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PENSION FUND COMMITTEE

MINUTES OF MEETING HELD ON TUESDAY 9 SEPTEMBER 2025

Present: Cllr Andy Canning (Chair), Cllr Andy Todd (Vice-Chair), Cllr David Brown, Cllr Patrick Canavan, Adrian Felgate, Cllr Steve Murcer, Cllr Felicity Rice and Cllr Andy Skeats

Present remotely: Cllrs Will Chakawhata

Apologies: None

Also present: Steve Tyson (Independent Investment Adviser, Apex Group) and Tim Dixon (Head of Client Relationship, Brunel Pension Partnership)

Officers present (for all or part of the meeting):
Sean Cremer (Corporate Director for Finance and Commercial), Karen Gibson (Service Manager for Pensions) and David Wilkes (Service Manager for Treasury and Investments)

338. **Minutes**

The minutes of the meeting held on 24 June 2025 were confirmed and signed.

339. **Declarations of Interest**

No declarations of disclosable pecuniary interests were made at the meeting.

340. **Public Participation**

One question, together with the response from the Chair of the Pension Fund Committee, is set out in the appendix to these minutes.

341. **Questions From Councillors**

There were no questions from councillors.

342. **Exempt Business**

Decision

That the press and the public be excluded for the following item(s) in view of the likely disclosure of exempt information within the meaning of paragraph 3 of schedule 12 A to the Local Government Act 1972 (as amended).

343. **LGPS INVESTMENT POOLING UPDATE**

Dorset Council and the 20 other administering authorities in the ACCESS and Brunel Pension Partnership investment pools had been directed by the Government to make a “decision in principle” by 30 September 2025 which of the other six Local Government Pension Scheme (LGPS) investment pools they wished to work with.

Decision

That the Committee:

i. Endorse the officer recommendation that Local Pension Partnership Investments (LPPI) is the preferred pool Dorset wishes to work with and that government are informed of this decision in principle by 30 September 2025.
ii. Instruct officers to develop a plan for communicating the decision to key stakeholders and the wider public.
iii. Note that officers continue to encourage other Brunel funds to join the preferred pool to build critical mass and to maximise the benefits of scale for the transition.
iv. Establish a ‘Steering Group’ of officers, independent investment adviser, Committee chair and vice-chair meet on a frequent basis reporting back to other Committee members as appropriate between quarterly meetings.
v. Invite key personnel from the preferred pool to attend the Committee’s next quarterly training session in November 2025 and/or officers will arrange a site visit to the preferred pool’s headquarters for Committee members.

344. **PENSION FUND INVESTMENTS**

The value of the pension fund’s assets at 30 June 2025 was just over £4.2 billion. The total return from the pension fund’s investments over the quarter to 30 June 2025 was 3.6%, compared to the combined benchmark return of 3.7%. The total return for the year to 30 June 2025 was 7.3% compared to the benchmark return of 9.1%.

Markets continued to see high levels of volatility over the quarter to 30 June 2025. This was largely driven by uncertainty around the US trade tariffs.

345. **PENSIONS ADMINISTRATION**

Performance against Key Performance Indicators (KPIs) continued to be good.

Annual benefit illustrations for active and deferred members had been sent out along with the annual newsletter. There had been a lot of positive member engagement and interest in the LGPS member presentation training sessions.

A letter had been sent to 15,910 members who were not believed to be in scope of the McCloud ruling. A large number of member enquiries had been received due to this piece of work.

The latest software delivery for the McCloud remedy work had been received on 3 September 2025. Testing continued and a project plan to address the rectification cases would be developed.

346. **DATES OF FUTURE MEETINGS**

1.30 pm Tuesday 2 December 2025 – County Hall, Dorchester.
1.30 pm Tuesday 17 March 2026 – County Hall, Dorchester.

All meetings to be preceded by training for committee members 10am to 12.30pm.

347. **Urgent items**

No urgent items were raised at the meeting.

01.1 Questions from Public Sept-25

Duration of meeting: 1.30 - 2.45 pm

Chairman

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PENSION FUND COMMITTEE 9 SEPTEMBER 2025

Questions from members of the public

Question from Kim Creswell

At the Dorset Council Pension Fund Committee (DCPF) meeting, 24 June 2025, a deputation requesting the divesting of the Local Government Pension Scheme fund (LGPSF) from 71 companies complicit in Israel's violations of international law and internationally recognised crimes against humanity was considered and rejected. DCPF's recommendations were to not divest over £173million invested in companies assisting genocidal activities, citing

a) Fears that divestment from companies complicit in Israeli genocidal actions will negatively affect the value of the pensions

b) Lack of evidence that stakeholders wish divestment due to concerns about complicity with genocidal actions

and heavily relying upon "Counsel opinion on the LGPS and current events concerning Gaza Nov 24 " (Giffin N, Oct '24).

I put it to you that the DCPF recommendation are legally flawed and lacking due diligence for the following reasons:

a) LGPSFs have a duty to consider non-fiscal factors in investment

b) The LGPSF have not sought to gather views of members (pension fund holders), and in any case should not be investing public monies in companies which are complicit in illegal activity according to international law, thereby making pension holders and council tax contributors complicit with international crimes against humanity

c) The legal opinion piece relied upon is written by someone who states from the start that they are not an expert in this area; their opinion is problematic in several areas, not least their referral to advice from UK Lawyers for Israel (UKLFI), an unregulated organisation currently under investigation for abuses of legal structure to further Zionist aims.

(All references available upon request)

It is clear that under international law, local councils (even in the absence of direction from central government) should ensure their investment strategies give effect to the prevention and non-assistance duties. They must refrain from making new investments in involved companies, exercise due diligence, and take reasonable steps towards divesting from such companies.

QUESTION:

Given the attached information, I therefore ask Dorset Council Pension Fund Committee to comply with international law by ending procurement contracts with all companies complicit in Israel's violations of international law and human rights against Palestinians, to include arms companies supplying Israel with weapons and military technology; companies providing infrastructure for Israel's unlawful military occupation of Palestinian land; companies conducting business activity in Israel's illegal settlements on stolen Palestinian land; as well as banking arrangements with companies providing financial support to companies complicit in crimes against humanity; and to provide a time frame in which this divestment process will occur.

RESPONSE:

Thank you for taking the time to speak to this committee today on such an important and emotive subject. I know all members of the committee deplore the loss of life resulting from this conflict and all the many other conflicts happening around the world.

As the concerns you raise are a matter for all Local Government Pension Scheme (LGPS) administering authorities not just Dorset Council, further advice is being sought from central government and the LGPS Scheme Advisory Board (SAB). Legal opinion previously sought by SAB concluded that it would be incorrect to suggest that "it would be unlawful for administering authorities to invest, or continue to invest, LGPS funds in undertakings engaged in certain activities with a bearing upon Israel's conduct in and in relation to Gaza or the other Palestinian territories".
Counsel opinion on the LGPS and current events concerning Gaza Nov 24

The Dorset County Pension Fund, an LGPS pension fund administered by Dorset Council, has no "procurement contracts" with any companies involved in the activities you list nor does it directly own shares in any individual companies. Instead, it owns units in investment vehicles which in turn own shares in individual companies and give the pension fund a highly diversified investment portfolio with exposure to nearly 3,000 companies across the globe.
Dorset County Pension Fund Holdings Report 31 March 2025 | Dorset Pension Fund

This matter was also discussed at some length at the last meeting of this committee. The papers, minutes and a recording of the meeting can be found on the Council's website.
Agenda for Pension Fund Committee on Tuesday, 24th June, 2025, 1.30 pm - Dorset Council