Response to deputation from Dorset Palestine Solidarity Campaign

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

The Committee realises that you disagree with the decisions made last year and the advice the committee received. The decisions taken were based upon advice obtained through the Local Government Pension Scheme Advisory Board which provides strategic oversight, guidance, and governance support for the whole of the Local Government Pension Scheme (LGPS) in England and Wales.

The Scheme Advisory Board has published a statement making clear that when this committee exercises its investment responsibilities the primary purpose must be to achieve the required returns so that pensions can be paid when they become due. The Committee is permitted to consider non-financial factors but only where:

1. this would not lead to significant financial detriment, and
2. where it would also have the support of the scheme beneficiaries.

When the Committee received your previous deputation in June 2025 the Committee agreed four actions, which I will take in turn, albeit slightly out of sequence:

That the Committee:

i. Continues with its current approach to responsible investment and to favour engagement with companies rather than divestment from them but investigates further the financial implications of divestment from companies engaged in the activities identified in the deputation.

   This remains in place.

ii. Continues to endorse Brunel Pension Partnership's exclusion of “controversial weapons” (such as anti-personnel mines, chemical and biological weapons) and companies non-compliant with Principle 2 of United Nations Global Compact on Human Rights (UNGC) from their actively managed equity and bond portfolios.

   This remains in place

iv. Writes to all local Members of Parliament seeking stronger action from the UK government regarding the matters raised in the deputation.

   This has been actioned

iii. Investigates the costs and benefits of a survey of scheme members’ views on non-financial factors as part of the next review of the Investment Strategy Statement following the conclusion of the triennial actuarial valuation.

The triennial valuation has now concluded, and the results are contained within item 9 on today's agenda, and we will shortly begin the review of Investment Strategy Statement.

The Government is in the process of introducing a new bill, with associated guidance and regulations, which may change how LGPS administering authorities consult with a range of stakeholders. Any consultation launched ahead of the changes may risk becoming redundant.

Officers will provide further updates to the Committee on progress at future meetings as to progressing against the consideration of the non-financial factors raised by this deputation, in particular, the extent to which any decision would also have the support of the scheme beneficiaries as part of reviewing the investment strategy statement.

We expect that a consultation on the investment strategy would be launched in the autumn, with the outcome and recommendations coming forward in the winter.

I hope that everyone will understand that the concerns raised in the deputation are a matter for the whole Local Government Pension Scheme, not just for Dorset.

Sean Cremer
Corporate Director for Finance and Commercial / Pension Fund Administrator
(on behalf of the Chair of the Pension Fund Committee)