



Our ref: MD/PO/97/2025

Heledd Fychan MS
Senedd Cymru
Cardiff Bay
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Heledd.Fychan@senedd.wales

3 March 2025

Dear Heledd,

I understand from my colleague, the Cabinet Secretary for Social Justice, Trefnydd and Chief Whip, that on 28 January and 18 February you requested a statement on the UK Government's recent approach to reforming pensions and how it impacts Wales.

Pensions remain a reserved matter and, as such, I do not believe it would be appropriate for Welsh Ministers to make the kind of statement you have asked for. It is for the UK Government to undertake the appropriate assessments of the impact of its plans on all parts of the UK as part of the policy development process. However, I thought it would be helpful to provide some information on matters relevant to the Welsh Government.

The UK Government last year launched a review of pensions intended to boost investment, 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.

It is my understanding that the UK Government is currently considering responses to the consultations it has run.

As part of its pensions reform programme, the UK Government ran a consultation on a package of proposed reforms to the structure, investments and governance of the Local Government Pension Scheme (LGPS) from 14 November to 16 January. As part of this process, the Welsh Government was provided with advanced sight of the proposals, as well as reassurance that the UK Government recognises the benefits of a single Welsh LGPS pool, in which partner funds will have a mutual interest in investing in the Welsh economy. It is my understanding that this is also part of the feedback to the consultation provided by relevant Welsh stakeholders.

Canolfan Cyswllt Cyntaf / First Point of Contact Centre:
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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.

I hope this information is helpful. We await the outcome of the UK Government's consultations and will of course consider carefully how any changes will affect Wales.

Yours sincerely,

A handwritten signature in black ink, reading "Mark Drakeford". The signature is written in a cursive style with a large initial 'M'.

Mark Drakeford AS/MS

Ysgrifennydd y Cabinet dros Gyllid a'r Gymraeg
Cabinet Secretary for Finance and Welsh Language