



Eich cyf/Your ref P-06-1522
Ein cyf/Our ref JB/00672/25

Carolyn Thomas MS
Chair - Petitions committee

20 August 2025

Dear Carolyn,

Thank you for your letter of 24 June about Petition P-06-1522 – “Convene a summit to accelerate sustainable and ethical investment by public sector pensions”. Occupational Pensions, including the Local Government Pension Scheme remain a reserved matter and decisions on the local government pension scheme are reserved to UK Government. I have no powers in relation to the scheme or its operation.

As the petition notes, the UK Government last year launched a review of pensions intended to boost investment, including investment in local economies and in the UK, increasing the size of investment funds and tackling waste and duplication in the pensions system. These are, of course, objectives which the Welsh Government fully supports. The Welsh Government has been a strong supporter of the creation of the Wales Pension Partnership (or “Welsh Pool”) which predated the wider pooling arrangements in the LGPS.

Following this consultation the UK Government introduced its Pensions Schemes Bill in June this year. This, if passed, will strengthen the ability of Local Government pensions funds to invest in infrastructure and for local and regional economic benefit. It will require the pensions administering authorities to work with corporate joint committees (CJCs) to identify potential investment opportunities suitable for pensions investment.

The petition rightly cites the Welsh Government’s landmark legislation the Wellbeing of Future Generations Act 2015 which should drive public bodies’ decision making. Our Programme for Government emphasises creating a “stronger, greener, fairer Wales” with a focus on tackling climate change and achieving Net Zero by 2050. There is clearly an important role here for pension and other investors to invest in climate positive actions and to support the Welsh economy. I hope that the Wales Pension Partnership will continue to develop its activities in line with these priorities.

I and my predecessors have discussed this with Leaders and Pension Authority Members. This has included discussion at the Local Government Partnership Council with elected Leaders when the Chair of the Wales Pension Partnership presented on the steps the Pool

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Rydym yn croesawu derbyn gohebiaeth yn Gymraeg. Byddwn yn ateb gohebiaeth a dderbynnir yn Gymraeg yn Gymraeg ac ni fydd gohebu yn Gymraeg yn arwain at oedi.

We welcome receiving correspondence in Welsh. Any correspondence received in Welsh will be answered in Welsh and corresponding in Welsh will not lead to a delay in responding.

was taking to increase opportunities to invest in climate positive investments and to take account of the risks posed by investing in fossil fuel related funds.

Subsequently, WLGA, together with Friends of the Earth, facilitated an event to further build on conversations across Wales on the decarbonising of pension funds. Elected Members and officers attended. The event was chaired by the then Chair of the Wales Pension Partnership Governance Committee and included guest speakers from the Good Economy, Leeds University Business School and the Swansea Pension Fund. These expert speakers shared their experience of moving towards a sustainable pension before plenary discussions on the challenges to decarbonising pensions and how to overcome these.

While discussions in this event acknowledged that the funds had to ensure they could meet the pension requirements of their members, there was general agreement on the potential for funds to also support expansion of sectors that generated a return while contributing positively towards net zero goals. Affordable housing, targeted SME finance, clean energy and natural capital were all identified as examples that have such potential.

I hope this information is helpful.

Yours sincerely,

A handwritten signature in black ink that reads "Jayne Bryant". The signature is written in a cursive, flowing style.

Jayne Bryant AS/MS

Ysgrifennydd y Cabinet dros Lywodraeth Leol a Thai
Cabinet Secretary for Housing and Local Government