

Please quote:  
Your reference:  
Date: 19<sup>th</sup> July 2016  
Please ask for: Cllr Peter Chowney  
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Web: [www.hastings.gov.uk](http://www.hastings.gov.uk)

APPENDIX B



**Councillor Peter Chowney**  
Aquila House, Breeds Place  
Hastings, East Sussex TN34 3UY

Councillor R Stogdon  
Chair, East Sussex Pension Fund  
St Anne's Crescent  
Lewes  
BN7 1SD

Dear Councillor Stogdon

At its April meeting, Hastings Council unanimously adopted the following resolution:

"Hastings Borough Council pledges:

- To develop and implement a Responsible Investment Policy through which it will:
  - a) Divest from direct ownership and any commingled funds that include fossil fuel public equities and corporate bonds within 5 years;
  - b) Set out an approach to quantifying and addressing climate change risks affecting all other investments, and
  - c) Focus future investments in property and other assets on areas that minimise climate change risk and continue to reduce the council's carbon footprint
- To work with other District and Borough councils in East Sussex to encourage and assist them to adopt Responsible Investment Policies with the same scope."

Climate change is a problem that affects all of us. Local authorities can do a lot to raise people's awareness of the issues, encourage them to adopt less environmentally damaging behaviours, and encourage local businesses that pursue more environmentally sustainable practices. But councils also need to look at their investment policies, both in terms of property investment and investment funds, to minimise investments in fossil fuels in particular. And this is not just a question of combating climate change, important though that is. Mark Carney, the Governor of the Bank of England, recently warned of the 'carbon bubble' whereby investors in fossil fuels risked huge losses, because the value of fossil fuel companies was based on the total value of their fossil fuel reserves, whereas, he said, 'the vast majority of fossil fuel reserves are unburnable', because the shift towards cleaner energy would mean that these reserves would never be extracted.

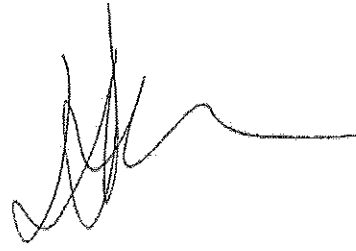
So by adopting a policy of divestment in fossil fuels, councils can not only help to limit climate change, but can also avoid the potential financial risk associated with such investments. Such a policy would be of particular impact if it were to be adopted by the East Sussex Pension Fund, so we would strongly urge you to adopt a similar policy to begin divestment in fossil fuels from pension fund investments.



Yours sincerely



Councillor Peter Chowney  
Leader of the Council  
Hastings Borough Council



Councillor Liam Atkins  
Leader of the Opposition  
Hastings Borough Council



AFFIX  
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Appendix C

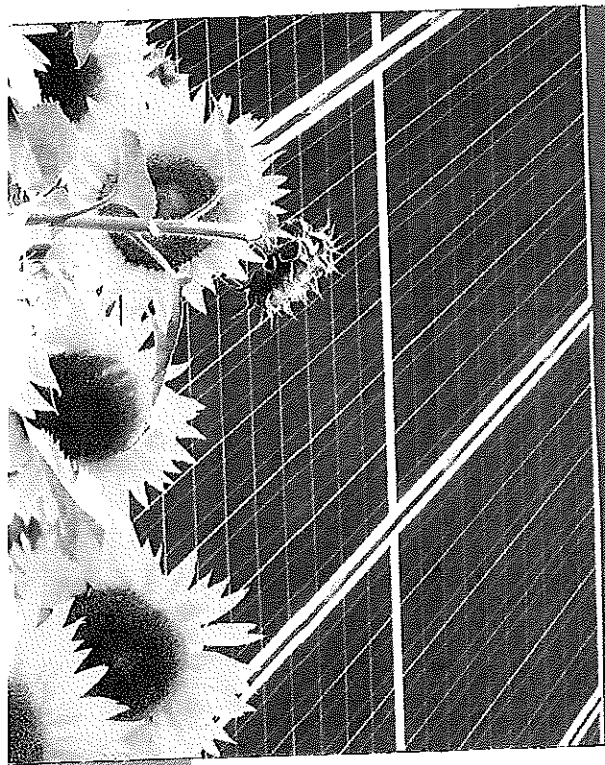
TO: CLLR RICHARD STOGDON  
C/O FOSSIL FREE HASTINGS  
ORE PLACE FARMHOUSE  
THE RIDGE  
TN34 2RA



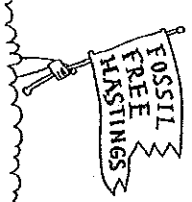
Calling all  
East Sussex Local Government  
Pension Scheme members

# HOW IS YOUR PENSION FUND INVESTED AND IS IT SAFE?

Did you know your  
pension fund is invested in  
harmful fossil fuel industries?



## FOSSIL FREE HASTINGS



...is a group of people calling on  
our local government to move  
investments out of companies that  
extract and explore for fossil fuels  
(oil, coal & gas).

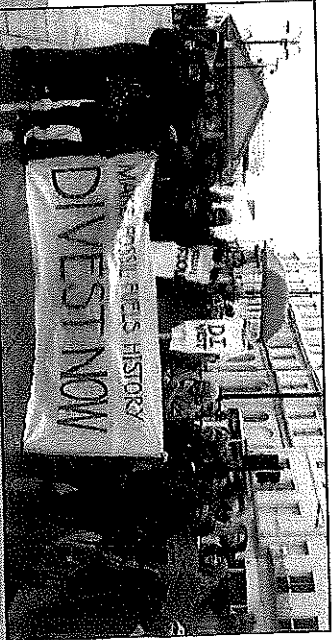
On 13 April 2016, Labour and Conservative  
Councillors on Hastings Borough Council joined  
forces to pass a unanimous fossil fuels divestment  
motion, and urged East Sussex County  
Council to follow their lead.

If you'd like to play a further part in the campaign,  
large or small, we'd love to have you on board so  
drop us a line at: [fossilfreehastings@gmail.com](mailto:fossilfreehastings@gmail.com).

You can find us here: [facebook.com/fossilfreehastings](https://facebook.com/fossilfreehastings)  
or here: [fossilfreehastings.wordpress.com](https://fossilfreehastings.wordpress.com)

*"Smart investors can see that investing  
in companies that rely solely or heavily on  
constantly replenishing reserves of fossil  
fuels is becoming a very risky decision."*

**Professor Lord Stern**  
former World Bank Chief Economist



Hastings residents protest against investments  
in fossil fuels, 13 February 2016

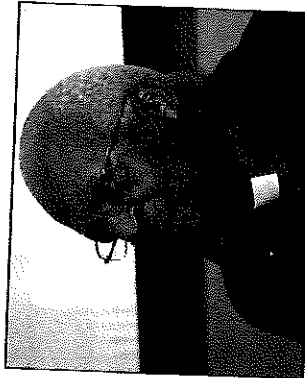
East Sussex County Council, which holds your pension funds<sup>1</sup>, has an estimated £172 million invested in fossil fuels – a threat to your pension.

Investing in the fossil fuel industry is damaging the balance of our climate

We know that to maintain a stable climate, we have to rapidly cut back on the fossil fuels we burn. Known fossil fuel reserves contain several times more coal, oil and gas than can safely be burned, but fossil fuel companies plan to use all these reserves and invest huge sums exploring for more.<sup>2</sup>

Investing in fossil fuels is financially risky

Remember the sub-prime mortgage crisis in the US that triggered the financial crash of 2008? Many establishment figures are warning us that fossil fuels could become the sub-prime assets of the future. The Governor of the Bank of England has warned that the vast majority of reserves are likely to be unburnable and has launched a major enquiry into this risk. Similarly, the President and the former Chief Economist of the World Bank and the UN's top climate change official have issued warnings that investments in fossil fuels could suffer dramatic losses in value. In 2015 HSBC advised its clients against investing in fossil fuel companies on the grounds that they will become "economically unviable."<sup>3</sup>



**"It makes no sense to invest in companies that undermine our future."**

Desmond Tutu

But the good news is...

Divestment removes exposure to these financial risks and sends a strong message to politicians and the industry that we urgently need to change how energy is generated and used

All over the world people are urging their institutions to "divest" (move their money away) from these damaging and financially risky fuels. The workplaces, universities, places of worship and local governments<sup>4</sup> that have already joined the UN-backed divestment campaign<sup>5</sup> include: the cities of Oslo, Seattle, San Francisco and Oxford; Glasgow University; the British Medical Association; the Rockefeller Brothers Fund; the World Council of Churches and the Quaker movement.

You can take action

As a member of the East Sussex Pension Fund, you can protect your pension - and add your voice to the call to divest from fossil fuels (and for a move to a cleaner sustainable energy system) – by emailing the Chair of the East Sussex Pension Fund Committee and asking him to divest the Fund from fossil fuels.

- **Write to the Chair of the Pension Fund Committee** here: [act.350.org/letter/eastsussex/](http://act.350.org/letter/eastsussex/)
- **Or fill in and send us the attached card** – we will deliver them all to the Chair of the East Sussex Pension Fund Committee
- **Spread the word** – discuss with your colleagues
- **Write to your County Councillor:** [www.writetothem.com](http://www.writetothem.com)

Together we can send a strong message to the East Sussex Pension Fund Committee that it's time to move our money away from the problem and into the solutions.

1 [bit.ly/yourpensionfunds](http://bit.ly/yourpensionfunds) 2 <http://bit.ly/notburn>  
3 <http://bit.ly/warnhsbc>

4 [gofossilfree.org/commitments](http://gofossilfree.org/commitments) 5 <http://bit.ly/UNbacked>

TO: CLLR RICHARD STOGDON  
CHAIR OF THE EAST SUSSEX  
PENSION FUND COMMITTEE

Dear Councillor Stogdon

I am a member of the East Sussex Local Government Pension Scheme. I believe the scheme's investments in fossil fuel companies are neither responsible nor financially prudent, and ask that the Pension Fund divest from holdings in these companies.

Additionally, I ask that the Pension Fund Committee consult members about how their pension fund is invested and revise the current responsible investment policy to more explicitly consider climate change-related investment risks.

I look forward to hearing from you on this matter.

Yours sincerely

Name: \_\_\_\_\_

Address or Email: \_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_