

London Borough of Barnet
2 Bristol Avenue,
Colindale NW9 4EW
30 March 2023
Our ref: 9412475

Thank you for your request received on 20 March 2023, for the following information:

Dear Barnet Borough Council,

Please provide the following information in relation to Barnet management of pension fund climate risk, & information & advice on same provided by external investment consultants including (but not limited to) Aon, Mercer, Allenbridge Epic and Hymans Robertson.

1. Please provide emails & correspondence between the named council employees (Barnet finance function + responsible investment & pension fund mgmt), procurement, elected members (on pension fund committee), scheme members & external investment consultants on climate risk between 2018 and 2023

- * Anisa Darr, Director of Finance**
- * David Spreckley - Head of Pensions and Treasury**
- * Susan Lowe - Procurement**
- * Cllr Shooter - Chair of Pensions Fund**

I would also kindly suggest - given relevance of the role to the discharge of LGPS fiduciary duty:

- * Jessica Farmer - Chief Legal Advisor Monitoring Officer (+ her predecessor in the role - as well as the predecessors within timeframe of any of the above named individuals)**
- * David Tatlow**

2) Please confirm if specific advice or information on climate risk has been sought by Barnet and received from Mercer, or other such external investment consultants? - If so please provide copies of this information. (key search terms include "climate risk", "physical risk", "asset allocation" and "fossil fuels")

3) Please provide the following data points in MS Excel format in relation to each external climate risk analyses undertaken on the councils investment portfolio, noting the date/ year + provider of each analysis:

i) Warming scenarios applied, i.e 2degC, 3degC, 4,degC, 5degC, 6degC & year in which it is suggested each warming threshold considered by the scenarios will be reached?

ii) Projected gains or losses for the portfolio &/or GDP activity for each scenario/year assessed

iii) Specifics of any change(s) to asset portfolio allocation recommended by the consultants to reduce the risk of future financial losses and/or to reduce financed emissions across the portfolio.

We have processed this request under the Freedom of Information Act 2000.

Response

I can confirm that London Borough of Barnet holds the information you requested.

However, we believe that the exemptions detailed below apply to some of this information and this is withheld. Please see the Refusal Notice below.

1. Please provide emails & correspondence between the named council employees (Barnet finance function + responsible investment & pension fund mgmt), procurement, elected members (on pension fund committee), scheme members & external investment consultants on climate risk between 2018 and 2023

- * Anisa Darr, Director of Finance***
- * David Spreckley - Head of Pensions and Treasury***
- * Susan Lowe - Procurement***
- * Cllr Shooter - Chair of Pensions Fund***

I would also kindly suggest - given relevance of the role to the discharge of LGPS fiduciary duty:

- * Jessica Farmer - Chief Legal Advisor Monitoring Officer (+ her predecessor in the role - as well as the predecessors within timeframe of any of the above named individuals)***
- * David Tatlow***

2) Please confirm if specific advice or information on climate risk has been sought by Barnet and received from Mercer, or other such external investment consultants? - If so please provide copies of this information. (key search terms include "climate risk", "physical risk", "asset allocation" and "fossil

fuels")

We have carried out searches of information holdings.

A Summary of the advice provided from advisors and the rationale for any decisions are disclosed at Pension Fund Committee meetings through paper, all of which are publicly available:

<https://barnet.moderngov.co.uk/ieListMeetings.aspx?Committeeld=191>

We also attach a Climate Risk report that we received from Hymans (as our actuaries) in relation to the 31 March 2022 valuation which, whilst not in the public domain, they have agreed it can be shared with you. The report should be read in conjunction with the Actuarial Valuation report, which is also attached (and which will be made publicly available).

- London Borough of Barnet 2022 - Final Valuation Report
- LB Barnet Pension Fund - 2022 climate risk modelling

Summary of the advice provided from advisors and the rationale for any decisions are disclosed at Pension Fund Committee meetings through paper, all of which are publicly available:

21st November 2019

[A4 Letterhead \(moderngov.co.uk\)](#)

[Click to edit Master title style \(moderngov.co.uk\)](#)

27 July 2020

[A4 Letterhead \(moderngov.co.uk\)](#)

Appendices

[Appendix 1 Responses to RI Survey.pdf \(moderngov.co.uk\)](#)

[Appendix 2 RI survey questions.pdf \(moderngov.co.uk\)](#)

24 February 2021 - Responsible investment

[A4 Letterhead \(moderngov.co.uk\)](#)

11 July 2022 – Item – Responsible Investment

[Developing the Funds Responsible Investment strategy.pdf \(moderngov.co.uk\)](#)

Appendix (summary of emissions)

[Powerpoint Template \(moderngov.co.uk\)](#)

31 January 2023 – item – Responsible Investment

[Developing the Funds Responsible Investment strategy - update.pdf \(moderngov.co.uk\)](#)

Appendices

[Appendix A.pdf \(moderngov.co.uk\)](#)

[Appendix B.pdf \(moderngov.co.uk\)](#)

[Appendix C.pdf \(moderngov.co.uk\)](#)

Some of the information is exempt, as supplied under Legal Professional Privilege, Commercial in confidence and commercial interests. See Refusal Notice below.

3) Please provide the following data points in MS Excel format in relation to each external climate risk analyses undertaken on the councils investment portfolio, noting the date/ year + provider of each analysis:

i) Warming scenarios applied, i.e 2degC, 3degC, 4,degC, 5degC, 6degC & year in which it is suggested each warming threshold considered by the scenarios will be reached?

ii) Projected gains or losses for the portfolio &/or GDP activity for each scenario/year assessed

iii) Specifics of any change(s) to asset portfolio allocation recommended by the consultants to reduce the risk of future financial losses and/or to reduce financed emissions across the portfolio.

Information not held. The above advice / data points have not been procured.

Refusal Notice

S41 - Information Provided in Confidence

Section 41(1) of the Freedom of Information Act 2000 (FOIA) provides that information is exempt if it was obtained by a public authority from any other person and that disclosure to the public by the public authority holding it would constitute a breach of confidence actionable by that or any other person.

We consider that unauthorised disclosure of information provided by Hymans would amount to an actionable breach of confidence, therefore this information is withheld.

The information provided to the Council was explicitly provided in confidence with the express understanding that it will be held in strict confidence and will not be disclosed, reproduced, stored in a retrieval system or used, in whole or in part and will not be released, in whole or in part, to any third party without prior consultation with, and the written consent of the third party.

The third party had a legitimate expectation that this confidence will be upheld and the information that they provided (which is also commercially sensitive) remain confidential. Clearly this information would be of interest to competitors and potentially harmful if disclosed.

I am satisfied that the information is not trivial, nor is it available by other means. It therefore has the necessary quality of confidence.

The duty of confidence is not absolute and the courts recognise circumstances under which such information may be disclosed

- Where the person to whom the duty is owed consents
- Where disclosure is required by law
- Where there is an overriding public interest in disclosure

In this case we consider that the public interest in favour of maintaining the confidence outweighs the public interest in disclosing this information.

S43 - Commercial interests

We have concluded that this information provided by Hymans, both investment and actuarial advice, is exempt under section 43(2) of the Freedom of Information Act 2000 (FOIA) because the disclosure of this information would be prejudicial to the London Borough of Barnet's and partners commercial interests. This is a qualified exemption and the public interest test applies.

The Fund has a confidentiality agreement in place with its investment advisers. Information provided by advisers is provided on a confidential basis. Disclosure could result in information being available to their competitors and London Borough of Barnet being in breach of contract. We have considered the approach of redacting commercially sensitive elements of the information. However, we have concluded that this would be of no value, as the remaining data is already in the public domain (see links above).

We have considered the public interest the disclosure of this information. These factors include the importance of transparency in the decision-making process relating to the spending of public money to ensure that procurement processes are conducted in an open and honest way. It is also important for the public to see taxpayers' money being used effectively and public authorities getting value for money.

We have also considered the public interest in withholding this information.

- The Fund and its advisers regard correspondence as being commercially sensitive. Publishing it would damage both the advisers' commercial position and the Fund's relationship with them.
- Companies may be discouraged from working with us in future if they believe there is a risk of disclosure of commercially sensitive information.
- The council is satisfied that it meets its transparency obligations and already publishes information which is in the public interest. The following documents are available at the links provided above.

For these reasons we consider that the public interest in withholding the information outweighs the public interest in disclosure.

We therefore consider that Sections 41 and 43 apply to exempt the above information requested.

S42 – Legal Professional Privilege

The information you require is subject to legal professional privilege and is therefore exempt in accordance with section 42 (1) of the Freedom of Information Act 2000 (FOIA) (the exemption for information subject to legal professional privilege). This is a qualified or non-absolute exemption and the public interest test applies.

We have considered the public interest of the disclosure of this information in relation to communications which included the Monitoring Officer David Tatlow and Jessica Farmer. These factors are that the decision-making processes of public functions should be transparent and open to scrutiny in order to inform the public debate.

The public interest in withholding the information is that people are confident they can be completely frank and candid with their legal adviser when obtaining legal advice, without fear of disclosure, which in turn is fundamental to the administration of justice. The disclosure of legal advice and assistance could lead to less in-depth analysis of the issues in respect of which legal advice has been requested and inadequate records being maintained leading to poorer and less consistent decision making by individuals on behalf of the Council. There could also be a reluctance to seek advice at all.

In these circumstances of the case it is our view that the public interest in maintaining the exemption outweighs the public interest in disclosing the information.

Further information

If you are interested in the data that the council holds you may wish to visit Open Barnet, the council's data portal. This brings together all our published datasets and other information of interest on one searchable database for anyone, anywhere to access. <http://open.barnet.gov.uk/>

Advice and Assistance : Direct Marketing

If you are a company that intends to use the names and contact details of council officers (or other officers) provided in this response for direct marketing, you need to be registered with the Information Commissioner to process personal data for this purpose. You must also check that the individual (whom you wish to contact for direct marketing purposes) is not registered with one of the Preference Services to

prevent Direct Marketing. If they are you must adhere to this preference.

You must also ensure you comply with the Privacy Electronic and Communications Regulations (PECR). For more information follow this Link www.ico.org.uk

For the avoidance of doubt the provision of council (and other) officer names and contact details under FOI does not give consent to receive direct marketing via any media and expressly does not constitute a 'soft opt-in' under PECR.

Your rights

If you are unhappy with the way your request for information has been handled, you can request a review within the next 40 working days by writing to the Information Management Team at: foi@barnet.gov.uk. Or by post to Records & Information Management Service, Assurance Group, London Borough of Barnet, 2 Bristol Avenue, Colindale, NW9 4EW

If, having exhausted our review procedure, you remain dissatisfied with the handling of your request or complaint, you will have a right to appeal to the Information Commissioner at: The Information Commissioner's Office, Wycliffe House, Water Lane, Wilmslow, Cheshire, SK9 5AF (telephone: 0303 123 1113; website www.ico.org.uk). There is no charge for making an appeal.