

PENSIONS BOARD 23 JANUARY
PUBLIC QUESTIONS

QUESTION 1 FROM DR JAMIE RUSSELL (not attending)

The Shropshire County Pension Fund has [£142m invested in companies linked to the genocide in Gaza](#). In August, SCPF received a [legal notice](#) from the Palestine Solidarity Campaign warning the fund could be in breach of international law due to these investments.

Fund members have called on the committee to actively engage with members and employers on this issue. At the committee meeting in September, Cllr Malcolm Myles-Hook suggested that proactive engagement should be considered. However, the committee chair, Cllr Gary Groves, argued against this, stating: *'It's like any kind of survey, isn't it, that you do. Be careful what you ask for because you might get the answer that you don't want. Then if you don't act on that, you're seen not to be acting on what members want.'* (See <https://www.youtube.com/watch?v=ZZSIPEUdyn0> 1:09:24).

Government regulations for local pension funds state that administering authorities must consider any factors that could affect the financial performance of their investments. However, administering authorities are permitted to take non-financial considerations into account if two tests are met. First, that it would not involve significant financial detriment to the fund; and second, they have good reason to believe scheme members would support the decision.

Is the Pension Board comfortable with the refusal to actively engage with employers and members on this important issue?

I note several other local pension schemes have decided to divest because they do not wish to be complicit in the deaths of innocent Palestinian civilians, including thousands of women, children, and infants.

Dr Jamie Russell

Response:

The Fund reviewed the £142m of investments identified by the Palestine Solidarity Campaign (PSC) as supporting Israel in the September Pension Committee meeting at item 10 in the public Corporate Governance report. As stated in that report the majority of the companies relate to global multinational companies and that in terms of direct investment only £5.5 million at 30th June 2025 was directly invested in Israeli companies.

The Fund confirms that it has received the letter and legal opinion from the Palestine Solidarity Campaign along with a number of other pension authorities within the Local Government Pension Scheme.

The Fund has referred the matter to the Scheme Advisory Board (SAB) as the legal opinion is contradictory to the legal opinion obtained by SAB for funds in November 2024 and the SAB has referred the matter to Central Government for clarity on the position and further guidance is awaited. Once this guidance has been received a further update will be provided to the Pension Committee and Board.

The Fund has regular engagements with employers including an annual meeting with employers. To date no employer outside of Shropshire Council has requested divestment of any of the Fund's investments.

Investment decisions are delegated to specialist Investment Managers, scheme members/employers do not make investment decisions on behalf of the Fund.

QUESTION 2 FROM JANE ASTERLEY

A. Has the Pension Fund received any legal advice via the Scheme Advisory Board or from central government on the implications of Palestine Solidarity Campaign's legal opinion and position paper?

B. If so, when was that advice received?

RESPONSE

The Fund still awaits legal advice via the Scheme Advisory Board/ Central Government on the implications of the Palestine Solidarity Campaign's legal opinion.

QUESTION 3 FROM JOANNA BLACKMAN

In September 2025, the Palestine Solidarity Campaign (PSC) issued a legal notice [1] to all councils in England and Wales which oversee a Local Government Pension Scheme (LGPS) fund. This included Shropshire Council and Telford & Wrekin Council.

The notice, written by legal experts, outlines that councils 'must take steps to divest from companies enabling and profiting from Israel's genocide, military occupation and apartheid against Palestinians' and the legal risks of not doing so.

This includes arms companies supplying the Israeli state with weapons which may be used to commit violations of international law such as the Geneva Conventions and the Genocide Convention; and companies involved in the financing and construction of Israel's illegal settlements on Palestinian land.

The £2b Shropshire County Pension Fund invests over £142m in these companies. [2]

These include Northrop Grumman, which supplies the Israeli Air Force with missile delivery systems for its fighter jets and helicopters; and Honeywell, which supplies components for bombs, missiles, and drones used against Palestinian civilians including infants and children.

1. Have members of the Pensions Board, in their role as an oversight body, read the PSC legal opinion?
2. Does the Pensions Board have any concerns about:
 - a) The Pensions Committee's current decision to remain invested in companies complicit in Israel's grave breaches of international law and violations of the human rights of people in the occupied Palestinian Territory?
 - b) Whether the Fund has fulfilled its "prevention and non-assistance duties" under international law?
 - c) Whether the Fund risks being complicit in breaches of international law, potentially including genocide?
 - d) Its own potential complicity as an oversight body with responsibility for

assisting the administering authority to secure compliance with relevant legislation?

3. And if the Board does have concerns on points (a) to (d), what steps has it taken to address these concerns?

[1] <https://palestinecampaign.org/wp-content/uploads/Position-Paper.pdf>

[2] <https://lgpsdivest.org/lgps-investments/>

Response

The Fund confirms that it has received the letter and legal opinion from the Palestine Solidarity Campaign along with a number of other pension authorities within the Local Government Pension Scheme.

The Fund has a detailed statement on dealing with companies in conflict affected and high-risk areas and this was included as Appendix D to the public papers at item 8 of the Pension Committee meeting on the 5 December 2025 which covered the letter received.

The Fund has referred the matter to the Scheme Advisory Board (SAB) as the legal opinion is contradictory to the legal opinion obtained by SAB for funds in November 2024 and SAB has referred the matter to Central Government for clarity on the position and further guidance is awaited. Once this guidance has been received a further update will be provided to the Pension Committee and Board. The Board is content with the updates provided to Committee to date.