

# Pensions Action Group Newsletter

Issue 6

17 January 2007

## The Judicial Review Approaches

The date for the Judicial Review, in which the High Court will rule on whether the Government should be compelled to accept the decision of the Parliamentary Ombudsman, is fast approaching. It will be held on **7 February 2007** and we are planning to mark the event with some action to ensure that the procedure and the verdict receive maximum publicity.

In the meantime, our solicitors are preparing their case and hounding the Government for a firm decision on whether or not they will seek 'unlimited costs' from the brave pensioners named

in the documents should they lose. The Government are still prevaricating and a formal complaint is being considered.

There are no details available yet about our planned action, so keep some space in your diary free around the time of the hearing and watch our website ([www.pensionstheft.org](http://www.pensionstheft.org)) for details as they appear. There will also be full details in the next issue of this newsletter, but it will be published only a few days beforehand, so it may not leave you much time.

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## Ros Altmann Honoured

The Daily Telegraph, in one of its year-end issues, awarded a series of 'prizes' to the heroes and villains of 2006 in the financial world. It was enormously gratifying to see our own Ros Altmann at the top of the list, nominated as 'Campaigner of the Year' for her tireless efforts on our behalf. The Telegraph wrote: "The plight of 120,000 pensioners who are without a pension because their company scheme went bust has been propelled into the spotlight thanks to the tireless campaigning of Ros Altmann. Altmann, a former Treasury adviser and a governor of the London School of Economics, has also been lambasting ministers for their outright rejection of the report from the Parliamentary Ombudsman that found the Government had misled thousands of workers into thinking their occupational pensions were safe. Altmann wants a compensation package for victims and is not giving up without fight."

You can read the full story here:  
<http://tinyurl.com/ycekab>

Another of the nominations went to Gordon Brown, for 'U-turn of the year'! Perhaps we can persuade him to do it again in 2007 by agreeing to pay us the compensation we deserve?

The Telegraph itself deserves a vote of thanks for all the support and publicity which they have

given to our campaign over the years. They have taken on board the seriousness of our situation and have used every opportunity to cover our actions and put forward the arguments. Grateful thanks!



This Toby jug of Gordon Brown was too good to miss, so PAG presented Ros with one as a memento of her year's campaigning.

## Support in Parliament

There is a system in the House of Commons whereby MPs can indicate their support for a cause by signing up to an Early Day Motion. They have no effect in themselves, but if an EDM carries a large number of signatures, Government is likely to note the strength of feeling and modify its policy accordingly to avoid possible trouble from backbenchers.

There are 646 members in the Commons but, traditionally, those with Government responsibilities (ministers, whips, PPSs etc) don't sign EDMs which leaves about 500 backbenchers as the maximum number of signatories. Those with ministerial ambitions are also markedly reluctant to sign EDMs which are critical of the Government.

Two EDMs have been tabled in support of our cause (see below for internet addresses). EDM 241 is a cross-party motion proposed by Tony Wright, who is chair of the Public Administration Select Committee which recently found in favour of compensation for lost pensions. This EDM has received 216 signatures at the time of writing.

The second EDM (106) is very similar and was tabled by the Conservative Shadow Secretary of State for Work & Pensions, Phillip Hammond, who was concerned that the earlier EDM might contain specific expenditure commitments which would be contrary to his parties current economic strategy. This EDM has been signed by 123 members. 50 members have signed both motions so, when the duplicates are removed, this means that 289 MPs have expressed support for our case.

This is tremendous news! It means that a majority of backbenchers support us, and we almost have an absolute majority of all MPs, even when ministers are taken into account!

The bandwagon is rolling and so we need to apply pressure to those MPs which have not signed in order to persuade them to add their names or justify their refusal. This is where you come in - as a constituent, you will have much more influence on your MP than an outsider. This is what you have to do:

1) Find the name of your MP (if you don't already know it) here: <http://tinyurl.com/y5q848>

2) Check to see whether he or she has signed either of the EDMs which you can find here:

<http://tinyurl.com/28528n> (EDM 241)

<http://tinyurl.com/2em8gz> (EDM 102)

3) If she has not signed either, write and ask her to, explaining why you think she should. You can write to your MP at:

House of Commons,  
London,  
W1A 0AA

## House of Commons demo



We held another demo outside the House of Commons on 13 December, timed to coincide with Prime Minister's questions. The theme was 'begging for justice' and linked our plight with that of the Farepak victims. They have lost several hundred pounds of their savings and faced a bleak Christmas this year. Most of us have lost thousands and face a bleak Christmas every year, but there was no sign of Gordon Brown giving up a day's pay for us, or of sending any of his affected constituents a hamper as he did for Farepak victims.

## Spoof letters

In order to focus the attention of wavering MPs on our plight, a small group of dedicated individuals spent part of their Christmas writing, addressing and mailing a spoof letter to all of the MPs who had not signed either EDM. The letter, reproduced on the next page, was intended to send a little shiver up their spines and to get them to appreciate what it would feel like if they were in our position.

# The House of Commons

Westminster, London SW1A 0AA

**PRIVATE & CONFIDENTIAL**

, MP

The House of Commons  
Westminster  
London  
SW1A 0AA

1st January 2007

Dear

I regret to inform you that the Pensions Scheme for Members of Parliament has now been discontinued, and therefore your original index linked pension entitlement of £42,600 pa. has been withdrawn and will now be replaced with a pension that may possibly give you £2,250 pa. This latter amount is not guaranteed and will not be index linked. Unfortunately as you were Contracted Out of the additional state pension the figure quoted may not cover your Guaranteed Minimum Pension. Furthermore, there will be no lump sum payments in future, and spouses' entitlements will also be substantially reduced. There will be no further life assurance protection, and any pension will not be payable until you reach 65.

Unfortunately as Westminster is still solvent, you will not be eligible for any financial help from either the Pension Protection Fund or the Financial Assistance Scheme. In addition, your age would also make you ineligible for any assistance from the FAS as we believe you have plenty of time to make up the shortfall. Due to the priority orders some of your fund is being handed over to provide pensions for other members who I am sure are grateful to you.

We will be introducing a defined contribution scheme which may help you make up some of your losses. Contributions to this scheme are allowed to continue past your 65<sup>th</sup> birthday so that you can carry on working to replace your expected pension.

Please accept our sympathies over this matter, over which there will be no further discussion, as we cannot expect the taxpayer to continue to fund your deficit.

We wish you a long and healthy retirement, and thank you for your loyal service.

Yours Sincerely

IM A.L.L. RIGHT-JACK

*This may be a joke to you, but it's not to the 120,000 people who have lost their pensions!  
Please start supporting the Pensions Action Group campaign ([www.pensionstheft.org](http://www.pensionstheft.org)) to provide proper compensation to these victims as recommended by the Parliamentary Ombudsman and PASC and sign the all party EDM 241, as so many of your colleagues have already done following the debate on this subject in the House on December 7th.*

## **ECJ Hearing Date**

The European Court of Justice was asked last year by the High Court to adjudicate on the claim being brought by the unions Amicus and Community on behalf of workers at ASW who had lost their pension entitlement. We heard in the summer that the Advocate General had given the Court advice which was favourable to us, but no date was set for the final hearing. We now know that this will be held on 25th January in the 2nd Chamber so we should be able to bring you details of the outcome in our next issue.

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## **Solvent scheme news**

*By Richard Nicholl*

We have had notification from the DWP that the eligibility date for inclusion in the FAS, for what that is worth, has been extended to the 28th February 2007. That means if your company becomes insolvent before that date you may be eligible for assistance from the FAS. If your company is still solvent after that date you have entered No Man's Land as there is no protection or assistance available at all. You will not qualify for the PPF either.

It is important that you let your MP know about this, and push for an indefinite extension to FAS eligibility, as this will give us recognition. This lack of protection is a major headache for the government, as the EU Court's judgement may be influenced by any lack of protection, as demanded in Article 8, which the Unions case highlights.

Otherwise please make sure your local media is involved in the run up to the Judicial Review. January and early February are crucial months and we must gain as much publicity and awareness as possible.

Following several company closures our revised calculations now show that there are now only 20 'solvent company' schemes with about 5,000 people affected. Again push your MP to correct this injustice. The Ombudsman and the PASC found no distinction between solvent and insolvent company scheme members, so why does the DWP keep denying us any help?

Richard Nicholl

## **FAS reticence**

*By Peter Lapinskas*

We have been politely asking the FAS team to contribute an article to this newsletter about what they are up to for several months, but they have declined. However, they have said that they will try to answer any reader's questions which we send them. If you have a question send it to me at:

[newsletter@pensionstheft.org](mailto:newsletter@pensionstheft.org)

I will make sure that it gets to the FAS and will publish their response.

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## **Sign the petitions**

8,539 people have now signed the petition which Saga have set up on our behalf. If you haven't signed it yet, please do as this is the best opportunity we have to show the depth of feeling across the country. The target is 10,000 signatures so we're getting there - encourage all you family and friends to sign too! You can reach it here:

[www.petitiononline.com/Pensions/petition.html](http://www.petitiononline.com/Pensions/petition.html)

(Don't forget to click the "Preview your signature" button at the bottom of the page and then "Approve signature", otherwise your signature will not be registered.)

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## **Keep in contact**

If you would like to keep in touch with events as they happen, to chat and exchange notes with others in the same boat, why not join our email group? Full details at <http://tinyurl.com/ruams>

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## **Previous issues**

You can download previous issues of the newsletter from (inserting the number of the issue you want):

[www.pensionstheft.org/newsletters/newsletter01.pdf](http://www.pensionstheft.org/newsletters/newsletter01.pdf)

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