



Councillor John Chilver
Chairman – Bucks County Council Pension Fund Committee
Bucks County Council
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OPEN LETTER

19th June 2019

Dear Councillor John Chilver

I am writing on behalf of Aylesbury Religious Society of Friends to express our shared belief that **Buckinghamshire County Council should review its Principles of Investment for its Pension Fund, and in particular stop investing in fossil fuels, including fracking.** We urge BCC to end all such financial support for fossil fuel extraction and production, and explore the many alternative profitable and sustainable investment opportunities available in renewable energy.

We request that this issue be included on the agenda for the forthcoming July meetings of the Pension Fund Board and the Pension Fund Committee, with sufficient time allocated to enable a full and proper discussion.

We believe that a review of BCC's Principles of Investment should urgently recognise the following points:

- There is an immediate need to reduce and manage present and future global carbon emissions in support of the Intergovernmental Panel on Climate Change Report (IPCC, 2018, section D).
- BCC has publicly recognised its corporate responsibility for sustainability and responses to climate change (BCC website, undated, accessed 2019), yet the relevant investment policy documents do not reflect this responsibility.
- Though the pension scheme's solvency is paramount, the regulations (SI#946, 2016, sec. 7) allow environmental priorities or exclusions to be addressed as secondary issues. The mandatory guidance (DCLG, 2017) explicitly permits such a policy.
- Investment experts in growing numbers recognise that fossil extraction is no longer a good long-term investment (Crooks and Kao, 2017; Surran, 2017; Tomaino, 2017).
- Other Local Government bodies such as Waltham Forest and Southwark Council Pension Funds are already committed to divestment of shares in fossil fuel (WFPFC, 2018, pp6-7 & SBC, 2017, pp8-9).

We suggest that Bucks County Council could lead in influencing its partnering councils with Brunel Pension Partnership Ltd (BPPL) to achieve this divestment from current fossil fuel investments. Other interested parties are also contacting many of the other eight council-partners (with BPPL) about this same concern.

This need to divest is recognised by Parliament's Declaration of a Climate Emergency; UNISON's support for LGPS policy changes; and BCC's public statement on corporate responsibility (see above).

We have further evidence available (including the following pages) pertaining to these points and other concerns, which would support BCC's Pension Committee's decision to divest from fossil fuel investments. The recent high court ruling (Royal Courts of Justice, 2019), which states that the UK Government's fracking guidelines are unlawful, substantiates our concerns.

Neither our generation nor we humans as a whole own the World; we hold it in trust for all the generations to come. Quakers have a strong commitment to sustainability and the environment. In 2017 Chiltern Area Quaker Meeting divested its own finances from fossil fuel extraction and production, as part of the ongoing worldwide action which has resulted in trillions of dollars being divested from fossil fuels with concurrent growth in investment in renewable energies.

We urge your committee to engage with the requests within this letter.

Yours sincerely

Sally Bicheno
Co-clerk
Aylesbury Quaker Meeting

PLEASE NOTE to discuss any of these issues further please contact Kathy Russell:
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CC Members of the Bucks County Council Pension Fund Committee
Representatives of the Bucks Local Pension Fund Board

In relation to investment in fracking in particular:

- All new technology tends to attract exaggerated estimates of returns on investment (ROI); however, American fracking operations are heavily in debt and dependent on Federal Reserves for continuation of debt repayments. UK operators are also experiencing financial difficulties and delays (Regan, 2017).
- H & S concerns have meant frequent cessation of fracking operations in the UK due to seismic activity (De Pater and Baisch, 2011; Vaughn, 2018).
- Recent American evidence suggests a fracking site will probably only be productive for around six years. This limits the period of gas extraction and profitability (McLean, 2018).
- Methane escape from fracking operations has been found to be 86 times more potent than carbon dioxide in its effect (IPCC, 2013).
- Fracking uses, and contaminates, very significant quantities of water, which is a resource increasingly under threat with climate change (Stuart, 2011).
- The Environment Agency may take legal action against any polluting fracking company to recover remedial costs, damages and penalties under their enforcement powers in The Environment Act 1995 (1995, chapter 25), constituting another significant and unknown threat to the profitability of companies (The Environment Act, 1995).

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