



Joel Benjamin
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Please ask for:
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Our ref:
Date:

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GR/FOI/9971
29 December 2016

Dear Mr Benjamin

Request Pursuant to Freedom of Information Act 2000 – Request No. 9971

Thank you for your request for information which the Council received on 12 December 2016. You have requested:

1. Please provide the two most recent versions of the Statement of Investment Principles (SIP)
2. Will the fund be reviewing its SIP documents to pursue best practice and review carbon risk management and investment mandates in advance of LGPS pooling? If so when?
3. Please provide current contract and procurement documents for the Investment Adviser(s) to the Pension Fund Committee.
4. Please provide current procurement and contract documentation for the external fund manager(s) as set out in investment management agreements.
5. Please provide a list of compliance breaches identified by the Head of Finance/ s.151 officer and brought to the attention of the Pension Fund Committee, during the last three (3) financial years.
6. What steps have the Pension Fund Committee and Board taken to address the financial risks posed by climate change?
7. Since the December 2015 Paris COP agreement, Peabody bankruptcy, and Exxon Mobil downgrade, has the pension fund changed its approach to climate change risk management and investment in carbon stocks?
8. Please provide Pension Fund Committee and Board meeting minutes where climate change, and carbon bubble investment risk was discussed, and minuted 2014 - 2016.
9. Have you surveyed or formally consulted with your individual members or employers for their views on your ESG policies or practices in the last 10 years?
10. How much does the fund spend on ESG engagement services and can you give any examples of engagement activities relating to climate change/carbon risk from the last 10 years?

Your request has been considered under the terms of the Freedom of Information Act 2000.

Dealing with each part of your request in the order in which you raise them:

1. Section 21: Information accessible to the applicant by other means
Under Section 21 of the Act the Council is not required to provide this information in response to a request if it is already reasonably accessible to you. The Fund's current and previous SIPs are available on the Fund's website at [Bedfordshire Pension Fund 2015 2016 Report and Accounts](#) and [Bedfordshire Pension Fund 2014 2015 Report and Accounts](#)
2. The Fund is required by the new LGPS investment regulations to replace its SIP with an Investment Strategy Statement by 1 April 2017. This will include a section on "how social, environmental or corporate governance considerations are taken into account in the selection, non-selection, retention and realisation of investments."
3. I can confirm that the Council does hold the information that you have requested. However, having carefully considered the matter, the Council has determined that it is unable to comply with this part of the request. This is because the requested information is exempt from disclosure under the following absolute exemption:

Section 41: Information provided in confidence

This exemption applies because the information you have requested was provided to the Council by third parties and disclosure of the information would give rise to actionable breaches of confidence i.e. if the Council gave you the information the third parties could take legal action against the Council.

The requested information is also exempt from disclosure under the following qualified exemption:

Section 43: Commercial interests

This exemption applies because some of the information relates to information that is not generally known and contributes to 'competitive edge' which fund managers have when generating investment returns and the release of information is likely to prejudice the commercial interests of the Council and the third parties.

This exemption is a 'qualified' exemption which means that it is subject to a public interest test. The Council has applied the public interest test and has determined that, on balance, it is more beneficial to the public to withhold the information than to release it. In reaching this decision the Council has considered the effect that the release of the information could have on its interests and the interests of the third parties and has come to the conclusion that release could jeopardise the Council's relationships with the third parties and could in turn result in the pension fund achieving lower returns on its investments.

4. Ditto
5. None

6. Section 21: Information accessible to the applicant by other means
Under Section 21 of the Act the Council is not required to provide this information in response to a request if it is already reasonably accessible to you. The Fund has published its statement regarding Fossil fuels on its website at [Fund Statement on fossil fuels](#) and there is a clear link on the website showing a page dedicated to [Responsible Investment](#) where the Fund's latest approach is reflected.
7. Section 21: Information accessible to the applicant by other means
Under Section 21 of the Act the Council is not required to provide this information in response to a request if it is already reasonably accessible to you. The Fund was one of 130 Investors that signed a letter to the G20 leaders on 24 August 2016 setting out recommendations for achieving the Paris Agreements goals. A [copy of this](#) is on the Fund's website along with the Fund's [commitment to play its part](#) to support the objectives of the Paris Agreement.
8. Section 21: Information accessible to the applicant by other means
Under Section 21 of the Act the Council is not required to provide this information in response to a request if it is already reasonably accessible to you. All Bedfordshire Pension Fund Committee minutes are available in the Administering Authority's website at <http://bb-mgov01/mgCommitteeDetails.aspx?ID=378>
9. Bedfordshire Pension Fund has not surveyed or formally consulted with its individual members or employers for their views on our ESG policies or practices in the last 10 years. There have been isolated individual enquiries about our policies and practices.
10. Bedfordshire Pension Fund is a member of the Local Authority Pension Fund Forum, a collaborative body of 71 LGPS funds with assets under management of £175 billion. LAPFF operates to protect the long-term investment interests of beneficiaries by promoting the highest standards of corporate governance and corporate responsibility amongst investee companies. On behalf of its members, LAPFF runs a diverse work plan providing comprehensive engagement over a range of different work streams including LGPS reform, the promotion of good governance, reliable accounting and various aspects of responsible investment.

Publications released in 2016 include 'Engaging for a Low Carbon Transition', 'The Corporate Tax Transparency Initiative Report' and a 'Mergers and Acquisitions Trustee Guide' (see www.lapfforum.org/Publications/latest-research).

The total spend budgeted for the LAPFF work plan in 2016/2017 is in excess of £400,000. The fee for Bedfordshire Pension Fund is £8,250 pa.

The information supplied to you continues to be protected by the Copyright, Designs and Patents Act 1988. You are free to use it for your own purposes, including any non-commercial research you are doing and for the purposes of news reporting. Any other re-use, for example commercial publication, would require the permission of the copyright holder. For further information regarding re-use of Public Sector information please see the link below.

If after viewing the information you are for whatever reason unhappy with our response to your application you are entitled to pursue any dissatisfaction through the Council's Internal Review Procedure. Pursuant to Section 17 (7) of the Act, the procedure provided by the Council for dealing with complaints about the determination of this request for information is the Council's FOI Complaints Procedure, a copy of which can be obtained on request or is set out at:

http://www.bedford.gov.uk/council_and_democracy/data_protection,_foi_eir.aspx

Yours sincerely

Geoff Reader
Head of Pensions