background

The Board is currently working with the [National LGPS Frameworks team](#) to replace the current centrally procured CoT data system with a framework approach. It is expected that the new framework will offer two lots, which could potentially be procured from the same supplier.

- Lot 1 Investment Cost Data Collation and Reporting Services
- Lot 2 Investment Cost Data Analysis and Benchmarking Services

Since the last committee meeting, the founders' group had a further project meeting on 21 November 2025 and the tender responses for the framework have been received. The secretariat is making plans for the expiry of the Byhiras contract in August 2026 and the transition to the new framework model. The Code of Transparency has also been revised.

Considerations

Tender responses for the new framework were to be submitted from 18 December

2025 to 12 February 2026. The founder's group will be evaluating the responses in March, with the framework expected to go live towards the end of April 2026. The timetable for the framework project can be found at annex A.

The contract for the existing Byhiras system ends in August 2026. The secretariat have been in discussion with Byhiras to make arrangements for communications with our stakeholders ahead of the transition to the framework model. We have also raised the need for secure data destruction and the process for this with Byhiras. A plan for the runoff of the contract can be found at annex B.

The Board remains committed in its aims to maintain the sector-wide importance of the code and has discussed aligning efforts with officials from MHCLG. References to the Code of Transparency have been seen in draft guidance and are expected to feature in the final version of statutory pooling guidance which will enable funds to ensure that cost information is provided to them as required and enable pools to include signatory status to the code as part of their due diligence checks when selecting investments on behalf of funds.

The Board has ensured ongoing oversight of the code by requiring high level data reports, similar to those available in the current system, in the new framework specification of requirements. These reports will help the board identify persistent issues with specific asset managers and work with stakeholders to promote resolution and improve compliance with the code. If needed, additional mechanisms for maintaining oversight will be explored once the new model is in place.

As part of wider plans to continue moving forward with the Code of Transparency, the [code has been revised and published](#) on the Board's website along with [updated FAQs](#) .

Annex A – Code of Transparency framework project timetable

The timetable below sets out the updated key decision points and proposed timescales. The timetable for the project will remain agile to respond to developments as they emerge.

Project stage	Current timeline and proposed future timescales	Required input	Progress
Byhiras contract extension and novation	December 2023 - April 2024	Secretariat to write formal notification of contract extension to Byhiras	COMPLETE
CoT system working group	January - February 2024	Members to be selected, secretariat to arrange meetings and collate findings	COMPLETE
Market engagement prep	February – April 2024	LGA procurement team to assist with shaping of early market engagement questions	COMPLETE
Early market engagement	24 June – 6 August 2024	Secretariat to schedule meetings with providers and collate feedback to present case to the Board	COMPLETE
Survey of funds based on early market engagement findings	9 September – 27 September 2024	Secretariat to devise and issue survey using Survey Monkey	COMPLETE
CoT system working group final meeting	w/c 7 October 2024	Feedback on survey results	COMPLETE
Board executive panel recommendation	w/c 21 October 2024	Send updates/information pack pre meeting	COMPLETE

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Project stage	Current timeline and proposed future timescales	Required input	Progress
Update Investment Committee	11 November 2024	Secretariat to update the Investment Committee on the project and the recommendation being made by the panel	COMPLETE
Board final decision	25 November 2024	Secretariat present paper to the board and invite final decision on future of the system. The final decision will be made by the board on recommendation from an executive panel comprised of members from the Board.	COMPLETE
Ministerial Budget submission for 2025/26	November 2024	Start-up costs for framework development approved by the local government minister	COMPLETE
Framework development scoping conversations	December 2024 – April 2025	Various – Secretariat, National LGPS Team, fund officers (volunteers as framework founders)	COMPLETE
Framework development	April 2025 – April 2026	Various – Secretariat, National LGPS Team, fund officers (volunteers as framework founders)	IN PROGRESS – eight project meetings have been held since 13 May 2025 to have detailed discussions

Project stage	Current timeline and proposed future timescales	Required input	Progress
			<p>about the scope, specification, pricing and tender procedure for the framework. A market engagement session was also held at the LGA offices on 13 August 2025. The exercise was launched on 18 December 2025, and tender responses have been received. The responses will be evaluated by the founder's group in March 2026 ahead of the launch towards the end of April.</p>
<p>Framework launch and transition from Byhiras system</p>	<p>April 2026 – August 2026</p>	<p>Various – Secretariat, National LGPS Team, fund officers (volunteers as framework founders), fund officers (system users to retrieve data from Byhiras), Byhiras (to support transitional arrangements and comms)</p>	
<p>Byhiras contract end</p>	<p>30 August 2026</p>		

*Rows in grey indicate stages that have been completed.

Annex B – Code of Transparency central data system runoff project timetable

The timetable below sets out the key decision points and proposed timescales. The timetable for the project will remain agile to respond to developments as they emerge.

Project stage	Current timeline and proposed future timescales	Required input	Progress
Initial communications planning	January 2026 – February 2026	Secretariat and Byhiras to develop first round of comms to be sent to system users.	COMPLETE
Secure data destruction planning	February 2026	Secretariat and Byhiras to liaise on method of data destruction and assurances that will be given.	IN PROGRESS – date of discussion TBC
Board news story, LGPC bulletin story, emails to system users and notice on system home page and Code of Transparency pages on the Board website	w/c 23 February 2026	Byhiras to add notice to the system home page, secretariat to action other comms routes	IN PROGRESS – messaging agreed and contact lists have been compiled. Story has been added to LGPC bulletin. To be published on Board website before the end of the week.
Data transfer and issue resolution	February 2026 – August 2026	System user should download data as required from the system and contact	

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Project stage	Current timeline and proposed future timescales	Required input	Progress
		Byhiras in the first instance with any issues. Byhiras to contact secretariat with any issues requiring additional input. Reminders to be sent by the secretariat via email and the LGPC bulletin.	
System switch-off and decommission	5.00pm on Friday 28 August 2026	Byhiras website will become inaccessible, and the service will be decommissioned.	
Secure data destruction	September 2026	Byhiras to destroy data and provide assurance as agreed. Data will not be recoverable by Byhiras. The Board will not have a repository of this data.	

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Paper E Responsible Investment Advisory Group (RIAG) report

Summary report from 9 February 2026 meeting

Ministry of Housing, Communities and Local Government (MHCLG) update

Oliver Watson gave an update to the group. Teresa Clay is leaving the team, with her responsibilities split across two new roles: investment strategy and member benefits. The government continues analysing consultation responses on the draft Fit for the Future regulations and guidance.

Policy implementation remains targeted for 1 April 2026, although there is still no update on Royal Assent for the Pensions Bill, which will mean there could be a delay in secondary legislation being available. It was emphasised that MHCLG are actively listening to concerns raised in consultation responses. Responsible investment (RI) has emerged as the most widely discussed issue. Key messages from MHCLG in response to these concerns included:

- The policy does not intend to diminish funds' fiduciary duty or stop funds having meaningful control on RI policies
- Funds to remain responsible for high-level investment objectives
- The aim is improved consistency and efficiency, not centralising decision-making within the pools – for example encouraging compromise across funds
- Concerns were acknowledged about perceived shifts of power from funds to pools, particularly around exclusions, voting policies and interpretation of RI.
- The group were encouraged to share how guidance could be drafted to address these concerns more clearly

LGPS Fit for the Future – draft regulations and guidance group discussion

The group raised issues and comments relating to:

- The independent person and if they are expected to provide regulated advice
- The drafting in paragraph 5.8 of the investment strategy statement (ISS) guidance (on not excluding individual countries, investment styles or companies) could have unintended consequences as currently drafted and contradicts investing more in the UK
- Environmental, social, and governance (ESG) are seen as financial issues

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- How are views heard and understood by the pools who are responsible for the RI implementation
- The pools job is to listen to funds and recognise different views, the relationship between funds and pools is key
- The ISS guidance is critical to assist funds in setting out the ISS objectives, priorities and preferences but
- There were trade union concerns on the lack of member reps

Responsible Investment policy guidance

The secretariat outlined a high-level contents list for guidance for how funds draw up their responsible investment policies. The group provided comments on the proposed structure and volunteers offered to help create the guidance. Some comments on the proposed structure were:

- Emphasise the section on the role of the pool in RI implementation
- To consider how local investment should be considered in the guidance
- To understand what specific questions have been asked in fund surveys to scheme members, and what the reaction was/weighting applied to responses
- The guidance should also cover the wider process of communicating with all stakeholders on RI (i.e education that RI doesn't impact pension benefit structure).
- The guidance should be clear on its audience and purpose.
- The guidance should think about how pools create their own RI policy

The topic list and structure of the proposed guidance is at annex A for consideration by the Investment Committee as part of this update.

Strategic objectives for RIAG post Fit for the Future

The group discussed how the Board is planning to strengthen its engagement with pools and how RIAG has developed since its inception. It was acknowledged that RIAG's original purpose has changed from the climate risk reporting brief but had adapted to the other RI issues needed to be discussed.

There is also a pooling RI group and it needed to be considered how this interacts with the Board's proposed pooling steering group. It was acknowledged that many different groups exist for both funds and pools to discuss strategic and implementation issues. It was thought that RIAG has a strong role in the future when providing industry and stakeholder views, including facilitating cross-pool initiative working.

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International Court of Justice ruling on climate change

The secretariat gave a brief update on this recent ruling which pointed towards obligations for states arising from international law and climate treaties to protect the climate system from the effects of greenhouse gas emissions. The opinion also laid out potential legal consequences such as compensation for damages. It was suggested that the Board could develop a briefing paper on current court actions and legal risks relating to ESG and RI.

The group stated that whilst the advisory opinion may be utilised by environmental lobbyists, more focus should be placed on obligations at the state level such as the government's net zero commitments and the Stewardship Code which places ESG requirements on its signatories.

Climate risk reporting in the private sector four years on: The Pensions Regulator (TPR) Review of reports

The group discussed this review and the wider pensions sector work on climate risk reporting. As this was the original purpose of the RIAG it was essential that MHCLG provide clarity on progress of legislation on reporting for the LGPS. The raised the following comments:

- Need to understand in good time what the expectation of climate risk reporting will be
- Pools want to provide information to funds in an efficient way and ensuring data and narrative is readily available
- In parts of the private sector reporting is evolving and anticipating lighter reports to concentrate on key updates in the year (as opposed to republished unchanged data).

Annex A – Proposed Structure of Guidance

Introduction

Opening para on status of the guidance and purpose

Links with other guidance on ISS and pooling

What is responsible investment

Definitions

Links to other concepts, like stewardship

When is it allowed

Financial and non-financial factors

Summarise latest Giffin advice

At the fund level

The role of pension committee, senior LGPS office, independent person etc

Specific issues for elected members and previous guidance on not allowing own politics to determine view

Take expert advice and fiduciary duty key

Special connection to understand members and local people

How to choose areas to focus on (SDG)

Local investment and relationship with strategic authorities

Governance and transparency

How to consult members

Think about when and how

The role of representatives

Surveys and the limits of these (representativeness)

Balancing competing tensions (reward vs impact)

Communicating RI policy

Scheme employers' views

Are they relevant (Giffin again)

Local Pension Board role?

The wider context

How to deal with lobbying (campaigns and protests)

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The pool and partner funds

LAPFF

UK Govt views

Annexes

Good survey design – clear questions, not leading questions, interpreting results, representativeness of samples

Investment Committee Meeting
23 February 2026, 11.00am - 1.00pm
Room 6.5, 18 Smith Square, London and
Microsoft Teams

Paper F: Workplan update

Key points to note

The committee workplan will be brought as a standing item to committee meetings and will evolve in response to issues arising in the scheme.

Recommendation

For the committee to note the updated workplan at annex A.

Background

The committee workplan for 2026 was submitted to the Board and approved on 24 November 2025. The plan at annex A provides an overview of expected workstreams and updates since the last meeting.

Annex A - Investment Committee workplan update

Workstream	Details	Action for next committee	Status and forward timings
Code of Transparency	<p>Work with the National LGPS Framework team to develop a framework for funds to procure investment cost data monitoring and benchmarking services</p> <p>Revise Code to launch alongside the framework</p>	Update on the launch of the framework to be given to the committee at the next meeting on 22 June 2026 along with an update on the Byhiras contract runoff.	<p>The Code has been revised and published along with updated FAQs</p> <p>New framework projected to launch in April 2026.</p> <p>Preparations are being made for the end of the contract with Byhiras. Further detail can be found in paper D.</p>
Fit for the Future consultation	<p>Work with the Ministry of Housing Communities and Local Government (MHCLG) to ensure the draft Bill is implementable by funds and pools, minimising the risk of unintended consequences.</p> <p>Establish a closer, formalised link between the pools and the Board</p> <p>Support the development of guidance needed for the implementation of reforms.</p>	Identify areas to support funds with as the Fit for the Future proposals and associated guidance and legislation continues to be rolled out. Make recommendations to the Board on any additional guidance or events needed to supplement and support funds.	<p>Bill currently going through Parliament, Royal Assent likely to be April 2026.</p> <p>Consultation on draft guidance and regulations were issued in December 2025, the Board issued responses on 23 December and 9 January.</p> <p>New pooling arrangements in place from 1 April 2026.</p> <p>A new Pooling Steering Group is being established, taking in account the steer from the Board in</p>

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Workstream	Details	Action for next committee	Status and forward timings
			<p>November 2025. Further discussions have been held and there are also likely to be related changes to the ToR for this Committee.</p> <p>More details can be found in paper B and the verbal discussion at Item 4 of the agenda.</p>
Fiduciary duty advice	<p>Seek legal opinion with follow up questions on fiduciary duty and conflicts of interest. These opinions have been published and can be found on the Board website.</p>	<p>Continue discussions at committee meetings with recommendations to be made to the Board on any proposals for further work on fiduciary duty in the LGPS.</p>	<p>Discussions to continue in 2026.</p>
Responsible investment (RI)	<p>Committee agenda informed by RIAG.</p> <p>The Group have discussed how Fit for the Future proposals interact with RI policies and fund requirements.</p> <p>Group have agreed to develop practical guidance for setting RI policy and explore whether a common standard for local investing reporting can be identified for the Scheme.</p>	<p>Begin drafting RI guidance with input from RIAG members and fund officers. Provide an update on progress at the next committee meeting.</p>	<p>Bill currently going through Parliament Royal Assent likely in April 2026.</p> <p>New pooling arrangements in place from 1 April 2026.</p> <p>SAB RI guidance drafting over the coming months.</p> <p>Further direction from MHCLG on climate change reporting for funds is expected but timescales are not</p>

Workstream	Details	Action for next committee	Status and forward timings
	At some point we expect climate risk reporting regulations and requirement for transition plans to be implemented for LGPS		confirmed.