MINUTES

EAST SUSSEX COUNTY COUNCIL

MINUTES of a MEETING of the EAST SUSSEX COUNTY COUNCIL held at Council Chamber - County Hall, Lewes on 7 JULY 2020 at 10.00 am

Present	Councillors John Barnes MBE, Matthew Beaver, Colin Belsey, Nick Bennett, Bill Bentley, Bob Bowdler, Tania Charman, Charles Clark, Martin Clarke, Godfrey Daniel, Philip Daniel, Angharad Davies, Chris Dowling, Claire Dowling, Deirdre Earl-Williams, Simon Elford, David Elkin (Chairman), Nigel Enever, Michael Ensor, Kathryn Field, Gerard Fox, Roy Galley, Keith Glazier, Darren Grover, Carolyn Lambert, Tom Liddiard, Laurie Loe, Carl Maynard, Ruth O'Keeffe MBE, Sarah Osborne, Peter Pragnell, Pat Rodohan, Phil Scott, Daniel Shing, Stephen Shing, Alan Shuttleworth, Rupert Simmons, Andy Smith, Bob Standley, Richard Stogdon, Colin Swansborough, Barry Taylor, Sylvia Tidy, David Tutt, Trevor Webb and Francis Whetstone

9 Minutes of the meeting held on 12 May 2020

9.1 RESOLVED – to confirm as a correct record the minutes of the County Council meeting held on 12 May 2020.

10 Apologies for absence

10.1 Apologies for absence were received on behalf of Councillors Jim Sheppard, John Ungar and Steve Wallis. On behalf of the Council the Chairman sent Councillor Ungar his best wishes.

11 Chairman's business

11.1 The Chairman reminded all attending that holding remote meetings is a learning process and that the Council endeavouring to maintain business as usual as best we can.

PETITIONS

11.2 The following petitions were presented before the meeting by members:

Councillor Charman	- calling on the County Council to ban the use of Glyphosate on roadsides, pavements and green spaces in Hastings
Councillor Galley	- calling on the County Council to consider road safety improvements at Tyes Cross at the Plawhatch Lane/Grinstead Lane junction and the Plawhatch Lane/twittern from Chilling Street

12 Questions from members of the public

12.1 Copies of the questions received from members of the public and the answers from Councillor Fox (Chair of the Pension Committee) and Councillor Claire Dowling (Lead Member for Transport and Environment) are attached to these minutes.

13 Declarations of interest

13.1 The following members declared personal interests in items on the agenda as follows:

Member	Position giving rise to interest	Agenda item	Whether interest was prejudicial
Councillor Grover	Employee of the East Sussex Fire and Rescue Service	Item 9	No

14 Reports

14.1 The Chairman of the County Council having called over the reports set out in the agenda, reserved the following for discussion:

Cabinet report – paragraph 2 (Council monitoring quarter 4), paragraph 3 (coronavirus update), paragraph 4 (East Sussex Environment Strategy) and paragraph 5 (Ashdown Forest Trust)
Governance Committee report – paragraph 4 (Health and Wellbeing Board terms of reference)
Standards Committee report – paragraph 1 (annual report)

East Sussex Fire Authority report (April meeting) – paragraph 2 (Risk Management Plan)

NON-RESERVED PARAGRAPHS

14.2 On the motion of the County Council, the Council ADOPTED those paragraphs in the reports that had not been reserved for discussion as follows:

Cabinet report – paragraph 1 (Council monitoring quarter 3)
Governance Committee report – paragraph 1 (Pension Board and Pension Committee terms of reference), paragraph 2 (Review of the Members' Allowances Scheme), paragraph 3 (Virtual meetings supplementary Standing Orders including additional recommendation circulated regarding Councillor Ungar) and paragraph 5 (disciplinary process for senior officers)

15 Report of the Cabinet

Paragraph 1 (Council monitoring quarter 4), Paragraph 3 (Coronavirus update), Paragraph 4 (East Sussex Environment Strategy) and Paragraph 5 (Ashdown Forest Trust Fund)

15.1 Councillor Glazier moved the reserved paragraphs of the Cabinet's report.

15.2 The motions were CARRIED after debate.

16 Report of the Governance Committee

Paragraph 4 (Health and Wellbeing Board terms of reference)

16.1 Councillor Glazier moved the adoption of the paragraph.

16.2 The following amendment moved by Councillor Lambert and seconded was LOST:

The County Council agrees to refer the terms of reference of the Health and Wellbeing Board back to the Governance Committee with a request that the Committee consider the allocation of the 4 County Councillor places on the Board being made on a politically proportionate basis

16.3 The motion moved by Councillor Glazier was ADOPTED after debate

17 Report of the Standards Committee

Paragraph 1 (Annul report)

17.1 Councillor Stogdon moved the reserved paragraph of the Standards Committee report.

17.2 The motion was CARRIED after debate.

18 Questions from County Councillors

18.1 The following members asked questions of the Lead Cabinet Members indicated and they responded:

Questioner	**Respondent**	**Subject**
Councillor Rodohan	Councillor Claire Dowling	Request for reconsideration or postponement of the implementation of increased parking charges in Eastbourne Town Centre
Councillor Godfrey Daniel	Councillor Claire Dowling	Possibility of review of decision to increase parking charges in Hastings
Councillor Stephen Shing	Councillor Claire Dowling	Use of Glyphosate on highways etc in East Sussex

18.2 One written question was received from Councillor Field for the Lead Member for Resources. The question and answer are attached to these minutes. The Lead Member responded to a supplementary question.

19 Reports of the East Sussex Fire Authority

19.1 Members commented on paragraph 2 of the East Sussex Fire Authority's report (April meeting).

THE CHAIRMAN DECLARED THE MEETING CLOSED AT 12.59 pm

The reports referred to are included in the minute book

QUESTION FROM MEMBERS OF THE PUBLIC

Note: Questions 1 to 48 relate to the East Sussex Pension Fund exposure to fossil fuel investments, the response to climate emergency and related issues. The answer to these questions is set out after question 48 below

1. The same or similar questions were asked by:

Lynne Salvage, Hastings, East Sussex
Andrea Needham, Hastings, East Sussex
Esme Needham, Hastings, East Sussex
Rosalind Price, Brighton
Nick Perry, Hastings, East Sussex
Karen Stewart, Eastbourne, East Sussex
Lucinda Westwood, Eastbourne, East Sussex
Jane Sweeney, Ditchling, East Sussex
Ross Beale, Lewes, East Sussex
Colin Pope, Fairlight, East Sussex
Benjamin Diss, Brighton
Chrys Brookes, Hastings, East Sussex
Susan Goodwin, Brighton

In June BP's Chief executive Bernard Looney sent an email to staff explaining that: "The oil price has plunged well below the level we need to turn a profit. We are spending much, much more than we make - I am talking millions of dollars, every day." As of 30 September 2019, the total value of the East Sussex Pension Fund's fossil fuel investments was estimated at £175m. What is their estimated current value?

2. The same or similar questions were asked by:

Ian Bunch, Hastings, East Sussex
Kate Christie, Forest Row, East Sussex
Dinah Prior, Seaford, East Sussex
Pauline Goubert, Bexhill on Sea, East Sussex
Nick Redman, Bexhill on Sea, East Sussex
Emily Slater, Lewes, East Sussex
Sophie Mamalis, Brighton
Nicola Browne, Hastings, East Sussex
Alinah Azadeh, Lewes, East Sussex
Alison Morris, Newhaven, East Sussex
Chloe Edwards, Lewes, East Sussex
Andrew Simpson, Lewes, East Sussex
Angela Evans, Forest Row, East Sussex
Christopher Paterson, Lewes, East Sussex
Matthew Bird, Lewes, East Sussex

New research recently found that the dramatic melting of Greenland's ice sheet last summer – which saw near-record rates - was largely down to a persistent zone of high pressure over the region. The fate of this ice sheet will be a crucial determinant in sea level rise.

One of the paper's authors explained that: 'This melt event is a good alarm signal that we urgently need to change our way of living to hold [back] global warming because it is likely that the [UN climate body's] projections could be too optimistic for [the] Arctic'.

Given the mounting number of 'alarm signals' such as this, isn't it high time that the East Sussex Pension Fund stopped investing in the fossil fuel companies that are driving the climate crisis?

3. Question from Georgia Taylor, Forest Row, East Sussex

New research recently found that the dramatic melting of Greenland's ice sheet last summer – which saw near-record rates - was largely down to a persistent zone of high pressure over the region. The fate of this ice sheet will be a crucial determinant in sea level rise. One of the paper's authors explained that: 'This melt event is a good alarm signal that we urgently need to change our way of living to hold [back] global warming because it is likely that the [UN climate body's] projections could be too optimistic for [the] Arctic'. Also, according to the executive director of the International Energy Agency: "This year is the last time we have, if we are not to see a carbon rebound". Noting that the stimulus packages created this year will determine the shape of the global economy for the next three years – and that within that time frame global emissions must start to fall sharply and permanently, or climate targets will be put out of reach – he has said that: "The next three years will determine the course of the next 30 years and beyond … If we do not [take action] we will surely see a rebound in emissions. If emissions rebound, it is very difficult to see how they will be brought down [sufficiently] in future." Given this stark reality, and the reality that fossil fuel is no longer a good financial investment, it is catastrophic and a bizarre form of self-harm for the East Sussex Pension Fund to continue investing in the fossil fuel companies that are driving the climate crisis. Please can you tell us, the citizens of East Sussex, by when you will divest the East Sussex Pension Fund from fossil fuels?

4. The same or similar questions were asked by:

Mary Castelino, Hastings, East Sussex
Tessa George, Lewes, East Sussex
Becky Francomb, Seaford, East Sussex
Julia Waterlow, Lewes, East Sussex
Patricia Shorter, Brighton
Anne Massey, Hove
Susan Murray, Lewes, East Sussex
Adrienne Hunter, St Leonards on Sea, East Sussex
Felix Lozano, Winchelsea, East Sussex
Duncan Taylor, Lewes, East Sussex
Alison Birrell, Lewes, East Sussex
Siou Hannam, Newhaven, East Sussex
Helen dAscoli, Lewes, East Sussex
Anne Duke, Ringmer, East Sussex
Penny Jones, Lewes, East Sussex
Tamsim Wharton, Lewes, East Sussex
Duncan Fordyce, Lewes, East Sussex

The executive director of the UN Global Compact recently stated that the coronavirus pandemic is "just a fire drill" for what is likely to follow from the climate crisis. Noting that "the overall problem is that we are not sustainable in the ways we are living and producing on the planet today" she said: "We need to see leadership to drive this". How can East Sussex County Council possibly provide such leadership while it continues to invest scores of millions of pounds of local people's pensions in fossil fuels?

5. The same or similar questions were asked by:

Anthony Hack, Hastings, East Sussex
Mike Morrison, Brighton
Richard Boyle, Eastbourne, East Sussex
Ruth Drake, Hastings East Sussex
Jennifer Howells, Horam, East Sussex
Alyson Fixter, St Leonards on Sea, East Sussex
Anne Valder, Peacehaven, East Sussex
Wendy Maples, Lewes, East Sussex
Katie Vandyck, Lewes, East Sussex
Alice Ross, Lewes, East Sussex
Anthony Bradnum, St Leonards on Sea, East Sussex
Sarah Hitchings, Lewes, East Sussex
Hans-Joachim Hinze, Ditchling, East Sussex
Rebecca Topping, Wadhurst, East Sussex

The International Energy Agency is projecting substantial declines in demand for fossil fuels for 2020 (oil 9%, coal 8% and gas 5%) while solar and wind grow by 16% and 12% respectively. It may now be very difficult to get back to former levels of demand before renewables get big enough to supply all the growth. Given this, what assumptions are the East Sussex Pension Fund's fund managers and investment consultants currently making regarding future demand for fossil fuels?

6. The same or similar questions were asked by:

Adam Rose, Eastbourne, East Sussex
Mike Morrison Brighton
Kathy Bor, St Leonards on Sea, East Sussex
Penny Hyde, Friston, East Sussex
Jason Evans, Saltdean, East Sussex
Manuela McLellan, Hastings, East Sussex
Darren Dowd, Lewes, East Sussex
David Smith, Eastbourne, East Sussex
Jane Johnson, Eastbourne, East Sussex
Paul Bellack, Lewes, East Sussex
Denzil Jones, Lewes, East Sussex
Frances Royston, Crowhurst, East Sussex
Michael Barnard, Bexhill on Sea, East Sussex
Nicola Reese, Saltdean
Ian Halloran, Herstmonceux, East Sussex
Charles Secrett, Brighton
Gabrielle Lord, Lewes, East Sussex
Mary-Jane Wilkins, Lewes, East Sussex
Rik Child, Brighton
Sophie Streeter, Bexhill on Sea, East Sussex
Robert White Eastbourne, East Sussex

Lisa Stewart, Hove
Carol Mills, Eastbourne, East Sussex
Josie Darling, Brighton
Denise Spinney, Forest Row, East Sussex
Ilona Brunzel, Bexhill on Sea, East Sussex
Alice Cope-Stephens, Burwash, East Sussex
Gillian Watson, Lewes, East Sussex
Abby Nicol, St Leonards on Sea, East Sussex
Adam McCormick, Eastbourne, Est Sussex
Krzysztof Szaniawski, Lewes, East Sussex
Melissa McClements, Brighton
Jane Wigan, St Leonards on Sea, East Sussex
Amber Scott, Forest Row, East Sussex
Jane Wright, Lewes, East Sussex
Chris Garland, Lewes, East Sussex
Susan Tyler, St Leonards on Sea, East Sussex
Rob Handy, Lewes, East Sussex
James Martin, Seaford, East Sussex
Rosie Sauvage, Hove
John Enefer, Hastings, East Sussex
Lucy Newman, Lewes, East Sussex
Bob and Carol Turner, Eastbourne, East Sussex
Persephone Pearl, Brighton

Last October East Sussex County Council declared a ‘climate emergency’. How can it possibly reconcile this declaration with its ongoing investment (£175m as at 30/09/2019) in the giant oil and gas companies like BP and Exxon – the very companies that are driving this ‘emergency’?

7. Question from Dean Robinson, Hastings, East Sussex

What steps are being taken to reduce investment in fossil fuel, un-ethical companies, un-sustainable technologies, or funds.

8. Question from Andrew Durling, Pevensey, East Sussex

Given that much of the Eastbourne and Pevensey area of East Sussex is a low-lying coastal community at ever increasing risk of experiencing catastrophic flooding due to the rise in sea level caused by rapid climate change, itself caused primarily by fossil fuels, how can East Sussex County Council ethically justify continuing to invest, within its Pension Fund, in the very fossil fuels that are threatening the lives, homes and businesses of many East Sussex residents, my family included?

9. Question from Summer Milford, Brighton, East Sussex

Given the catastrophic impact of burning fossil fuel on the global climate and the urgent need to mitigate the effects of climate change, will the council commit to switching to green investments for the East Sussex Pension Fund, and end all investment in fossil fuels immediately?

10. Question from Janice Vango, Eastbourne, East Sussex

As an ESCC pensioner, I am so very concerned about the Council investing £175million in fossil fuels.

Could you explain the justification for this, with fossil fuels becoming an increasingly poor investment?

11. The same or similar questions were asked by:

Bella Willink, Forest Row, East Sussex
Jane Munro, Winchelsea Beach, East Sussex
Amanda Jobson, Hastings, East Sussex
Joan Coffey, St Leonards on Sea, East Sussex
Caroline Donegan, Ticehurst, East Sussex
Nancy Bertenshaw, Lewes, East Sussex
Katherine Beaven, Forest Row, East Sussex
Tessa George, Lewes, East Sussex
Tim Beecher, Brighton
Carol Bullock, Brighton
Denise Spinney, Forest Row, East Sussex
Kate Edmunds, Alfriston, East Sussex
Martin Taylor, Eastbourne, East Sussex
Ting Plaskett, Eastbourne, East Sussex
Nuala Friedman, Lewes, East Sussex
Chris Hemsley, Brighton
Holly Atkins, Lewes, East Sussex
Ann Bloomfield, St Leonards on Sea, East Sussex
Fiona MacGregor, St Leonards on Sea, East Sussex
Felicity Goodson, Eastbourne, East Sussex
Doris Moorhead, Lewes, East Sussex
David Duke, Ringmer, East Sussex
Jules Charrington, Newhaven, East Sussex

Noting that the Covid-19 crisis has demonstrated how urgent it is to tackle the climate emergency, the former governor of the Bank of England recently declared that the climate crisis is one “that will involve the whole world and from which no one can self-isolate”.
Isn’t it time for East Sussex County Council to stop sticking its head in the sand and stop investing in the very fossil fuel companies that are at the heart of the climate emergency?

12. The same or similar questions were asked by:

Ella Drauglis, St Leonards on Sea, East Sussex
David Hallett, Piddinghoe, East Sussex
Jan Parker, Lewes, East Sussex
Les Gunbie, Brighton
Helen Whithouse, Brighton
Steve Pine, Brighton
Julie Morehead, Lewes, East Sussex
Frances Royston, Crowhurst, East Sussex

Ros Clayton, Bexhill, East Sussex
Liz Halloran, Herstmonceux, East Sussex
Eveline Tijs, Hastings, East Sussex
Antonio Serrano, Bexhill, East Sussex
Julia Desch, Hailsham, East Sussex
Liz Mandeville, Lewes, East Sussex
Sarah Macbeth, St Leonards on Sea, East Sussex
Rona Drennan, St Leonards on Sea, East Sussex
Adrian Ross, Lewes, East Sussex
Frances Witt, Lewes, East Sussex
Sue Fasquelle, Lewes, East Sussex
Jane Carpenter, Lewes, East Sussex
Kerry Jackson, Seaford, East Sussex
Patricia Tinning, Lewes, East Sussex
Zoe Axworthy, Brighton
James Herbert, Lewes, East Sussex
Vanessa Jewell, Lewes, East Sussex
Sanchia Silk, Eastbourne, East Sussex
Linda McVeigh, Brighton
Ed Richardson, Lewes, East Sussex
Anthony Shuster, Lewes, East Sussex

What is the current value of the East Sussex Pension Fund's investments in fossil fuels and how does it square these investments with its declaration of a 'climate emergency' last October?

13. The same or similar questions were asked by:

Urmilla Stoughton, Eastbourne East Sussex
Patricia Lardner, Eastbourne, East Sussex
Claire Barnard, Brighton
Annabel Faraday, Fairlight, East Sussex
Joanna Laurie, Hastings, East Sussex
Marisa Guthrie, Plumpton, East Sussex
Sally Attwood, Lewes, East Sussex
Somesh De Swardt, Forest Row, East Sussex
Claire Wyatt, Forest Row, East Sussex
Louise Holloway, Lewes, East Sussex
Alison Beech, Ringmer, East Sussex
Mark Webb, Eastbourne, East Sussex
Alison Campbell, Alciston, East Sussex

According to the executive director of the International Energy Agency: This year is the last time we have, if we are not to see a carbon rebound". Noting that the stimulus packages created this year will determine the shape of the global economy for the next three years – and that within that time frame global emissions must start to fall sharply and permanently, or climate targets will be put out of reach – he has said that: "The next three years will determine the course of the next 30 years and beyond … If we do not [take action] we will surely see a rebound in emissions. If emissions rebound, it is very difficult to see how they will be brought down [sufficiently] in future." Given this stark reality isn't it time for the East Sussex Pension Fund – and this Council – to show leadership on this issue and commit now to divest (over the next five years) from the fossil fuel companies that are driving the climate crisis?

14. Question from Jen Rouse, Hastings, East Sussex

We are - according to the UN, the WHO, the government and the council's own declaration - in a global climate emergency. As I write, Fatih Birol, executive director of the International Energy Agency, has publicly stated that “This year is the last time we have, if we are not to see a carbon rebound.” Yet as of Sept 2019 ESCC still has £175m invested in fossil extraction companies like BP and Exxon, whose activities are destroying our climate daily. What concrete, definable action will the council commit to on record today, at this meeting, in order to divest these funds immediately, discharge its duty to serve the residents of East Sussex, ensure a green recovery from the pandemic, and bring its actions in line with its own stated goal that '100% of assets (are to) be compatible with the net zero-emissions ambition by [approximately] 2050 in line with the Paris agreement’?

15. The same or similar questions were asked by:

Erica Smith, St Leonards on Sea, East Sussex
Alison Cooper, St Leonards on Sea, East Sussex
Roy Francomb, Seaford, East Sussex
Hugh Dunkerley, Brighton
David Stopp, Eastbourne, East Sussex
Simon Mercer, Brighton
Dorothy Amos, Hastings, East Sussex
Sarah Sawyer, Lewes, East Sussex
Jane Wilde, Eastbourne, East Sussex
Ian Cairns, Seaford, East Sussex
David Hoare, Newhaven, East Sussex
Maureen Duffy, Lewes, East Sussex
Natasha Hull, Hastings East Sussex
Sally Boys, Eastbourne, East Sussex
Martin Chick, Brighton
Stuart Hedges, Lewes, East Sussex

The big fossil fuel companies are relying upon sustained future growth in demand for fossil fuels. For example, BP and Total both spent more during the first quarter of 2020 on capital projects than they received from operations, yet still paid dividends to shareholders. Given the huge collapse in demand for fossil fuels this year, owing to the coronavirus pandemic, and the continued rapid rise in demand for renewables, does the East Sussex Pension Committee really believe that the fossil fuel companies’ predictions are likely to be borne out? If their predictions are not borne out then what would be the likely impact on the value of the East Sussex Pension Fund’s continued investments in these companies?

16. Question from Michael Turner, Hastings, East Sussex

A Climate Change emergency has been declared because serious climate disasters like flood, fire & storm are becoming more frequent around the world. Surely now is the time to divest your pension funds away from oil & gas into renewable ‘greener’ energy sources? Crucially, change must now come & I know that you are as concerned as I am that catastrophic environmental breakdown is now a reality. So please, will you do your bit to help secure a cleaner, more sustainable future for life on Earth?

17. The same or similar questions were asked by:

Alex Hough, Eastbourne, East Sussex
Bob Morton, Brighton
Joe Faulkner, Hastings, East Sussex
Martina O'Sullivan, Brighton
Peter Murray, Lewes, East Sussex
Shiri Goldsmith, Lewes, East Sussex
Brian Seller, Lewes, East Sussex
Chris Williams, Lewes, East Sussex
Alan Russell, St Leonards on Sea, East Sussex
Jeanette Taylor Eastbourne, East Sussex
Manek Dubash, Lewes, East Sussex
Clarissa Meek, Seaford, East Sussex
Bridget Mutter, Lewes, East Sussex
Donna Lonsdale, Seaford, East Sussex

The East Sussex Pension Committee has publicly agreed that the East Sussex Pension Fund's 'long-term goal is for 100% of [its] assets to be compatible with the net zero-emissions ambition by [approximately] 2050 in line with the Paris agreement'. Can the chair of the Committee give a single example of an oil or gas major that is currently aligned with such a goal?

18. Question from Tony Collins, St Leonards on Sea, East Sussex

East Sussex County Council (ESCC) currently has huge sums (£175m as at 30/09/2019) invested in fossil fuels (oil, coal and gas), the main driver of the climate crisis. These investments are made through the East Sussex Pension Fund (which also covers Brighton & Hove).

Even before COVID-19 the supply of fossil fuels was being disrupted by the forces of cheaper renewable technologies. But now the pandemic appears to have brought forward the point of peak demand for fossil fuels (which we may well already have passed), revealing the overcapacity and fragility of the whole fossil fuel system and creating the prospect of big losses for investors like ESCC.

With the rise of renewable energy, and the rapidly falling costs in this sector, is it not time for ESCC to disinvest from fossil fuels and to adopt a more socially and financially responsible approach to its pension and other investments? There are many good options in the renewables sector for an ambitious and responsible investor.

19. Question from Kay Densley, Hove

Given that recent circumstances have made fossil fuels less financially lucrative, will the council now stand by its commitment for a greener and cleaner environmental future, by moving the council staff pension fund and other investments away from such investments and towards other initiatives. In line with the high percentage of staff from the sub councils who have called for such a strategy.

Failing this, will they at least set up an alternative pension fund so that staff can make their own choice about how their money is invested.

20. Question from Barbara Echlin, Bexhill on Sea, East Sussex

Given the imperative to keep the rise in global average temperature to below 1.5 degrees why does the East Sussex Pension Fund still invest heavily in fossil fuels which are main drivers of rising temperatures?

21. The same or similar questions were asked by:

John Dugdale, Hastings, East Sussex
Karl Horton, Hastings, East Sussex
Nick Tigg, Lewes, East Sussex
Alison Bell, Lewes, East Sussex
Christopher Sumners, Seaford, East Sussex
Jamie Cave, Lewes, East Sussex

While alignment with the Paris Climate Agreement requires immediate and sustained contraction of both supply and demand for fossil fuels, $1 trillion is currently being spent annually on expanding the supply of fossil fuels. Why is the East Sussex Pension Fund continuing to invest in these companies given its stated goal 'for 100% of assets to be compatible with the net zero-emissions ambition by [approximately] 2050 in line with the Paris agreement'?

22. Question from Nicholas Jagger, Brighton

How is it possible to maintain your fiduciary duty to pensioners and contributors, such as myself, to the East Sussex Pension Fund while maintaining fossil fuel investments. Oil investments are at historic lows and Shell amongst other oil and gas majors are not offering dividends this year. If you had divested earlier you would have avoided this loss. However, as the pool majors will be continuing to write off assets for at least the next two years, divesting now is better than hanging on to these failing investments. Past failure to divest and any future failure to divest in fossil fuels opens the pension fund trustees and their advisors to legal penalties for avoiding their fiduciary duty and destroying the value of the pension fund.

23. Question from Sylvia Goddard, Lewes, East Sussex

In view of the recognised climate 'emergency', and the East Sussex Pension Fund's stated goal for 100% of its assets to be 'compatible with the net zero-emissions ambition in line with the Paris agreement', can the chair of the Committee

- give a single example of an oil or gas major that is currently aligned with such a goal? (noting that "an oil company pledging to *reduce the emissions intensity* of its products is not the same as reducing its *overall emissions*" [my emphasis], and that Sarasin investment management firm wrote to Shell in July 2019: 'It cannot be in the interests of the millions of people whose long-term savings are invested in your company, for you to produce fossil fuels in such volume that planetary stability is threatened', here, pp.5-6)

- desist from referencing 'resilience' as if this allowed us "not worry too much about coming disruptions such as climate change"? (William E. Rees, co-originator of ecological footprint analysis, here, p.60)

24. Question from Sarah Gorton, Brighton

The International Energy Agency chief in a report published ion 18th June 2020 stated that the world has only six months in which to change the course of the climate crisis and prevent a post lockdown rebound in greenhouse gas emissions that would overwhelm efforts to stave off climate catastrophe. The IEA , the world's gold standard for energy analysis set out a global blueprint for a green recovery. Last October East Sussex County Council declared a 'climate emergency'. These words mean nothing without action to back them up. How can ESCC possibly reconcile this declaration with its ongoing investment (£175m as at 30/09/2019) in the giant oil and gas companies like BP and Exxon – the very companies that are driving this 'emergency'?

25. Question from Chris Yarrow, Mayfield, East Sussex

Please can you explain to me why the Council is not selling, as fast as possible, all its holdings in fossil fuels before their share prices drop any lower, and reinvesting in renewable energy sources, whose products have a reliable and fast-growing market."

26. Question from Sue Bolton, Forest Row, East Sussex

Acknowledging the care and hard work put in by East Sussex Council Pension managers, and recognising how the profitability for the fossil fuel industry is declining increasingly rapidly, is now the time for the East Sussex Council Fund to divest from investing from such companies before the value starts to tumble, as is being predicted by international media?

27. Question from Judy Scott, Hastings, East Sussex

Why are ESCC delaying divestment of fossil fuels?

28. Question from Imogen Makepeace, Lewes, East Sussex

Siberia's recent heatwave, and high summer temperatures in previous years, have been accelerating the melting of Arctic permafrost. This is the permanently frozen ground which has a thin surface layer that melts and refreezes each year. As temperatures rise, the surface layer gets deeper and structures embedded in it start to fail as the ground beneath them expands and contracts. This is what is partly to blame for the catastrophic oil spill that occurred in Siberia in June 2020, when a fuel reservoir collapsed and released more than 21,000 tonnes of fuel – the largest ever spill in the Arctic."

https://theconversation.com/siberia-heat-wave-why-the-arctic-is-warming-so-much-faster-than-the-rest-of-the-world-141455
When ice melts (snow and and ice are white), less heat can be reflected back. More ocean (dark in colour) is exposed, which absorbs more heat, which accelerates absorption of heat which speeds up ice sheet loss.

The Arctic has sometimes been described as the canary in the coal mine for climate breakdown. Well it's singing pretty loudly right now and it will get louder and louder in years to come.

Given the mounting number of 'alarm signals' such as this, isn't it high time that the East Sussex Pension Fund stopped investing in the fossil fuel companies that are driving the climate crisis?

29. Question from John Currell, Brighton

As a member of the East Sussex Pension Scheme I am very concerned that investments are continuing in very poorly performing, polluting, and risky, fossil fuel companies. Such investments run a substantial risk of becoming 'stranded' assets in the near future, with the consequent loss of substantial sums for pensioners, whilst environmentally sustainable investments have proved to be much more effective, and safer, over the last few years (see the article in the Guardian from 13th June 2020 titled 'ethical investments outperform traditional funds').

Please can East Sussex explain in detail how they have assessed the risk of fossil fuel investments performing poorly, or even becoming 'stranded' over time, and what that risk assessment result was. And also how that risk compares with the lower risks of investing in clean energy companies.

30. Question from Arnold Simanowitz, Lewes, East Sussex

At the Pension Committee meeting on the 22 June 2020 the committee considered the report of PIRC. In that report PIRC set out the compliance of the committee with the new Stewardship Code principles. It was noted that with regard to explaining the outcomes of the committee's engagement escalation the committee was not compliant.

Can the Chair of the committee give that explanation now or when will he be able to do so?

31. Question from Susan Nelson, Lewes, East Sussex

Last October East Sussex County Council declared a 'climate emergency' and now needs to take action to address the emergency. The executive director of the International Energy Agency commenting on the choices that we need to make following the Corona Virus pandemic stated: "The next three years will determine the course of the next 30 years and beyond … If we do not [take action] we will surely see a rebound in emissions. If emissions rebound, it is very difficult to see how they will be brought down in future." An important element in securing our future is too move away from an economy based on the use of fossil fuels. Why is the East Sussex Pension fund continuing to invest in companies such as BP and Exxon?

32. Question from Emily O'Brien, Newhaven, East Sussex

As a Green Party District Councillor and Lewes District Council Cabinet member, I find it astonishing that despite a declaration of climate emergency by yourselves and many of

the organisations you are investing on behalf of - including our District Council - you are failing to act decisively on this issue.
Additionally, I myself hold an East Sussex Pension from a former employment. I personally call on you to make better choices on my behalf.
Clearly fossil fuels are a declining investment - if the Bank of England say it's time to get out, then it's well past time. Please act now to save your pension holders' futures (we will need to live off these pensions) and to enable us to play the part we want to play in tackling climate change.

33. Question from Carolyn Trant, Lewes, East Sussex

In the light of the last three month period of reflection due to the corona virus and time to re-assess our way of life at a local as well as national or global level, and in the light of ESCC admission of the climate crisis, what plans are now being made for implementation of new policies to begin to systematically address the crisis issue by issue; you could begin with the ESSC investment in oil and gas companies to fund pensions....
The East Sussex Pension Committee has publicly agreed that the East Sussex Pension Fund's 'long-term goal is for 100% of [its] assets to be compatible with the net zero-emissions ambition by [approximately] 2050 in line with the Paris agreement'. Can the chair of the Committee give a single example of an oil or gas major that is currently aligned with such a goal?

34. Question from Judith Knott, Lewes, East Sussex

The Oxfordshire Local Government Pension Fund now has a target to reduce emissions within their portfolio by 7.6 per cent per year. It recently switched another six percent of assets into a new Sustainable Equities Fund being developed by Brunel. Bearing in mind the increasing financial risks of fossil fuel investment, isn't it time East Sussex County Council required its pension fund to draw up its own fossil - free road map?

35. Question from Milly Hawkins, Lewes, East Sussex

What is the current value of the East Sussex Pension Fund's investments in fossil fuels? How does it square these investments with its declaration of a 'climate emergency' last October, and what date will it commit to, to stop all investment by ESCC pension funds in fossil fuel companies?

36. Question from Brendan Clegg, Crowborough, East Sussex

United Kingdom Climate Change Act 2008
Declaration of a Climate Emergency by HM Government
Declaration of a Climate Emergency by East Sussex County Council
Declaration of a Climate Emergency by Wealden District Council
Declaration of a Climate Emergency by Brighton and Hove Council
Declaration of a Climate Emergency by Rother District Council
Declaration of a Climate Emergency by Hastings Borough Council
Declaration of a Climate Emergency by Eastbourne Borough Council
Declaration of a Climate Emergency by Lewes District Council

With detailed reference to the above, please explain the logic and reasoning behind ESCC continuing to invest £175million in carbon producing fossil fuel companies through the county pension fund?

37. Question from Hilary Pogge van Strandmann, Ripe, East Sussex

I am a previous ESCC employee receiving its pension. I am concerned above all else about climate change and the fact that we are close to or past the tipping point. I avoid using fossil fuel as much as I possibly can, either for heating, travel or in the use of plastics. Why do I then have to receive a pension based on investment in the fossil fuel industry, knowing that this is driving us irrevocably towards climate disaster?

38. Question from Michael Ryan, St Leonards on Sea, East Sussex

I am a in receipt of an East Sussex County Council pension as a retired senior social worker for the county. I respectfully submit that it is now the urgent need of the times to switch investment from the declining asset of fossil fuels -because, too, of their urgent global heating threat to our human lives and those of next generations. This issue is now an incontestable matter except to the most closed of minds.
I believe that it is within the capability of fund managers to shift investments to those with both a solid future and those playing their parts in keeping us on track with the Paris Agreement i.e. renewable energies in all its forms.

39. Question from Louise Burden, Ringmer, East Sussex

Why is ESCC still investing in oil and gas? I have an ESCC pension and I'm horrified to think that it is being invested in such an unsustainable way.

40. Question from John Oughton, Ditchling, East Sussex

Given that East Sussex County Council have declared a climate emergency, how can investment in fossil fuel industries be morally acceptable.
Further, given the accelerating move away from fossil fuels globally, particularly since the coronavirus pandemic, do you not feel that such investments represent an unacceptable level of financial risk?

41. Question from David Allen, Brighton

Why does the Pensions Committee/ESCC Pension Fund Management continue to ignore potential returns of 5% per annum given by investing in community-energy companies based locally, for e.g. Brighton Energy Coop or Brighton & Hove Energy Services Company? Surely a straight swap of the existing funds currently invested in fossil-fuel companies into this alternative investment in renewable-energy makes improved financial sense in terms of comparative returns, provides protection from the risk of stranded-assets in the fossil-fuel sector and carries increased social licence in the current context of the climate-emergency?

42. Question from Catherine Tonge, Eastbourne, East Sussex

The Covid_19 crisis has exposed the precarious nature of investment in fossil fuels (and associated organisations such as airlines and airports). As somebody who will rely on your pension offer, please can you outline what measures you intend to take to ensure you divest from these financially unsustainable and unstable markets to protect the pension fund in the long term?

43. Question from Gabrielle Lewry, St Leonards on Sea, East Sussex

Peak fossil fuel demand for European electricity came in 2007 when solar and wind were just 4% of total electricity supply. As renewables took market share in a market with falling demand, wholesale prices fell, and the impact on the industry was dramatic. $150bn of assets were written down, and the capitalisation of the sector fell very significantly.

Likewise, after coal demand peaked in 2014, UK public pension funds lost nearly a billion dollars as the value of their coal investments plummeted (Financial Times, 11 October 2015 , Almost $1bn wiped off the value of UK pensions' coal investments).

With the date of peak demand for fossil fuels rapidly approaching (or possibly even in the past now, following the systemic shocks caused by the COVID-19 pandemic), what steps is the East Sussex Pension Fund taking to ensure that it doesn't fall victim to the same fate as these earlier investors?

44. Question from Paul Bazely, Brighton

At a meeting of the Council which I attended, it was agreed that you would ask your financial advisors whether it was possible to redirect investments away from fossil fuel companies. I would like to ask whether you have a response yet? If not, why not? Several months have elapsed since your decision. If they have, what is their response and how do you propose to act on it? I agree with the council that we should be engaging the industry and not threatening them. But deciding where to invest our money is the only way to engage with them that will allow their board members to act positively, as they are bound by financial obligations in the same way as our pension fund is. They need a financial excuse to change behaviour otherwise their shareholders will not allow it. So do them a favour and allow their forward-looking board members to argue for a change of direction by giving them a financial incentive to do so.

45. Question from Gabriel Carlyle, St Leonards on Sea, East Sussex

At the 22 June Pension Committee Councillor Fox stated that that the overall portfolio changes that are currently in train should reduce the Fund's fossil fuel exposure 'from around 4% to around 2%'. Over what time frame is this reduction expected to take place?

At the same meeting the Committee was also told, by Henry Brown from Vigeo Eiris, that BP now has an Energy Transition Rating (ETR) of 47 /100. Does this rating take into account BP's 20% stake in Rosneft, which BP has excluded from its "net zero" emissions target despite it accounting for 29% of BP's total production in 2019?

46. Question from Mary Andrews, Brighton

I understand that the East Sussex Pension Fund agreed to follow the guidelines of the Paris agreement. Investing in fossil fuels is contrary to this...why are these investments still planned to be made?

47. Question from Jim Endersby, Lewes, Brighton

I understand that East Sussex County Council (ESCC) currently has around £175m invested in fossil fuels through the East Sussex Pension Fund. Why? Not only are these fuels contributing massively to climate change, renewable energy is getting more competitive every day. Please invest in the future -- a clean, green future -- not in fossil fuels

48. Question from Nicola Weale, Bexhill, East Sussex

East Sussex Pension Committee has agreed that the East Sussex Pension Fund's 'long-term goal is for 100% of [its] assets to be compatible with the net zero-emissions ambition by [approximately] 2050 in line with the Paris agreement'. Alignment with the Paris climate agreement requires immediate and sustained contraction of both supply and demand for fossil fuels

Time is running out . According to the executive director of the International Energy Agency: "This year is the last time we have, if we are not to see a carbon rebound". Noting that the stimulus packages created this year will determine the shape of the global economy for the next three years – and that within that time frame global emissions must start to fall sharply and permanently, or climate targets will be put out of reach – he has said that:

The next three years will determine the course of the next 30 years and beyond … If we do not [take action] we will surely see a rebound in emissions. If emissions rebound, it is very difficult to see how they will be brought down in future."

The big fossil fuel companies are relying upon sustained future growth in demand for fossil fuels. For example, BP and Total both spent more during the first quarter of 2020 on capital projects than they received from operations, yet still paid dividends to shareholders.

Given the huge collapse in demand for fossil fuels this year, owing to the coronavirus pandemic, and the continued rapid rise in demand for renewables, does the East Sussex Pension Committee believe that the fossil fuel companies' predictions are likely to be borne out? If their predictions are not borne out then what would be the likely impact on the value of the East Sussex Pension Fund's continued investment in these companies?

Response by the Chair of the Pension Committee to questions 1 to 48 above

The East Sussex Pension Fund's (ESPF) principal fiduciary responsibility is to provide pensions that are affordable to its stakeholders and members. To this end, it must have attention to adequate diversification of risk, limiting of fund volatility & provision of sufficient income from its holdings to pay the pensions. The Fund is not owned by East Sussex County Council, but by the 76,792 scheme members and 128 employer contributors, of which the County Council is one employer. The Fund approach has to balance the interests and views of all pension scheme members and stakeholders, rather than be swayed by one particular view.

Environmental, Social and Governance (ESG), and sustainability issues are not easily resolved matters for a pension fund. They require a thorough rationalisation of the investment approach and systematic management of risk, along with acknowledgement of the uncertainties that exist. Such decisions are best advanced in a methodical and balanced way. Climate and Sustainability are one of a number of significant risks faced by the Fund.

The Pension Committee and officers have undertaken a considerable amount of work on ESG matters over the last 3 years. The Pension Committee on 22 June 2020, considered a number of reports that demonstrate the proactive approach being taken to address and debate ESG issues. The link below provides the papers and a webcast of the meeting:

https://democracy.eastsussex.gov.uk/ieListDocuments.aspx?CId=373&MId=4447&Ver=4

The Pension Committee received a report by PIRC, which audits the Fund's ESG response, that identifies ESPF as a leader among LGPS funds and specifically among the ACCESS LGPS pool partners.

In the past 9 months, the fund has established two Working Groups: one to explore long run investment challenges to the fund, which includes sustainability, and another to explore its approaches to ESG issues.

The Fund embraces the United Nations Principles of Responsible Investment and the UK Stewardship Code. Its Responsible Investment approach is assisted and informed by its membership of and collaboration with the Local Authority Pension Fund Forum, Climate Action 100+ and the Institutional Investors Group for Climate Change. It also seeks to monitor its portfolio carbon footprint and assess the extent to which underlying holdings are making progress in aligning with the energy transition.

Commodity prices are inevitably volatile with the economic cycle. The Fund tries not to allow short-term price movements to influence its long run strategy. The Covid-19 related global economic collapse with its associated dip in oil demand from around 100m barrels per day to 75m barrels per day is one of the most extreme events experienced since the Great Depression. It may or may not advance peak oil or accelerate the energy transition. This remains uncertain. Nevertheless, we believe that it is prudent for oil companies to revalue their reserves and capital expenditure assumptions closer to the long-run real average price of oil ($60). However, this does not change the underlying nature of the global economy which is highly fossil fuel dependent. Indeed, according to JP Morgan, the recent collapse in oil capital expenditure points to a 4.2m barrel per day supply deficit by 2022, rising to 6.8m bpd by 2025.

The ESPF has for some time consciously sought an underweight exposure to fossil fuel companies due to the uncertainties around the pace and direction of the energy transition, whilst acknowledging that 80% of the world's energy comes from fossil fuels. Before the pandemic, the global economy was forecast to double in size by 2050 and energy demand from a projected 9.5 billion people will rise by an estimated 30-50%. The energy transition will be challenging both in terms of the pace of renewables deployment and the development of complementary technologies which support cleaner products and processes. Such a transition will require substantial if declining proportionate and ultimately absolute recourse to oil and gas products.

The Committee regularly debates the merits of Engagement vs. Divestment in relation to fossil fuels. It does not currently recognise blanket divestment from entire sectors as an effective or fiduciary approach. Indeed, a blanket divestment from fossil fuels would have meaningful operational implications for ESPF. Nor is it viewed as a sensible approach by any of the fund managers with whom we have engaged. Institutional engagement with the large oil & gas companies is more likely to drive change. We see this recently with the announcements made by a number of oil companies like BP, in the wake of pressure from institutional investment groups with whom ESPF collaborates. Such companies, while providing services that current day consumers cannot do without, also offer the potential to be a vehicle for change.

Aside from Energy Incumbents, substantial financing for new renewable energy projects comes from both general and specialist infrastructure investment funds. The Fund is seeking to identify general and specialist infrastructure funds that have a significant focus on creating these new types of energy infrastructure. It is the Fund's aspiration, where the economics make sense, to make a substantial contribution to building new capacity in this area.

Local Government Pension Funds typically follow an investment model which includes a proportion of their equity exposure in passive index funds and it is within this passive exposure that the Fund is mainly exposed to fossil fuels as cited in many of public questions presented to Full Council. Ordinarily, passive funds are viewed as a cheap and efficient way to gain global equity market exposure. But there is a fiduciary argument that, given the great uncertainties imposed by the energy transition, it would be better to gain market exposure by Active Managers who do extensive due diligence over the stocks held in their portfolios, or via recourse to funds which filter and weight sector holdings in favour of the most carbon and resource efficient entities.

Drawing all of these points together. The Committee decided at its 22 June 2020 meeting to substantially reduce its exposure to passive funds. A by-product of this move will be that the Fund's direct fossil fuel company exposure will fall by as much as 50% from its current £137.8m as of 31 March 2020 (~4% of Assets Under Management) once a number of new manager selections have been made. At the same time, the Committee made a long run strategic commitment to double its infrastructure exposure to 8% of assets (~£300m), some of which, it is hoped, will raise its exposure to renewable energy assets. The Fund Actuary's assessment is that these changes support meeting the Fund's projected liabilities and with a level of greater certainty.

49. The same or similar questions were asked by:

David Wilson, Hastings, East Sussex
John Faulkner, Hastings, East Sussex
Christine Knag, Hastings, East Sussex
Marwan Mohammed, St Leonards on Sea, East Sussex
Katy Colley, Brede, East Sussex
Guy Harris, Udimore, East Sussex
Robert Blizard, St Leonards on Sea, East Sussex
Khosrow Poolad, St Leonards on Sea, East Sussex
Philip Colley, Brede, East Sussex
Pat Luthra, Westfield, East Sussex

I am deeply concerned to see the research published by the Palestine Solidarity Campaign (PSC), which has shown that the East Sussex Pension Fund has approximately £132,085,000 invested in 64 companies complicit in Israel's abuses of Palestinian human rights.

Israel is engaged in grave violations of Palestinian human rights and international law. This includes the illegal military occupation and settlement of Palestinian land in the West Bank and East Jerusalem, as affirmed by the UN Security Council, and the UK government; the inhumane land, sea and air blockade on Gaza, deemed a flagrant violation of international human rights and humanitarian law by UN experts; the denial of the fundamental human right of dispossessed Palestinian refugees to return to the land from which they, or their family members, were expelled, in violation of UN Resolution 194.

Of particular concern are the investments in 4 companies that the United Nations has recently highlighted in its list of companies involved in Israel's illegal settlement economy. This is a database of companies involved in Israel's settlements in the occupied West Bank, including East Jerusalem.

Israel's settlements on occupied land are illegal under international law and the International Criminal Court prosecutor has decided to investigate their construction as a war crime. The 4 companies are Bank Hapoalim, Paz Oil Company, Israel Discount Bank and Bezeq. Another company causing particular concern is Elbit. This company is Israel's biggest private arms manufacturer. The firm constructs the drones used by Israel to bombard Palestinian civilians to death during its successive wars against the population of the Gaza Strip. In its major assault in 2014, Israel killed more than 2,200 Palestinians there, including 550 children. Surely any ethical investment fund can never have any association with companies that are complicit with such breaches of international law. Can you assure me that you will investigate these companies and take action to divest from them?

I will also ask if you have any other companies in your portfolio that: supply the Israeli military with weapons and other technology used to oppress Palestinians, provide technology and equipment used to maintain Israel's infrastructure of military occupation, such as its checkpoints and the apartheid wall, provide investment and other activity in Israel's illegal settlements in the West Bank and East Jerusalem, based on stolen Palestinian land.

Please divest from any such company.

Response by the Chair of the Pension Committee

Although the East Sussex Pension Fund (the Fund) does not directly hold investments relating to the named companies in this enquiry, the Fund, when investing LGPS fund monies is required to follow The Local Government Pension Scheme (Management and Investment of Funds) Regulations 2016 (the 2016 Regulations) and guidance as set out by the Secretary of State. The Fund continues to have the right, should it wish, to disinvest or boycott on non financial grounds provided it meets the requirements of the Investment guidance. In making such a decision the Fund will seek to follow its published Responsible Investment policy, balance the duties they have to all scheme stakeholders, weigh up the potential financial impact and take into consideration the views of beneficiaries.

Should the Fund wish to consider non-financial considerations in relation to investment decisions, members' views will be effectively communicated to, and considered by, the administering authorities as an intrinsic part of this investment decision making processes. Otherwise, the Supreme Court judgement does not change the fundamental role or duties of LGPS administering authorities in relation to their investment or other powers and confirms that administering authorities remain responsible for the investment decisions of their respective funds.

50. Question from Anne Wells, Robertsbridge, East Sussex

As a 72 year old resident in Robertsbridge I am appalled to discover that the East Sussex Pension Fund (of which I am a recipient) has a huge amount of money invested in companies which are known to be connected with the ongoing, unjust actions of successive Israeli Governments upon the Palestinian people's basic human rights.

I don't need to tell you how the Palestinians continue to suffer daily under the ILLEGAL occupation of Palestinian land and settlements in the West Bank and East Jerusalem. This is even acknowledged by our Government as well as the United Nations.

To be clear, the 4 companies are Bank Hapoalaim, Paz Oil Company, Israel Discount Bank and Bezeq. Israel's biggest arms manufacturer Elbit which I understand there is a connection with ESCC investment also.

It is completely unacceptable and against basic principles for my County Council to invest this way and I implore you to take action asap to divest from them.

As a recently retired Parish Councillor in East Sussex and also a retired employee of East Sussex Probation Service I must make representation against this investment in the ESCC Pension Fund. The Palestinians go on and on, suffering under oppression. The ESCC surely has a duty to invest elsewhere and ethically.

Will there be an investigation into these companies and if found to be implicated will action be taken to divest from them?

Response by the Chair of the Pension Committee

Although the East Sussex Pension Fund (the Fund) does not directly hold investments relating to the named companies in this enquiry, the Fund, when investing LGPS fund monies is required to follow The Local Government Pension Scheme (Management and Investment of Funds) Regulations 2016 (the 2016 Regulations) and guidance as set out by the Secretary of State. The Fund continues to have the right, should it wish, to disinvest or boycott on non financial grounds provided it meets the requirements of the Investment guidance. In making such a decision the Fund will seek to follow its published Responsible Investment policy, balance the duties they have to all scheme stakeholders, weigh up the potential financial impact and take into consideration the views of beneficiaries.

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51. Question from Felicity Goodson, Eastbourne, East Sussex

Why is East Sussex County Council taking so long to implement, the centrally funded Covid-19 infrastructure, where other councils have installed improvements last month, This would ensure health and safety, through social distancing, as the unlocking takes place.? Lives have been put before economy, so why is the Council dragging its heels and not acting as swiftly as the DFT has requested?

Response by the Lead Member for Transport and Environment

Since the Secretary of State's announcement on 9 May that £250m of funding would be made available to local authorities to implement temporary transport measures, we started developing a programme that could be implemented in the county to encourage more walking and cycling, support safe social distancing and help restart the local economy as the Covid-19 restrictions are eased.

The extent of the programme was always predicated on the amount of funding that would be made available to the County Council from Government to deliver such measures across the County and assessing the impacts that any such measures would have on enabling safe social distancing and access to shops and businesses in our high streets, jobs, medical facilities and schools.

We received confirmation from Government on 27 May that the Council would be indicatively allocated £2.395m which would be available in two tranches. The first tranche of funding, £479,000, was available for the delivery of temporary measures focussed on reallocating road space for pedestrians and cyclists, for example road closures, widened footways, pop up cycle lanes and measures to promote safe social distancing, that could be delivered quickly and easily.

The programme for this first tranche, based on the Government funding available and our assessment of the impact and deliverability of potential schemes, was submitted to

Government on 5 June. We received confirmation from Government in late June that they had approved our submission and we had been allocated additional monies, increasing our first tranche funding to £535,000, as our submission was particularly strong.

Following approval of the package of measures by the Government we expect to receive the funding imminently. In accordance with the Department for Transport's requirement, we have 8 weeks upon receipt of the funding to deliver these measures.

The package is split into two sections – countywide measures and site specific schemes.

We have already started rolling out the countywide measures to reinforce the safe social distancing message. This includes nearly 2,000 'Covid-19 – Keep Apart' signs in our high streets and local centres, our seafront areas and our larger village centres.

In addition, we are introducing pavement markings at over 200 bus stops in the county to again advise passengers to keep apart whilst waiting for their bus. Finally, working with our Borough and District Councils and seeking input from local walking and cycling groups on potential locations, we will be rolling out bike racks at 40 sites across the county in the coming weeks.

In parallel, we have been working with East Sussex Highways to develop the designs for the 16 site specific schemes identified in the package. Rather than rushing a scheme out onto the ground, we need to make sure these schemes are designed so that they are safe for all users. So over the next couple of weeks, we will be completing the designs as well as undertaking safety impact assessments and engaging with key stakeholders on the proposals to seek their views. Subject to local consultation and where necessary advertising temporary traffic regulation orders, the proposed schemes will be implemented as soon as practicable within the eight-week deadline set by the Government; so by 1 September at the latest.

In terms of tranche 2, we understand this will be available to enable authorities to install further, more permanent measures to cement walking and cycling habits, and where applicable enable the implementation of schemes planned in Local Cycling and Walking Investment Plans. However, we are awaiting further guidance from Government on the timescales for any submissions and their expectations on when the funding would need to be spent by.

Therefore we are delivering the tranche 1 package measures within the timescales given by Government which will support safe social distancing, encourage more walking and cycling and support the local economy as the Covid-19 restrictions ease.

52. Question from Laurence Holden, Burwash, East Sussex

It has come to my notice that the East Sussex Pension Fund portfolio has shares in 4 companies that the United Nations has highlighted in its list of companies involved in Israel's illegal settlement economy. These companies are clearly complicit in Israel's breaches of international law.

Israel's settlements on occupied land are illegal under international law and the International Criminal Court prosecutor has decided to investigate their construction as a war crime. The 4 companies are Bank Hapoalim, Paz Oil Company, Israel Discount Bank and Bezeq. Another company that concerns me is Elbit. This company is a large Israeli arms manufacturer. It is noted for its production of armed drones. These have been responsible for killing several hundred men, women and children in the Gaza strip. Until recently, the bank HSBC had a large holding in Elbit. After representations from people explaining the death and destruction that Elbit weapons have been responsible for, HSBC divested from Elbit.
Will you consider the 4 companies mentioned for divestment?
Will you follow the HSBC's ethical decision and divest from Elbit?
I understand that your portfolio includes other companies that are complicit in Israeli breaches of international law. My final question is: will you carry out an analysis to pinpoint other companies in your portfolio that:

- supply the Israeli military with weapons and other technology used to oppress Palestinians,
- provide technology and equipment used to maintain Israel's infrastructure of military occupation, such as its checkpoints and the apartheid wall,
- provide investment and other activity in Israel's illegal settlements in the West Bank and East Jerusalem, based on stolen Palestinian land?

Will you consider divesting from them?

Response by the Chair of the Pension Committee

Although the East Sussex Pension Fund (the Fund) does not directly hold investments relating to the named companies in this enquiry, the Fund, when investing LGPS fund monies is required to follow The Local Government Pension Scheme (Management and Investment of Funds) Regulations 2016 (the 2016 Regulations) and guidance as set out by the Secretary of State. The Fund continues to have the right, should it wish, to disinvest or boycott on non financial grounds provided it meets the requirements of the Investment guidance. In making such a decision the Fund will seek to follow its published Responsible Investment policy, balance the duties they have to all scheme stakeholders, weigh up the potential financial impact and take into consideration the views of beneficiaries.

Should the Fund wish to consider non-financial considerations in relation to investment decisions, members' views will be effectively communicated to, and considered by, the administering authorities as an intrinsic part of this investment decision making processes. Otherwise, the Supreme Court judgement does not change the fundamental role or duties of LGPS administering authorities in relation to their investment or other powers and confirms that administering authorities remain responsible for the investment decisions of their respective funds.

53. Question from Mursheda Chowdhury, Hastings, East Sussex

Will the Council abide by an ethical investment policy by divesting from companies that have been involved in human rights abuses in the Occupied Territories in Palestine?

It has come to light through the Palestine Solidarity Campaign that the East Sussex Pension Fund has investments in the region of over £132 million in 64 companies that

are complicit in human rights abuses of Palestinians. These abuses are well-documented by the United Nations, for instance, the murder of over 2200 Palestinians, including 550 children during Operation Protective Edge in 2014. One of the companies is Elbit, Israel's largest private arms manufacturer which constructs drones that have been used to destroy the lives of so many Palestinians over the years. The military infrastructure is used to make the everyday lives of Palestinians unbearable, with daily humiliations e.g. stripping of men and boys at checkpoints, arresting and harassing children as well as the psychological and physical torture of people who are trying to somehow make a life under severe restrictions of basic essentials: food, water, medicines and access to healthcare. These are conditions that no human being would willingly want to live under, and would not tolerate for their children, including, I'm sure Council members.
Yet, by investing in companies that enable fellow human beings to be treated in this way, we are at best, turning a blind eye to human suffering, or at worst, endorsing and encouraging such inhumanity. No human being deserves to be abused, whatever their identity, which is an accident of birth.

I would urge the Council to take the opportunity to scrutinise all its investments and divest from companies that produce weapons, machines of torture and technology that are used all over the world, as well as in Palestine, to murder and abuse human beings. In addition companies operating on Settlements in the Occupied Territories, which are illegal according to International Law, are doing so on stolen land from which Palestinians have been have forcibly removed, with their homes and livelihoods destroyed. Again, I do not think anyone would willingly submit to this and I would urge Council members to imagine themselves in this situation. Yet, this has been going on for over 70 years for Palestinians and still going on today, so we cannot use historical distance as an excuse (as in the cases of other settler-colonial examples of land-grabbing e.g. United States and Australia) for being inactive.

I know I share this view with all people, including many Israelis, who respect universal human rights. As a signatory to the UN Declaration of Human Rights, the U.K. must be scrupulous in abiding by its precepts, otherwise we remain in a hypocritical position. It may fall on local Councils, such as Hastings, to lead the way.

Response by the Chair of the Pension Committee

Although the East Sussex Pension Fund (the Fund) does not directly hold investments relating to the named companies in this enquiry, the Fund, when investing LGPS fund monies is required to follow The Local Government Pension Scheme (Management and Investment of Funds) Regulations 2016 (the 2016 Regulations) and guidance as set out by the Secretary of State. The Fund continues to have the right, should it wish, to disinvest or boycott on non financial grounds provided it meets the requirements of the Investment guidance. In making such a decision the Fund will seek to follow its published Responsible Investment policy, balance the duties they have to all scheme stakeholders, weigh up the potential financial impact and take into consideration the views of beneficiaries.

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WRITTEN QUESTIONS PURSUANT TO STANDING ORDER 44

1. Question by Councillor Field to the Lead Member for Resources

In December 2003 I asked the Lead Member for Corporate Resources (Councillor Bagshawe) if the works then being undertaken at Westfield House would make the building DDA compliant. The inference I drew from her answer was that plans were being looked at to make this possible. Nothing happened. It is now 2020 and more money is being spent on the building therefore:

1. When this work is complete will the building be compliant with the Equalities Act and be fully accessible?
2. Taking into account new ways of working with much less activity on the County Hall site is the retention of this building necessary?

Answer by the Lead Member for Resources

1. The most recent works have been to the replacement of all windows, to improve energy efficiency, and for external redecoration, noting the site is within the Lewes Conservation Area.

This building was subject to a full DDA audit in 2004 and 2009 which identified some level of improvement needed to access arrangements, and which were undertaken at that time to bring it up to compliant and accepted standard. Westfield House is included within the ongoing maintenance programme for the campus, and this does include recommendations for further improvement work (following a review of the Fire assessment), and a refresh of issues such as a new handrail, additional markings and signage, and treatment to some localized trip hazards. These works are part of the 2020/21 maintenance programme.

2. The recent investment in the asset is still seen as a long term benefit whatever its future use.

The Council is reviewing its core office estate and will be using the increased levels of remote and agile working arising from our response to the Coronavirus pandemic to inform this. The use of Westfield House is part of this review and in addition it is part of the review of the wider St Anne's campus and options for the future use of the St Anne's school site.