

Responsible Investment Advisory Group

(RIAG) Meeting

9 February 2026, 11.00am - 1.00pm

Room 6.5, 18 Smith Square, London and
Microsoft Teams



AGENDA

Item		Paper	Timing
1	Welcome, introductions, apologies and declarations of interests		11:00
2	Actions and Agreements from 6 October 2025	Paper A	11:05
3	Ministry of Housing, Communities and Local Government (MHCLG) update	Verbal	11:10
4	LGPS Fit for the Future – draft regulations and guidance group discussion	Verbal	11:20
5	Responsible Investment policy guidance	Paper B	11:40
6	Strategic objectives for RIAG post Fit for the Future	Verbal	12:00
7	<u>International Court of Justice ruling on climate change</u>	Verbal	12:35
8	Climate risk reporting in the private sector four years on: TPR Review of reports	Verbal	12:45
9	AOB and date of next meeting		12:55

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Room 6.5, 18 Smith Square, London and

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Paper A: Actions and Agreements of meeting held on 6 October 2025

PRESENT

Name

Sandra Stewart
Tom Harrington
Patrick Rowe
Rachel Barrack

John Neal

Kenny Dick

Gareth Dixon

Sheila Stefani
Frances Deakin
Laura Chapman
Alison Lee

Sallie Wilson
Tim Gooding
Graham Cook
Edwin Whitehead
Sam Gervaise – Jones
Sarah Wilson
Maria Espadinha
Oliver Watson

Organisation

Greater Manchester Pension Fund – Chair
Greater Manchester Pension Fund
Westminster City Council (WCC)
Wales Pension Partnership (Hymans
Robertson)
UNITE
Representing Scottish Scheme Advisory
Board (SSAB) (Employer representative,
The Care Inspectorate)
Convention of Scottish Local Authorities
(COSLA)
LGPS Central
Local Pensions Partnership (LPP)
London CIV
London CIV (attended later section of the
meeting)
ACCESS
Baillie Gifford
Phoenix Group
Redington
bfinance
Minerva
Pensions UK
Ministry for Housing, Communities and
Local Government (MHCLG)

Secretariat

Clair Alcock

Local Government Association (LGA) –
Head of Pensions

RIAG Meeting – 9 February 2026

Agenda Item 2 Actions and Agreements of meeting held on 6 October 2025

Page - 1

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Jeremy Hughes	LGA – Senior Pensions Secretary
Ona Ehimuan	LGA – Pensions Secretary
Becky Clough	LGA – Board Support and Policy Officer
Sophia Chivandire	LGA – Pensions Policy Support Officer
Sarah Tingey	LGA – Research and Data Analyst

1. WELCOME, INTRODUCTIONS, APOLOGIES, AND DECLARATIONS OF INTEREST

The Chair opened by welcoming members to the meeting including Tim Gooding (Baillie Gifford) who had taken over from Piers Lowson and Gareth Dixon (COSLA) who had taken over from Jonathan Sharma. Andrew Boutflower had been nominated to replace George Graham, and the nomination would be sent to the Board for approval ahead of the next meeting.

Edwin Whitehead's (EW) and Sam Gervaise-Jones's (SG) renominations for a second term on the Group were under consideration by their nominating body of the Investment Consultants Sustainability Working Group. It was expected that this would be confirmed by the time of the next meeting.

Apologies were received from Ashley Hamilton-Claxton (RLAM) and Marion Maloney (EAPF). Rachel Barrack (WPP) gave her apologies for the later section of the meeting. Laura Chapman (LCIV) also gave her apologies for the later section of the meeting and Alison Lee (LCIV) joined to attend this section in her place.

There were no declarations of interest.

2. ACTIONS AND AGREEMENTS FROM 6 OCTOBER 2025

It was agreed that the actions and agreements paper represented a true and fair account of the meeting.

3. MHCLG UPDATE

Oliver Watson (OW) explained that the Government would be issuing Investment Strategy Statement and Pooling Governance Guidance, in line with the Fit for the Future consultation response. Draft investment regulations are expected later in the calendar year.

The group asked about the [Climate Related Transition Plans Requirements](#) consultation issued by the Department for Energy Security and Net Zero which closed on 18 September 2025. OW explained that the consultation made high level

RIAG Meeting - 9 February 2026

Agenda Item 2 - Actions and Agreements of meeting held on 6 October 2025

Page - 2

Email: SABSecretariat@local.gov.uk Website: www.lgpsboard.org

references to the Local Government Pension Scheme (LGPS) but confirmed that there was no timeline yet for the Government response or a further consultation on climate reporting specifically for pension schemes to be issued. However, it is still expected that the climate reporting regime in the LGPS will be developed separately to that in the private sector.

In response to questions, OW confirmed that the changes to regulations on the Investment Strategy Statement guidance and the Pooling Governance Guidance would be published before the guidance is issued. Questions were asked about whether the current wording around the consideration of non-financial factors would be clarified. OW said that he was not expecting the Investment Strategy Statement guidance to be much different and would reflect the consultation response position.

4. PRACTICAL GUIDANCE ON SETTING RI POLICY

Becky Clough (BC) delivered a presentation setting out the Secretariat thoughts on what could supplement the incoming regulations and guidance to assist funds in setting responsible investment (RI) policies. The Board is receiving increased requests from funds for support in dealing with responsible investment issues and specifically how best to respond to the letter and position paper from the Palestine Solidarity Campaign (PSC).

The group agreed that engagement with stakeholders was difficult to navigate and that guidance would be useful. Any guidance should also focus on how to reflect that decisions have been properly informed by members' views and case studies in this would be useful.

OW asked whether it was common for funds to engage with stakeholders on non-financial factors. It was thought that large-scale engagement was not common, but more funds are now actively considering how best to undertake this type of engagement, including using surveys. How best to engage with scheme members had been discussed within many of the funds represented in the group, with one challenge being how to know whether the responses received from members were truly representative. Guidance on framing of questions would be useful to ensure they are not leading into a certain response.

As well as understanding majority views of stakeholders, one issue it was difficult to get at was how they would balance financial and non-financial factors. For example, many funds invest in index funds which contain a small interest in a vast range of companies, including large multi-national, multi-faceted corporations that provide a range of services. If funds were to divest from all companies that may have sections

or specific activities which could be seen to be problematic, this would add to management costs and could diminish the diversity of viable investment opportunities for funds.

On training for pension committee and board members, the group agreed that this is essential and should focus on the types of questions that members should ask at meetings and the topics that should be discussed during meetings. Pool representatives said that the picture was varied but most provided some training on responsible investment to partner funds, annually or as a bespoke request.

It was agreed that the Secretariat reflect on this feedback to consider what type of practical guidance could be collated for the group to review at a future meeting.

ACTION – that the Secretariat bring a paper with areas to consider when developing practical guidance to a future RIAG meeting

5. PALESTINE SOLIDARITY CAMPAIGN (PSC) LETTER

JH introduced Paper B which gave an overview of the letter and position paper that was received by numerous funds by the Palestine Solidarity Campaign (PSC) as well as the subsequent statements made by the Board.

The group were asked to share any letters before action to the attention of the Board and examples of good practice in communicating and engaging with members on this. In response to a question from JH, OW said that it was not expected that the Minister would make statement in response to the PSC letters. JH said that the Board would make a formal representation to the Minister to request clarity on the Government's views.

POST MEETING NOTE: The Board sent a letter to the Minister on 13 October on this matter which has been published on the [SAB website](#).

The Chair said that Greater Manchester Pension Fund (GMPF) have worked with Local Authority Pension Fund Forum (LAPFF) to look at the impact of divestment. It was agreed that it would be useful for the Government to indicate clearly what their view is on specific investments.

Other members of the Group expressed that it would be difficult for even effective stewardship of investments to extend to the entire portfolio but could use the United Nations Guiding Principles on Business and Human Rights (UNGPs). Sarah Wilson (SW) added that whilst it is understandable that funds would want a steer from central government, in the meantime it would be useful for funds to signify that they

RIAG Meeting - 9 February 2026

Agenda Item 2 - Actions and Agreements of meeting held on 6 October 2025

Page - 4

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are not being negligent in this area and that the right questions are being discussed at committee meetings.

6. PENSION SCHEMES BILL – LOCAL INVESTMENT PROVISIONS

JH introduced Paper C. The Pension Schemes Bill had gone through the Committee stage and would soon be entering the Report stage. The Bill includes statutory requirements for local investment in the LGPS and requires LGPS AAs to “co-operate with the strategic authorities to identify and develop appropriate investment opportunities”. The group were asked for their thoughts the local investment proposals and any points they would like the Board to include in its briefings on the Pension Schemes Bill.

On the topic of common reporting, the group generally agreed that common reporting guidelines would be useful however this shouldn't be overly prescriptive which could hinder innovation. It was noted that there are parallels with the Cost Transparency Initiative and it might be useful to develop a similar mechanism.

The Good Economy's White Paper, [Scaling-Up Local Investing for Place-Based Impact](#) was flagged as a good resource and FD who worked on the paper with the Good Economy said that the measurement of outputs and impact would be useful, but there was a need to be realistic about what could be achieved. Maria Espadinha (ME) added that standardised reporting should include funds and pools however it should be noted that not all local investment will be impact based, so any reporting standards needed to take account of this. There were also questions from the Group on the appropriate classification of local investments and whether this should be accounted for separately as it potentially spanned different asset classes.

On the topic of due diligence and working with strategic authorities to identify and develop opportunities, the group had questions about how this could work in practice. It was acknowledged that relationships would take significant time and effort to develop. SW suggested that the research on appropriate reporting standards could be undertaken by PhD students if there was funding available for this so that an empirical trail could be established for any future reporting standards.

OW thanked the Group for their insights and said that it was likely that the Government would not take an overly prescriptive approach on reporting standards and expectations.

7. INTERNATIONAL COURT OF JUSTICE (ICJ) ADVISORY OPINION ON CLIMATE CHANGE

Ona Ehimuan (OE) introduced the item for discussion and flagged the [ICJ Advisory Opinion on Climate Change](#) which was published on 23 July 2025. Whilst the opinion was not legal binding it carried legal authority and set out various duties and considerations on the effects of Climate Change. The Group noted the update and agreed to readdress the topic at the next meeting on 1 December 2025.

ACTION – that the Secretariat adds an item on the ICJ’s Advisory Opinion on Climate Change to the agenda of the next meeting.

8. ANY OTHER BUSINESS AND DATE OF NEXT MEETING

There was one item raised. OE shared that the Board had agreed to explore the establishment of a new Pooling Steering Group which would enable the Board to have a more formal link with the pools. A draft Terms of Reference (ToR) had been drawn up for approval by the Board, and it was expected that the new group would discuss matters related to responsible investment alongside other topics. The ToR covers the proposed membership of the group and includes a representative from each pool. Further consideration would be given to a representative from RIAG joining the Group which would create a link between the groups. FD asked whether it was known at this stage who the expected representative from the pools would be. OE explained that this was expected to be a Senior Officer from the pools given the topics expected to be discussed however the appropriate representative would be at the discretion of the pools. The Group noted the update.

The date of the next meeting was confirmed as 1 December 2025 at 2pm to be held as a hybrid meeting via MS Teams and at Smith Square.

Paper B: Responsible Investment Policy Guidance

Key points to note

The Board has committed to producing guidance for fund on how to draw up their responsible investment policies. An outline structure for this guidance is provided for comment.

Recommendation

That the Group consider whether the topic list and structure of the proposed guidance seems appropriate; and whether they feel able to contribute to the drafting of it.

Background

Most LGPS funds have experienced an increase in the interest and active lobbying that they are experiencing in relation to how fund money is invested. In particular there has been a focus on climate impact and how investments might have impacted on conflict areas. There is even debate about whether funds should have responsible investment policies at all.

The Board has issued various statements to help funds manage this increased attention but we have also committed to drawing up guidance on how RI policies can be developed in ways that are robust and defensible.

Considerations

To inform the advice offered by the Board, an opinion was sought from Nigel Giffin KC on how financial and non-financial factors should be considered. In his written opinion, Mr Giffin emphasised that when it comes to non-financial factors, what is of primary importance are the views of scheme members. But in such a large scheme, with funds having tens or even hundreds of thousands of members the challenge is to gain assurance that you have understood the generality and plurality of views that members hold.

Increasingly funds are experimenting with surveys and other means of assessing

member attitudes, and in part this guidance will look to identify and provide advice on best practice in this area.

We would like to capture the perspectives and knowledge that members of the Group have and so are inviting members to consider whether the topic list and structure of the proposed guidance seems appropriate (see Annex A); and whether they feel able to contribute to the drafting of it.

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

RIAG Meeting – 9 February 2026

Agenda Item 5 – Responsible Investment Policy Guidance

Page - 2

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Scheme employers' views

Are they relevant (Giffin again)

Local Pension Board role?

The wider context

How to deal with lobbying (campaigns and protests)

The pool and partner funds

LAPFF

UK Govt views

Annexes

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