

CPF MEMBERS FORUM

www.cpfmembersforum.com

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Cheshire Pension Fund 2020/2021 Annual Report

The 2020/2021 CPF Annual Report has been published, six months after the end of the financial year [Annual Report 2020-21 - Cheshire Pension Fund](#) .

Our Members Forum is disappointed with this Annual Report :

- There is no proposal for an AGM for CPF members and pensioners
- The Communications Strategy does not plan to ask members for emails.
- CPF have made no commitment on divestment (either ESG or fossil fuels).
- Progress transferring funds to our pool LGPS Central is below average.

THERE IS NO PROPOSAL FOR A MEMBERS AGM

Other council funds hold AGMs and allow questions to the Councillors and Committee who run the fund and make investment decisions.

- Our Forum members prefer to see CPF invest our pensions for the future in UK infrastructure, for “Net Zero”, green energy, low-cost housing, WiFi networks, PPE and Health, and where possible to support Cheshire.
- Members are still disappointed that our fund still invests in arms, fossil fuels, short term financials, tobacco, gambling, gaming, social media, companies on the UNHR lists, and tax avoiders who use “offshore profit shifting”,
- No properties in the CPF property portfolio are in Cheshire, Warrington or Halton.

COMMUNICATIONS AND ENGAGEMENT STRATEGY

We have criticised past CPF Annual Reports, as the previous two years reprinted a Communications Strategy WITH EXACTLY THE SAME WORDING.

- The 2019/2020 version was a reprint, no new projects, and no updates on existing projects (Monthly Interfacing, Website, Member Self-Serve, etc).
- **However this Communications Strategy contained no projects at all for 2021/2022**, and is simply a repeat of the long list of CPF contacts.
- The 2021 appointment of a Communications Manager is not discussed.

CPF do not see understand that in 2022 organisations use IT, the internet, and email, for two way communication with members. CPF should use IT properly:

- Hold an AGM for the 105,000 members, recorded for the website.
- Ask pensioners for their email address, and use it to communicate.
- Set up discussion and feedback webpages for registered members of CPF.

DIVESTMENT

The CPF investment strategy rejects divestment, and remains the “engagement” option, in its carbon footprint to achieve Environmental, Social, Governance standards. [ESG and responsible investment \(www.gov.uk\)](#)

COP26 focussed worldwide attention on the funding institutions (banks, funds, pensions) to invest for Net Zero. Net Zero will mean divestment from fossil fuels. The GFANZ was one of the COP26 major outcomes. However:

- Our members are also concerned about tobacco, gambling, short term finance, shopping, social media, and investing not in UK Infrastructure
- We say that engagement is the far weaker option, is greenwash and sustainababble, a lengthy carbon footprint, future airy pledges, and joining a few groups and writing letters to companies.
- Serious pressure on companies will only happen with the direct challenge of divestment and then subsequent re-investing in new areas to ESG standards.

PROGRESS ON POOLING

In 2015 central government mandated “investment pooling” for LGPS funds in England and Wales. Funds had to agree to group together and set up a pooling company for their assets. This would lead to better investing in UK infrastructure, reduced costs and economies of scale. Each fund would own their pool, and manage their pool to build better investment fund options.

CPF became a shareholder of [LGPS Central](#) pool, with other council pension funds in the centre of England. Funds can still decide how much to transfer to their pool.

- [Introduction to the LGPS Local Government Pension Scheme](#)
- The June 2021 LGC conference was told the national average transferred by funds to their pools was “around half” as intended by central government.
- But the CPF 2020/2021 Annual Report shows only 12% had been transferred to LGPS Central at 31 March 2021 (Note 17a, page 100).
- There is little explanation of why CPF is so far behind the national average.
- However, note 17a also shows CPF invested over 27% of funds with Legal & General, which is a publicly quoted company, with shareholders, its own profit motive, and not subject to any of the pooling gains planned by government.

OUR MEMBERS FORUM

Cheshire Pension Fund is valued at £6.55 billion. It has over 105,000 members from over 300 councils and organisations within Cheshire West and Chester, Cheshire East, Warrington, and Halton. It is locally managed by ten councillors who mostly take guidance and advice from consultants.

We are sure that every resident and Council Tax payer would prefer our pensions to be invested sustainably in low-cost housing, green energy, IT networks and PPE and health, which would provide good local employment and sustainable development. Local investing will support Cheshire businesses and communities, boost our economies, support our families, and form part of the national “levelling-up” agenda.

We continue to campaign for an AGM, and for our pension fund to invest to ESG values (Environmental, Social, Governance) as a socially responsible fund. To give us a stronger voice with the fund, we ask current employees and members of CPF to join us. It is free, confidential, and has no commitment. All present staff are of course welcome - as it will be your pension one day.

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