

FOSPEN NEWS

Spring 2017

Editor: Peter Gulliver

Editorial

Well they Tried!

The Hewlett Packard Pension Association (HPPA) have been doing a heroic effort on behalf of the forgotten army of pre-1997 pensioners. They have presented two papers to the Work and Pensions Select Committee (and the Pensions Minister, Richard Harrington) as a contribution to the Government's Green Paper on the future of defined benefit pensions schemes.

Both papers are very well presented and fully backed with supporting references.

The papers focus on the gross unfairness of the present legislation which provides for annual increases for post-1997 pensioners but as we all know to our cost, ignores any pensions earned before -97. They have proved that the cost to industry of including all pensioners is trivial – an increase of 0.6% on payroll costs.

Well, the Green Paper has now been published and it appears that all HPPA's efforts have fallen on deaf ears. There is simply no recognition of the pre-1997 situation for those DB pensions that were established solely with Discretionary increases. The overall thrust is towards reducing companies' liabilities by allowing companies 'in a distressed financial condition' to reduce any pension increases. Watch for the line-up of distressed companies!

One final push: FOSPEN have already given HPPA our support but in a 'now or never' effort can we urge all members to write to their MPs recording our distress and the real hardship of many members.

Annual General Meeting

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The AGM this year will be on Thursday 13 April and as usual it will be at the Jagz Club in Ascot – 10.30 coffee for 11 o'clock.

Our guest speaker this year will be Garry Lloyd, Head of Group Pensions.

Remember, this is a unique opportunity for everybody to raise questions and concerns. If you don't come stop moaning!

AGM Agenda

1. Apologies
2. Last NoM
3. Chairman's Report
4. Treasurer's Report
5. OPA
6. Election New Committee
7. Fospen Membership
8. Company News
9. Guest Speaker
10. AoB
11. Next Meeting

You can find the name and contact details of your MP here:

<http://www.parliament.uk/mps-lords-and-offices/mps/>

Attachment 3 gives 3 examples of the letter you may customize to send to your MP.

By the way, don't worry about all the media talk of losing your pensions. The only cuts under consideration will be to increases and as we don't get any, we are not affected!

Organisation

We have some changes to the committee. Our chairman, Ian Adams, is standing down after 7 years in the job. Ian has kept the flag flying with correspondence and meetings with the Pension Fund Trustees, AmecFW personnel and maintaining our contacts with other pension bodies. Thank you, Ian!

We are inviting nominations to join the committee, including the vacant role of Chairman. Several of the committee have been in place for a significant number of years and it will be beneficial to have some new volunteers to put themselves forward.

We also have a new Secretary, Brian Cooke, and a custodian of the cash, Richard Williams. Many thanks to Graham Martin for his efforts as Secretary, and he is nominated to continue as Membership secretary.

AMEC-FW Pension Organisation

AMEC-FW have a complicated but very democratic pension organisation. There are two basic elements. The senior group are the Trustees. They are made up of company directors and representatives of the various pension groups. In addition is the Pension Consultative Committee (PCC). This is a more numerous group and includes a wider representation of pensioner groups drawn from all of the AMEC-FW companies. As an attachment to this newsletter, David Robertson has put together a description of the PCC structure and working arrangements.

Congratulations

Foster Wheeler pensioners are now represented on both the PCC and one is a Trustee.

Special congratulations must go to Phil Gladman (former

Trustee of FWPP). Phil was nominated as a member of the PCC and has subsequently been elected by ballot to be a Trustee.

In addition to Phil we have four other ex-Foster Wheeler pensioners on the PCC. Details of all these appointments are included in David's attachment 1.

Parking at AGM

Parking at the Jagz Club is very limited. Public and free parking is permitted at Car Park 3 on Ascot High Street. Again, David has provided directions to alternative car parks, as Attachment 2.

Why not consider coming by train? The Jagz club is just outside the station. Ascot is well served by a 30 minute service from Reading and Richmond. Trains stop at all intermediate stations.

See Attachment 2 for train times.

Tail Piece

It now seems our longevity will depend on eating ten (yes, ten) portions of fruit and veg. The new morning coffee and afternoon tea will have to include a bowl of veg.

ATTACHMENT 1

PENSIONS CONSULTATIVE COMMITTEE

The Pensions Consultative Committee (PCC) is a group of pension representatives who meet twice per year with the Company at Knutsford in Cheshire, to discuss Pension Plan matters and to be updated on any developments.

With the merger of the Amec and Foster Wheeler pension schemes, the Company decided to increase the number of PCC members. The enlarged PCC now has 16 active member representatives, 3 deferred pensioner representatives and 10 pensioner representatives. There are 3 Company representatives on the PCC – Will Serle (Group HR Director), Garry Lloyd (Head of Group Pensions) and Elaine Hanna (Pension Schemes Manager).

The enlargement of the committee was made without a ballot being necessary, as the number of nominations matched the number of vacant positions. As a result, we now have 4 ex-Foster Wheeler pensioners on the PCC. They are Roy Davies, John King, John Parry and Robin Wills. Three of these are Fospen members – Roy, Robin and John Parry. Eddie Ball is a deferred former Foster Wheeler member, having previously worked at Foster Wheeler Power Products.

Another former FW pensioner, and FWPP Trustee, Phil Gladman, was also nominated as a PCC member and has since become a Trustee of the merged Plan. There were 3 nominations, from within the PCC, for two Trustee positions and Phil was elected by ballot. The other elected Trustee is Steve Bubb, a former Amec deferred member, who has a very extensive pensions experience. The third unsuccessful nomination was Eddie Ball.

The names and email addresses of the deferred and pensioner PCC representatives are listed on the back page of the Pension News, issued to all of us a couple of months ago. If you have any pension issues which you want raised in the PCC meeting, then please contact one of the members. Our concern at the non-payment of discretionary increases for pre-1997 service has already been tabled !

ATTACHMENT 2

CAR PARKING FOR NEXT FOSPEN MEETING

As those of you who attended will know, the car parking at our last meeting was chaotic. The main reason was that Jagz had mistakenly double-booked us with a mother-and-baby group! We are assured that this will not happen again. It was made worse because a taxi car company/valet service appears to make use of the car park.

However, there are insufficient spaces for all of us, so could we please encourage you (at least, the able-bodied) to use Car Park 3 on Ascot High Street. This is an enormous free car park, used for race-goers, which is open to the public on non-race days. From Jagz, drive up the hill, turn left at the mini roundabout and then immediately left into the car park. When you walk out of the car park entrance, turn left and there is a footpath, immediately on the left, that takes you to the station, next to Jagz. It is 8 minutes walk.

There is another free car park, Car Park 6, with 216 spaces, along Ascot High Street. From Jagz, drive up the hill, turn right at the mini roundabout and the car park is 200 yards on the left. This is second choice as it is smaller than No. 3 and is well-used. It is a 10 minute walk to Jagz.

See attachment 2, map of Jagz and Car Parks.

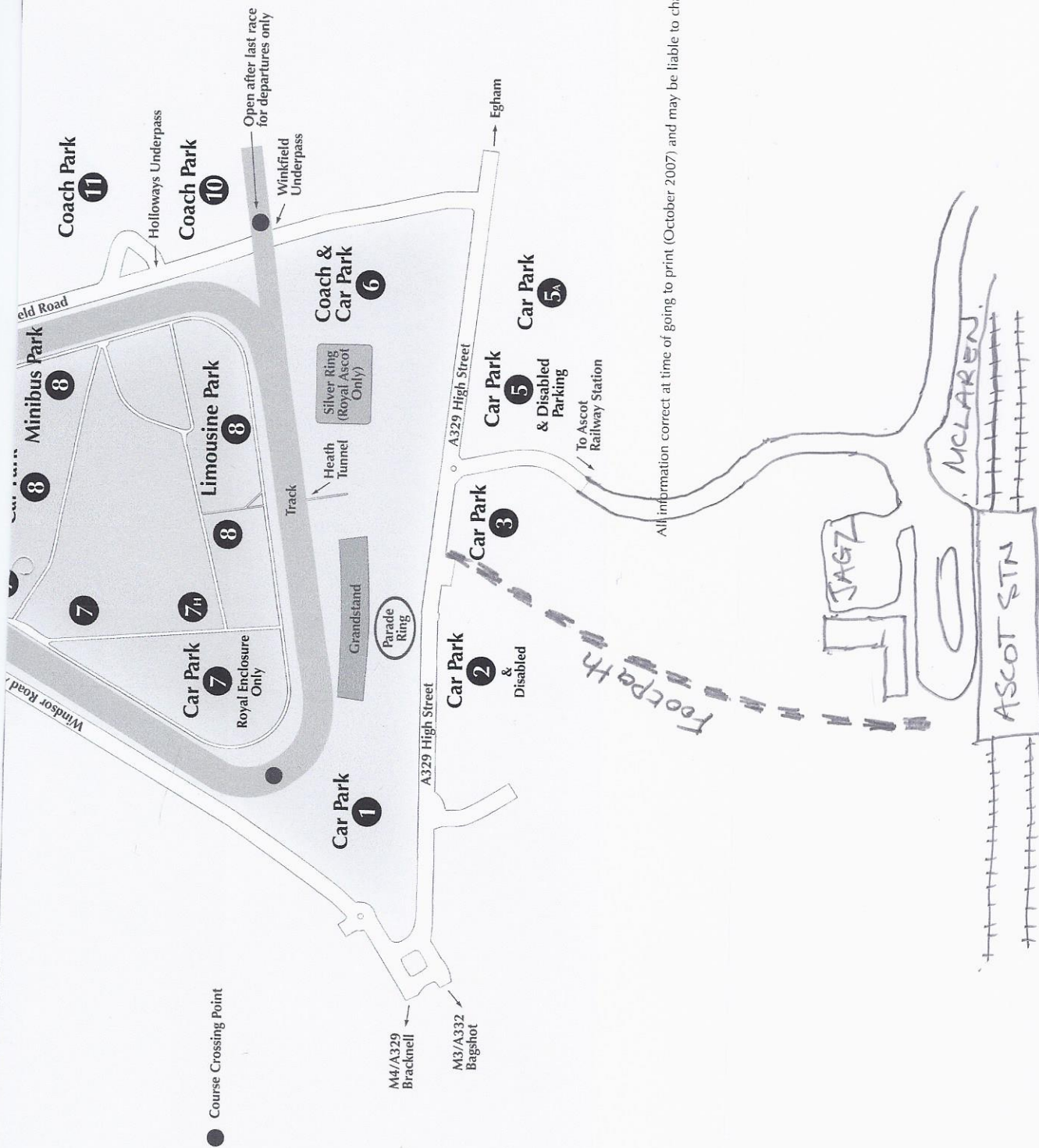
The station car park has 215 spaces, but is expensive (£8.50 for the day) and is likely to be full by the time our meeting starts.

Alternatively, go by train. At least it's not Southern !!

Train Times

Leave Reading	Arrive Ascot
9:42	10:09
9:56	10:23
Leave Richmond	Arrive Ascot
9:36	10:12

We did consider changing the venue, but Jagz is very convenient for members from both London and the Reading area.



ATTACHMENT 3.1

Suggested Proforma for MP's letter

MP's name
House of Commons
Westminster
London
SW1A 0AA

Dear X,

Government Green Paper: Future of Defined Benefit Pensions (Feb2017)

Would you kindly provide your support to the many members of Defined Benefit pensions schemes who are in the unfortunate position of receiving no pension increases for many years. The Green Paper gives neither prominence nor priority to this issue.

As I am sure you are aware, the present legislation makes no provision for a statutory requirement to enhance any pension entitlement earned before 1997. This places many elderly pensioners in the unhappy position of receiving no pension increases for many years.

It is a rapidly diminishing group of pensioners, often low paid, who have suffered this unfairness. Unfortunately, the current Green Paper does not yet highlight the plight of this neglected group of pensioners who receive Zero annual pension increase for over a decade.

Only 8% of companies with no fixed indexation are not paying a discretionary increase. Surely it is now time to make in future inflation-linked payments compulsory for pre 1997 earned years of service.

Your support in remedying this anomaly would be much appreciated.

Yours sincerely

ATTACHMENT 3.2

Suggested Proforma for MP's letter

MP's name
House of Commons
Westminster
London
SW1A 0AA

Dear X,

Government Green Paper: Future of Defined Benefit Pensions

I earnestly request you to provide your support to the many members of defined pensions schemes who are in the unfortunate position of having received no increases for many years to their pensionable earnings prior to 1997. This currently stands in excess of 400,000 people.

As I am sure you are aware, the present legislation makes no provision for a statutory requirement to enhance any pension entitlement earned before 1997. This places many elderly pensioners in this unhappy position

It is a now diminishing group of pensioners, many of whom retired a long time ago when incomes were low compared to the needs of today and who have suffered this unfairness.

Your support in remedying this anomaly would be appreciated.

Yours sincerely,

ATTACHMENT 3.3

Suggested Proforma letter to MP

Dear X,

Government Green Paper: Future of Defined Benefit Pensions

Would you kindly provide your support to the forgotten members of defined-benefit pension schemes who have received no increases in their pensions for many years.

As I am sure you are aware, the present legislation makes no provision for a statutory requirement to enhance any pension entitlement earned before 1997. This now means that about 2% of DB pensioners (about 100,000 elderly people) are in the unhappy position of having received no pension increases for up to 20 years. I am one of them as I have not received a pre-1997 increase from my Amec Foster Wheeler DB scheme for the last 13 years.

The extra cost of implementing statutory increases in future for pre-1997 entitlements has been estimated at less than one percent (0.6%) of total DB-pension costs (see Parliamentary Hansard, 17th January 2017, debates, Digital Equipment Ltd pension scheme).

The new Government Green Paper excludes the situation of pre-1997 pensioners like me. Initial parliamentary debate concerning so-called 'discretionary pre-1997' DB schemes has now been pushed under the carpet and the topic has been omitted from the Green Paper. So the financial plight of pensioners like me is being ignored and forgotten.

In contrast, the Green Paper gives the impression that all DB pensioners are receiving increases, which is not true. The Green Paper should further the national discussion of the financial plight of the bottom 2% of DB pensioners .

I would like the subject of discretionary pre-1997 DB pension schemes to be included in the Green Paper. Your support in remedying this omission would be appreciated.

Yours sincerely,