

# "Beyond Parsimony"

## Bulletin No. 17



## A Week is a Long Time in BP's World!

- Shock resignation of CEO - reaction
- 'Last Chance' letter rejected by BP Legal
- Trustees' Newsletter and QA disappoints.
- 'Last chance' letter issued to Trustees.
- Appointment of counsel and solicitors imminent
- 60+ key pension documents emerge from PG attics.
- Advisory Group appointed.

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## Welcome to Bulletin 17

A week can prove a long time in politics said former Prime Minister Harold Wilson. The same might be said of BP and our dispute over pensions.

Out of the blue last week, **BP's CEO resigned** his post for failing to make full disclosures to the Board.

The same day, we received a response from **BP's Head of Legal rejecting our 'last chance' letter** and declining to discuss the matter. No change there.

Twenty-four hours later, the **Trustees issued their much-awaited newsletter and Q&A** in which they had offered to answer the many burning questions put to them by individual members of the Fund and those submitted by the PG.

We provide more detail about each of these matters below. In short, we were deeply unimpressed with the responses of the Company and the Trustees. This means we now have **no option but to take the next step and appoint counsel and solicitors.**

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# BP CEO Resignation

We take no pleasure from this sudden and wholly unexpected event. The personal impact on the CEO himself, and the wider impact on staff, shareholders and everyone connected with the Company is deeply unfortunate.

As a campaign, we have deliberately not sought to exploit the situation despite approaches from sections of the media. **That said, we do think that the change in leadership is a real opportunity for the BP Board to take a much closer look at the circumstances that have led to this dispute. To that purpose, while we press on with our legal preparations, we will also make new representations to the Board.**

In addition, we are writing to Freshfields, a law firm appointed by the BP board to conduct an investigation into recent events, which is to also look at BP's broader culture. Many PG members consider the decision to ride roughshod over decades of pensions policy represents a clear breach of the values of the company and we will raise this matter with Freshfields as relevant to their investigation.

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## Pension Fund Trustees September Newsletter

We hope you have seen our official response to the newsletter and Q&A - [click here to view](#).

In [Bulletin 16](#), we said we hoped the Trustees would "seize the moment". They have chosen not to.

- **Key questions were avoided** such as putting matters right in the Trustees' deliberations on the 2024 pension increase.
- **Decades of written pension policy** committing to 'following inflation where the Fund has resources' has suddenly - by sleight of hand - **been reduced to no more than a mere "broad ambition"**.
- We remain **none the wiser about why the Trustees simply failed to ask BP to approve a discretionary increase in 2022** when the Fund resources were at a record surplus level.

This is an unprecedented moment in the 95-year history of the Fund. More than 2,000 members have raised a common complaint to the Board of Trustees. Yet this fact was not considered worthy of mention by Chairman Brendan Nelson in his update of events to members in the September Newsletter. We find that extraordinary.

The **Trustees Q&A says that their primary role is to, "safeguard and pay the benefits which have been built up..."**. Whilst the Pensioners Regulator requires that Trustees **"must act in the best interests of the beneficiaries"**.

We believe they have fallen well short of this requirement and as a consequence,

we have issued a **'last chance' letter to the chairman of the Trustees** - click here to view the letter. Failing a satisfactory response, we will issue a legal letter of a similar nature to that proposed for issue to BP.

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## Retaining Solicitors & New Fundraising

A special Fundraising Bulletin with detailed information is being prepared and we are finalising estimates of costs to retain Counsel and solicitors.

We expect this will be at least double the costs we incurred for the initial legal opinion. We will be asking everyone to get involved by pledging large or small donations according to means. To move at pace, we will sign letters of engagement with our lawyers - hopefully early next week. That puts some of us on the hook ahead of knowing whether we have the full amount of costs covered by pledges.

A number of members have stepped forward to help the SG bear the risk of this, for which we are extremely grateful. **It means we must have your financial support when fundraising starts around the end of the month.**

It's worth mentioning that our **PG legal team** have already **saved us all tens of thousands of £s in the preparatory work** that would normally be undertaken by a firm of solicitors in these cases. We are extremely grateful to them for the hours they have put in.

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## Appeal for Historic Documents

A HUGE thank you to everyone who responded to our appeal for pension-related documents. We've added well over 60 new documents to our treasure trove. The search is narrowing now; do you have any of the following documents? **Documents in categories 1, 2 & 3 would be particularly useful at this time.**

Please let us know if you do, via [contact@bppensionergroup.org](mailto:contact@bppensionergroup.org).

1. **Transfer valuations/divorce valuations**: October 2008 to January 2015.
  2. **Reports from financial advisors**, especially BP preferred suppliers, that describe the BP pension.
  3. Any **documents showing that the DB scheme was kept open in Aberdeen** - especially those that stated that the DB pension provided a competitive advantage in the recruitment market or with retaining staff.
  4. **Trust Deeds**: 1988? 2002? 2010? 2012?
  5. **Trust Rules**: 2009?
  6. **Pension Guides**: 2011, 2012? 2014?
  7. Information about **consultation and evolution of the pension scheme**: 2015-2021.
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# Advisory Group

In August, we announced various steps to strengthen our organisation. This included creating a **Peer Review Group** which appears on the organigram lodged in the library; now **renamed Advisory Group (AG)** to better reflect its function.

This group for the most part will stand back from day-to-day campaign operations while being kept in the loop by the Steering Group (SG). The AG will be available as a **sounding board for the SG** when difficult issues/judgement calls emerge, will **provide a framework for challenging the SG**, and will act as a **conduit for ideas from group members** to avoid the SG being distracted from its core focus on delivery.

AG members initially will be *Struan Robertson*, *Mike Buzzacott* and *Jim White* who have been engaged in the campaign from the start, and *Nick Coleman*, who founded the campaign and stepped back from the SG last month. They will co-opt others as they see fit, on a permanent or temporary basis.

We hope this additional resource will **enhance our capacity to deliver on our objectives** and **help us all make better decisions** on behalf of the membership.

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## Next Bulletin

October is set to be another busy month for the campaign with legal fundraising and preparation for retaining counsel & solicitors. We will endeavour to keep you fully informed by bulletin or email.

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Don't forget all the documents mentioned here are in [The Library](#) as well as all the previous bulletins if you've missed out.

[click to access all bulletin documents](#)

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## WhatsApp group

What a vibrant forum it is - and almost chaotic at times - so unlike BP folk! Keep those ideas and activity coming. If you think we've missed something important, please [email us](#).

If you haven't signed up yet, follow the link below and join the melee!

[Join WhatsApp](#)

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## Campaign Objectives

Our three objectives going forward, using more precise language, remain:

1. *BP and the Trustees to restore the value of the 11% real-term reduction in the*

*pension.*

- 2. No more surprises - proper, timely engagement with all pensioners in 3-4Q 2023 regarding the 2024 increase.*
- 3. Detailed and timely consultation on any consideration of Buy-Ins or Buy-Outs of the Fund, to ensure, inter alia, that existing rights regarding RPI index-linking of benefits are preserved.*

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## Top 10 Questions & Answers

The Comms team have written this guide - "[Top 10 Things You Should Know About the 11% Cut in Your BP Pension Payments](#)" - to help you answer any questions.

Feel free to cut and paste it into any of your emails, social media comments and letters!

[Click to view Top 10 Q&A](#)

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## The Library

[The Library](#) is where we're putting lots of key documents. It's for you too! With the exception of sensitive correspondence etc. which is now restricted.

If you have other important reference documents that should be in [The Library](#) just give them a useful title and upload them to the [Dropbox](#) in The Library.

Remember it's your shared resource of important reference documents - links below.

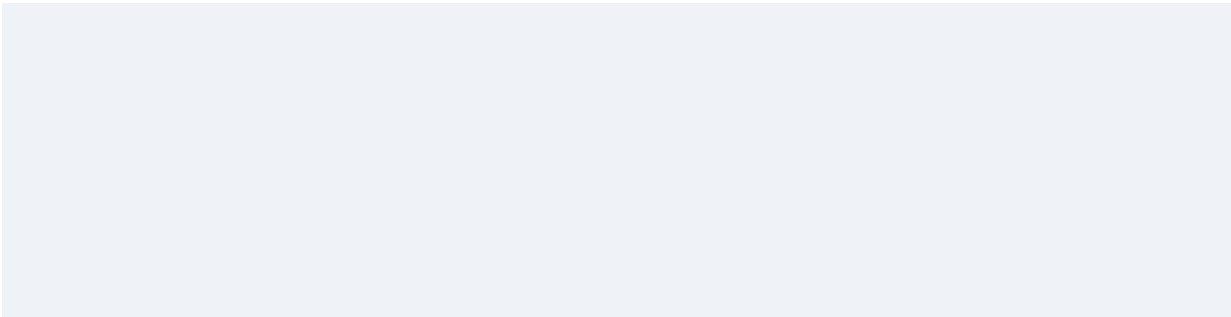
Don't forget you can [download](#) a set of '**business cards**' to hand out at any BP events you are attending or other celebrations, birthday or retirement parties etc!

[The Library](#)

[Dropbox](#)

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Thanks for getting involved and supporting the campaign.  
You can contact the core team at [contact@bppensionergroup.org](mailto:contact@bppensionergroup.org)





## BPpensioners Group



### **BP Pensioner Group**

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