

Council Minute – 29th September 2021

The following motion of which notice had been given to the Chief Executive in accordance with Council Procedure Rule 15 was moved by Councillor Lewis and seconded by Councillor Caroline Jackson:-

“The Council notes that:

- a) it has previously discussed the need to take an ethical and sustainable approach to investment of Lancaster City Council funds to support our priorities and to ask the same of those who manage our officers’ pensions through the Lancashire Pensions Fund and Local Pensions Partnership;
- b) increasingly pension funds are large investors who are being asked to take an ethical and sustainable approach to investment including considerations of workers’ condition in properties owned by funds, and where these funds have a geographic link, to support community wealth building;
- c) many of the Sustainable Development Goals speak to the importance of investment as a driver for securing fundamental human rights, building resilience within communities and meeting the challenge of the climate emergency;
- d) it is preferable to take a comprehensive approach to an ethical and sustainable investment policy rather than addressing it on a topic-by-topic basis;
- e) taking the time to develop a comprehensive approach will strengthen the policy, give the council one reference point for full council’s position on ethical and sustainable investment, and allow for one set of new investment instructions to be made, reducing development and implementation costs.
- f) bringing together a comprehensive ethical and sustainable investment policy is a significant piece of work that should involve consultation with a range of stakeholders as well as taking expert advice;
- g) undertaking this process via an overview and scrutiny task group will allow councillors to explore what are often complex ethical issues in a more discursive environment and with the benefits of expert advice and a mechanism to listen to community perspectives;
- h) almost by definition ethical issues are rarely clear cut and there are often reasonable competing perspectives.

- i) it is important we conduct a careful and respectful debate and reaffirm our commitment to this district being a place that supports everyone to know, claim and enjoy their human rights, and to be strong allies to everyone who faces discrimination and structural oppression in all its forms.
- j) consistently with the obligation in section 149 of the Equality Act 2010, the development of the policy must have due regard to the need to foster good relations between persons of different nationalities, ethnicities and religions.

The Council hereby resolves to:

- (1) Recommend that Overview and Scrutiny Committee establish a formal task group to consult on and develop a comprehensive ethical and sustainable investment policy for consideration by Cabinet;
- (2) To amend Council's previous resolution of 23 June 2021 (in respect of the Boycott, Divestment and Sanctions movement motion) to have the effect of not making or requesting any investment changes until a comprehensive ethical and sustainability policy is agreed by Council and that any future requests be made in accordance with that policy."

In accordance with Council Procedure Rule 18.1 regarding resolution (2) fifteen Councillors, being a quorum of Council, had signed up to the notice of motion; Councillors Erica Lewis, Caroline Jackson, Cary Matthews, Richard Austen-Baker, Merv Evans, Anne Whitehead, Sandra Thornberry, Oliver Robinson, Jason Wood, Jean Parr, Mandy King, Tim Hamilton-Cox, Dave Brookes, Adrian De La Mare and Tricia Heath.

An officer briefing note had been circulated with the agenda.

Councillor Heath moved a procedural motion to go to the vote, seconded by Councillor Matthews. Council signified agreement to go straight to the vote and the motion was clearly carried.

Resolved:-

The Council notes that:

- a) it has previously discussed the need to take an ethical and sustainable approach to investment of Lancaster City Council funds to support our priorities and to ask the same of those who manage our officers' pensions through the Lancashire Pensions Fund and Local Pensions Partnership;
- b) increasingly pension funds are large investors who are being asked to take an ethical and sustainable approach to investment including considerations of workers' condition in properties owned by funds, and where these funds have a geographic link, to support community wealth building;

- c) many of the Sustainable Development Goals speak to the importance of investment as a driver for securing fundamental human rights, building resilience within communities and meeting the challenge of the climate emergency;
- d) it is preferable to take a comprehensive approach to an ethical and sustainable investment policy rather than addressing it on a topic-by-topic basis;
- e) taking the time to develop a comprehensive approach will strengthen the policy, give the council one reference point for full council's position on ethical and sustainable investment, and allow for one set of new investment instructions to be made, reducing development and implementation costs.
- f) bringing together a comprehensive ethical and sustainable investment policy is a significant piece of work that should involve consultation with a range of stakeholders as well as taking expert advice;
- g) undertaking this process via an overview and scrutiny task group will allow councillors to explore what are often complex ethical issues in a more discursive environment and with the benefits of expert advice and a mechanism to listen to community perspectives;
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