

Paper A: Actions and agreements of meeting held on 8 June 2026

Present

Sandra Stewart	Chair, Greater Manchester Pension Fund (GMPF)
Andrew Boutflower	Practitioner representative, Hampshire Pension Fund
Marion Maloney	Practitioner representative, Environment Agency Pension Fund
Sheila Stefani	Asset pool representative, LGPS Central
Frances Deakin	Asset pool representative, Local Pensions Partnership (LPP)
Sallie Wilson	Asset pool representative, ACCESS
Tim Manuel	Asset pool representative, Border to Coast (observer pending Board approval)
Edwin Whitehead	Investment consultant, Redington
Sam Gervaise – Jones	Investment consultant, bfinance
Maria Espadinha	Pensions UK
Gareth Dixon	Convention of Scottish Local Authorities (COSLA)/Scottish SAB
Rachel Howcroft	Ministry for Housing, Communities and Local Government (MHCLG)
Tom Harrington	Observer, GMPF

Secretariat

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

1. WELCOME, APOLOGIES, INTRODUCTIONS AND DECLARATIONS OF INTEREST

The chair welcomed all in attendance including Tim Manuel, Head of Responsible Investment at Border to Coast, who attended as an observer until his place is confirmed at the Board meeting. He is replacing Sallie Wilson from ACCESS now that the ACCESS pool is being wound down. Jacqueline Jackson, Chief Sustainability Officer at the London CIV, rejoined the group following returning from maternity leave however was not present at the meeting.

Apologies were received from Patrick Rowe (Westminster City Council), Tim Gooding (Baillie Gifford), Rachel Barrack (Hymans Robertson/Wales Pension Partnership), Kenny Dick (The Care Inspectorate/Scottish SAB) and John Neal (UNITE). Sarah Wilson (Minerva) was absent without apologies.

Adverts have been put on the Board's website for a new asset manager representative to replace Ashley Hamilton Claxton and a wider industry representative to replace Graham Cook. The new representatives will be invited to the next meeting once approved by the Board.

There were no declarations of interests.

2. ACTIONS AND AGREEMENTS FROM PREVIOUS MEETING

The actions and agreements from the meeting held on 9 February 2026 were agreed as a true and correct record of the meeting. The chair provided an update on an action set at the last meeting which was for the secretariat to consider preparing a briefing paper on current court actions and legal risks relating to ESG and Responsible Investment, including claims arising from publications on the International Court of Justice ruling on climate change. Having considered the request, the secretariat concluded that it is not best placed to assess or make judgments on these existing claims, therefore this recommendation will not be taken forward.

3. MHCLG UPDATE

Rachel Howcroft (RH) from MHCLG gave an update to the group. The new Co-Heads of the MHCLG Pensions team are Rosanna Thomson, who leads on investments, and Will King, leading on administration and member benefits. The Pensions Scheme Bill (now Act) has received Royal Assent and two sets of regulations, have been made under it. One set of the regulations deals with fund

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governance (amending the LGPS Regulations 2013) and there is another replacing the LGPS Investment Regulations 2016. At the time of the meeting, the accompanying statutory guidance on setting the Investment Strategy Statement (ISS) and guidance on asset pooling was expected to be published by the end of June.

It was confirmed that there had been some changes to the wording in the responsible investment sections of the guidance, but this was mainly to align the wording with the government's intentions for the guidance at the outset of the drafting process and did not represent a shift in government position. Nor was there intended to be any change to the fiduciary duty.

Climate and transition planning remained on the government agenda for the LGPS, but timings could not be confirmed.

POST MEETING NOTE: statutory guidance on [pooling](#), [governance](#) and [preparing an Investment Strategy Statement](#) was published on 29 June 2026.

4. DEALING WITH LOBBYING IN THE LGPS

Jeremy Hughes (JH) introduced the item to the group giving an update on the Government's response to the Board letter on investment in conflict zones (dated 13 October 2025). A letter was received from Local Government Minister, Alison McGovern MP on 12 May 2026. It was noted that the Board chair, Cllr Roger Phillips OBE issued a statement on 15 May 2026 following the Minister's letter which expressed disappointment that the response didn't deal with the key question asked, around whether international human rights law was capable of having direct effect to administering authorities in their capacity of scheme managers.

The group also noted contextual information about the change in party control at many councils following the local elections on 7 May 2026 and impact that the political views of some parties may have on LGPS fund investment beliefs over the coming months and years.

Though the Board is not seeking any additional legal advice in this area at this stage, the group were asked for their feedback on the update and on any recommendations on further actions the Board could take to support funds navigate this increasingly complex area.

The secretariat confirmed that there is currently a review of the Knowledge and Understanding guidance, via the Compliance and Reporting Committee's (CRC)

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working group, to help ensure that new councillors are aware of what is required of them and what are the limits of their role. The training provided by the Local Government Association (LGA) Pensions team i.e. Fundamentals is also being reviewed. The Board will also be having a welcome event for new pension committee chairs with Board Chair, Cllr Roger Phillips OBE in September 2026.

POST MEETING NOTE: the [welcome event for new Pension Committee Chairs](#) will be taking place on 15 September 2026 and the registration link has been circulated.

The group raised the following comments:

- There is still a sense that some campaigns spilled over the boundary between legitimate lobbying and undue pressure
- The group shared the Board's disappointment that the letter from the Minister did not elaborate on circumstances where it might be appropriate to take into account international law
- Previous ISS guidance helpfully set out a two-stage test for taking into account non-financial factors and referred to a risk of significant financial detriment; it was hoped that the new guidance would preserve this
- Some officers made use of the SAB website which contains useful information on making investment decisions when dealing with lobbying
- There is a difference between organised campaigners outside committee meetings and where there are members of the pension committee who advocate for similar views. With the latter, it would be for officers to understand and communicate the legal position and the consequences of making decisions against advice or to the detriment of the fund's financial interests
- It was agreed that an item on training for pension board and committee members to the next meeting so that elected members were clearer about the limits of their role.

ACTION – that the secretariat brings an item on training for pension board and committee members.

5. RESPONSIBLE INVESTMENT POLICY GUIDANCE

Ona Ehimuan (OE) introduced paper B to the group. Since the last meeting a working group had been convened to shape the document, and the first meeting took place on 30 April 2026.

The key points arising from the working group meeting were that:

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- Member engagement had increased over recent years but remained low
- There are issues with ensuring that engagement comes from a representative range of scheme members, and not just a vocal minority
- There is a need for prior briefing on investment issues, including responsible investment, to assist members in having the knowledge to adequately engage with surveys
- It would be helpful to have guidance on survey design
- Surveys should clearly explain how member views will be utilised
- There was support for exploring the feasibility of trialling participative models of engagement such as member assemblies and agreed that the secretariat talk to NEST and the New Citizen Project, who are currently trialling similar initiatives
- Trade union representatives said that discussions with their local representatives had revealed that the approach to engagement in general was also varied and some funds did not engage with members at all
- Trade union representatives were also in support of standardisation in the way that member views were sought.

The group's feedback mostly mirrored that given by the working group when it met 30 April 2026. The group said that some funds utilised external companies such as expert market researchers to devise surveys. It was also said that member representation could and should be sought via other means such as member representatives on the fund's pension committee. The group agreed to share examples or case studies that could be added to the guidance with the secretariat. The timeline included in the paper were agreed. A draft of the guidance would be brought to the next meeting after reconvening the working group to review the document.

ACTION – that the group shares examples or case studies that could be added to the practical guidance on RI policy setting with the secretariat.

ACTION – that the secretariat brings a draft of the guidance to the next meeting on 5 October 2026.

6. FIDUCIARY DUTY IN THE LGPS

Ona Ehimuan introduced paper C to the group. The Board had been invited to join the Department for Work and Pensions' (DWP) working group on fiduciary duty and is represented by Clair Alcock, Head of Pensions and Board Secretary. The status of the DWP fiduciary duty guidance and how it would relate to LGPS could not be confirmed at this stage. The Board's well-established position on fiduciary duty within

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the LGPS was reiterated and it was confirmed that there are no plans to seek further legal advice. That being said, application of the fiduciary duty within the LGPS remains a significant and increasingly high-profile issue. There is growing risk of politicisation of investment decisions, driven in part by global conflicts and increased campaigning and lobbying activity. Within that context, the group were asked for their feedback on any further actions the Board could take to support practitioners.

The group raised the following key points:

- Though the DWP's guidance will not directly be applicable to the LGPS, it will be an authoritative statement of government's view of the issue and so funds will need to have regard to it, once in existence
- There were questions asked around whether the guidance ought to apply directly to the LGPS (e.g. through an amendment to the Investment Regulations or adoption in the coming statutory guidance)
- It will be important for the definition established within this guidance to not create widely divergent definitions of fiduciary duty across the pensions sector
- The guidance should establish general principles that extend across the sector to ensure that there is flexibility to apply in different contexts
- The guidance should emphasise the duty to act in the best interests of all members, and not to privilege some members views over those of others
- The LGPS's work in understanding and applying the fiduciary duty in our particular context is currently more advanced than with other occupational schemes and there is an opportunity to contribute learnings from LGPS to the DWP's working group
- As environmental, social and governance (ESG) risks can be financially material it would be useful to encourage a more holistic approach to risk, including system risk; and this could be provided via the DWP guidance
- The guidance would hopefully add to and not detract from the approach set out in the Law Commission and 2016 ISS guidance, which emphasised that there were two tests for when non-financial considerations could be applied by trustees.

8. AOB AND DATE OF NEXT MEETING

There were no AOB items. The date of the next meeting is 5 October 2026 at 11.00am.