

CPF MEMBERS FORUM

www.cpfmembersforum.com

PRESS RELEASE 27 (January 2022)

What happened in 2021, and what we think did not....

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 employees, pensioners, residents and Council Taxpayers would prefer our Cheshire funds to be invested here in low-cost housing, businesses, green energy, IT networks and PPE and health. All of these would provide good local employment and sustainable development, support Cheshire businesses and communities, boost our economy here, and form part of the “levelling-up” agenda.

Our independent Forum will continue our campaign for an AGM into 2022. After COP26, we also urge our Cheshire Pension Fund to move beyond greenwash and rhetoric in the “carbon footprint”, and to invest to proper Environmental, Social, and Governance values. This would mean divesting from fossil fuels.

Our 2021 Press Releases are all on www.cpfmembersforum.com

In January, our press release on “Vaccines or Rio Tinto Vandalism” highlighted

- CPF minimal investing in health during the COVID pandemic,
- Investing in Rio Tinto, as it had to apologise for its damage to aboriginal sites,
- BOTH when CPF publicised its lengthy 21 page “carbon footprint”

In February, FOE reported CPF invested £63million in fossil fuels. CPF shrugged that off as “the third lowest level of fossil fuel holdings of the 98 LGPS funds listed”

In March, CPF published the one annual online newsletter “Cheshire Chat” which we said was all graphics and simplistic information, all available elsewhere.

- Tucked away on page 10 it asked for applications to join the Pension Board.
- We now know CPF received no applications, so the Board was re-appointed.
- We say this confirms our view that the online Cheshire Chat is not widely read, is boring and uninspiring, and needs a radical review.
- Previous CPF consultations have received only single figure responses.
- The current CPF Business Plan is supposed to challenge “member inertia and lack of engagement” but clearly the Communications Strategy is not !.

In May we reported that “around half” nationally of the individual LGPS assets had been transitioned over to their investment pools, as intended by the 2015 legislation.

- However CPF had transferred just 12.4% over to our pool LGPS Central according to the 2019/2020 CPF Annual Report page 96, and retains 27% with Legal and General, a stock-exchange listed company.

In August we re-printed the “Investment Big Bang” letter from the PM and Chancellor to all pension and financial institutions on the need to invest in UK Infrastructure.

In September, CPF revised its carbon footprint, as did many other organisations in the run up to COP26. We said it updated CPF “sustaina-babble” but not any actions.

- It defended at length the strategy of “engagement” with companies.
- It did not consider “divestment” - especially from fossil fuels

In the Autumn run-up to COP26, there were three important reports from government encouraging “Green Investing” in the UK by UK financial institutions.

- The HM Treasury report “A Roadmap to Sustainable Investing”, said that “Aligning the financial system with a sustainable future will bring real benefits for the environment and society” and would “boost economic growth, create jobs, and level up the UK regions”.
- The DWP Climate and Investment consultation called for action, or finance and pension funds just make pledges, but continue as they have always done.
- The Parliamentary APPG for Local Government Pension Funds also identified funds using “engagement” as cover to avoid real action, saying **“cautious attitudes among some investment funds and their managers are standing in the way of the LGPS achieving a ‘just transition’ to net zero”**

In December, CPF published the 2020/2021 CPF Annual Report, but yet another Annual Report promised so little for members

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

For 2022 we will continue to campaign for an AGM, for our pensions to be invested to ESG values (Environmental, Social, Governance), and to be sustainable for the future.

Other council pension funds hold an AGM for members 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.
- Our members are disappointed that our councillors still invest in arms, fossil fuels, short term financials, tobacco, gambling, gaming, social media, the UNHR lists, and tax avoiders who use “offshore profit shifting”,
- No properties in the CPF portfolio are in Cheshire, Warrington or Halton.

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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