

Divestment motion passed by Chesterfield Borough Council on Wed 15 July 2020:

Motion wording

“Having declared a Climate Emergency Chesterfield Borough Council commits with the Derbyshire Pensioners Group, Transition Chesterfield, Friends of The Earth and Divest Derbyshire in calling for the Derbyshire Pension Fund to disinvest its remaining funds in fossil fuels and to invest in renewables.

In addition we are calling for Derbyshire Pension Fund to strengthen engagement regarding future investment principles with all stakeholders including pension fund members and employers.”

Speech by LibDem Councillor Paul Niblock (original motion sponsor)

Having been approached by a constituent who is a member of the Derbyshire Pensioners Group I was made aware of the concept of divestment, then having further information from Transition Chesterfield (of which I am a member) and Divest Derbyshire I felt compelled to bring this motion to council.

There is a movement across the Western World to divest pension funds of fossil fuel investments and many funds have done so already. For example some London Boroughs are committed to fully divesting, the Environment Agency and South Yorkshire to partially divesting. Even the Parliamentary Pension Fund is considering divesting.

A pension fund should be doing two things, providing sound investments which will provide for pensioners like me but it should also be reflecting the ethics and wishes of those pensioners.

At the moment fossil fuels are not a sound investment, the world is moving away from their use so they are in danger of rapidly losing value – in fact we saw just recently in the UK the longest period since the industrial revolution when no coal was used to generate power. Renewable Energy industries are booming this is where the future lies.

DCC have a comprehensive climate change agenda and claim to lead in the reduction of greenhouse gases and be carbon zero by 2050. If so they can push towards that by ending investment in fossil fuels.

A year ago this Council declared a Climate Emergency so I now see it as our duty to encourage DCC to make this change for all our benefits. I urge you all to look to a green future and support this motion.

Speech by Labour Councillor Amanda Serjeant (sponsor of amendment)

I would like to propose to move an amendment to the notice of motion on this important issue. Please can I ask that the amendment be shown on screen:

“Having declared a Climate Emergency Chesterfield Borough Council commits with the Derbyshire Pensioners Group, Transition Chesterfield, Friends of The Earth and Divest Derbyshire in calling for the Derbyshire Pension Fund to disinvest its remaining funds in Fossil Fuels and to invest in renewables.

In addition we are calling for Derbyshire Pension Fund to strengthen engagement regarding future investment principles with all stakeholders including pension fund members and employers”

Derbyshire Pension Fund has great power in terms of its investment fund worth £4.9 billion. But as we know with great power, comes great responsibility. The Pension Fund’s 102,000 plus members, many of whom are key workers doing vital work in our communities need to have confidence that the fund is well managed and will provide for their retirement. But while making sound and responsible investments additional considerations such as promoting and enabling a more sustainable future can and should be pursued.

Currently Derbyshire Pension Fund invests around £199 million in the oil, gas and mining industry. This represents 4% of the total investment available and has reduced significantly from 8% in 2015. During this time a £100 million investment in renewable energy companies has been made with a further £50 million planned. Steps are being taken to incorporate climate change into investment decisions and to mitigate against climate change related risk but there is more to be done particularly around utilising this investment power to enable new technologies which will support a more sustainable future for us all.

Knowledge and engagement around sustainable investment will be crucial to enable the transition from some fossil fuel investment to zero fossil fuel investment over a planned period. As the market develops and grows for sustainable equities, Derbyshire pension fund needs to be ready to not only maximise their investment power responsibly and sustainably but also to engage and to be an advocate for sustainable investment with scheme members and employers.

With this engagement and promotion in mind, I propose this important amendment to the notice of motion: