

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](#)