
21st October 2013

Name of Cabinet Member:

Cabinet Member (Strategic Finance and Resources) – Councillor Gannon

Director Approving Submission of the report:

Executive Director, Resources

Ward(s) affected:

All

Title:

Petition – Arms Dealers in Coventry and the West Midlands Pension Fund

Is this a key decision?

No. Although the matter within the Report can affect all wards in the City, it is not anticipated that the impact will be significant and it is therefore not deemed to be a key decision

Executive Summary:

A petition with 424 signatures about the Arms Trade was presented by Councillor Andrews. The petition asked that Coventry City Council remove investments in Arms Dealers from the West Midlands Pension Fund and work towards an arms-free economy for the this city

Recommendations:

The Cabinet Member (Strategic Finance and Resources) is recommended to refer the petition to the West Midlands Pension Fund Committee for their consideration.

List of Appendices included:

None

Other useful background papers:

None

Has it been or will it be considered by Scrutiny?

No

Has it been or will it be considered by any other Council Committee, Advisory Panel or other body?

No

Will this report go to Council?

No

Report title:

Petition – Arms Dealers in Coventry and the West Midlands Pension Fund

1. Context (or background)

- 1.1 A petition with 424 signatures has been presented to Council by Councillor Allan Andrews. The petition states *“Coventry has become known as “The City of Peace and Reconciliation”. Yet there are several leading arms companies doing business here. In addition, Council Tax money is paid in to the West Midlands Pension Fund, which invests over £60 million in arms-dealers. We wish the City Council to remove these investments from the Fund, find better alternatives, and work towards an arms-free economy for this city.”*
- 1.2 Office of National Statistics (ONS) data sources show that no-one in Coventry is employed specifically in the manufacturer of explosives or the manufacture of weapons or ammunition but a small number are involved in the manufacture of military fighting vehicles. Often companies categorised as “arms companies” have a wide portfolio of activities – and some, like Rolls Royce, have a long history in the city.
- 1.3 Coventry City Council takes part in the West Midlands Local Government Pension Fund as an employer along with the other six West Midlands Metropolitan District Councils. City Council employees can opt to be members of the pension scheme and the City Council puts funding into the scheme through its employer contributions.

2. Options considered and recommended proposal

- 2.1 The West Midlands Local Government Pension Fund is independently managed and governed to protect its members’ interests and prevent unwonted financial or political influence over its funds. Coventry City Council does not have the ability to make any decisions about the contents of the Fund, therefore cannot not meet the petition’s request to remove investments from the fund.
- 2.2 The West Midlands Local Government Fund has its own formal investment policies including a policy on socially responsible investment. These are publically available on the fund’s website <http://www.wmpfonline.com>. Coventry City Council does not have the authority to change these policies.
- 2.3 It is therefore recommended that the Cabinet Member (Strategic Finances and Resources) ensures that the petition is forwarded onto the West Midlands Pension Fund Committee for their consideration.

3. Results of consultation undertaken

- 3.1 No consultation has been undertaken. The West Midlands Local Government Pension Fund is an independent organisation and undertakes its own consultation processes.

4. Timetable for implementing this decision

- 4.1 If the recommendation is approved the petition will be forwarded to the West Midlands Local Government Pension Fund

5. Comments from Executive Director, Resources**5.1 Financial implications**

There are no direct financial implications for the City Council at this stage.

5.2 Legal implications

The City Council does not have the legal powers to make decisions about investments in the West Midlands Local Government Pension Fund.

6. Other implications

None

6.1 How will this contribute to achievement of the Council's key objectives / corporate priorities (corporate plan/scorecard) / organisational blueprint / Local Area Agreement (or Coventry Sustainable Community Strategy)?

The West Midlands Local Government Pension Fund provides pensions for many former employees who live in the city and in this way it contributes significantly to the local economy and the well-being of local residents.

6.2 How is risk being managed?

The City Council is not able to make changes to the investments in the West Midlands Local Government Pension Fund and the Fund would be responsible for any consideration of risk.

6.3 What is the impact on the organisation?

None

6.4 Equalities / EIA

None

6.5 Implications for (or impact on) the environment

None

6.6 Implications for partner organisations?

None

Report author(s):

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Members: Councillor Gannon	Cabinet Member	Strategic Finance and Resources	10.10.13	10.10.13

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