

# CPF MEMBERS FORUM

[www.cpfmembersforum.com](http://www.cpfmembersforum.com)

PRESS RELEASE 38 (October 2023)

At March 2023, Cheshire Pension Fund was valued at £6.25bn, with over 110,000 members, in over 300 employers in Cheshire, Warrington, and Halton. 10 councillors manage the fund. The 2022 / 2023 CPF Annual Report is expected by December.

## £16 bn INVESTED IN FOSSIL FUELS BY COUNCIL PENSION FUNDS

In October 2023 UK Divest published their analysis of the extent of investment in fossil fuels nationally by the 86 LGPS funds. The report [The Pensions Pipeline - UK Divest](#) shows:

- £16 billion of the Local Government Pension Scheme (LGPS) is invested in the fossil fuel industry, according to new analysis by Platform and Friends of the Earth.
- The Climate Change Committee warned this year that “expansion of fossil fuel production is not in line with Net Zero” calling on industries to move away from high-carbon developments.
- The total value of fossil fuel investments by local government pensions amounts to double the total market size of all renewable energy generation in the UK in 2022.
- It also exactly matches the £16 billion investment the UK Government is looking to unlock through its Levelling Up Fund.

The valuation in the UK Divest Pensions Pipeline report for 2022 for Cheshire Pension Fund was 2.24% (England average 3.95%). This meant £120m invested by CPF in fossil fuels.

## FINANCIAL EXCLUSIONS TRACKER and DIVESTING

A new database the [Financial Exclusions Tracker](#) has been published which can inform pension funds, investors, banks, the media and society about which corporations are being excluded by other investors globally.

The list will allow funds and investors to review companies as part of their due diligence for investment decisions, and has been built up internationally by NGOs. The list tracks companies which are being excluded globally by investors and banks for sustainability reasons, mostly for links to fossil fuels, weapons or tobacco.

Currently the list tracks over 4,500 companies that have been excluded by 87 financial institutions in 16 countries. Communities, councils, investors, and governments can use the list to identify companies with Environmental, Social, and Governance (ESG) risks.

CPF publishes some of its direct investments which can be matched against this FET database. In June 2023 a number of CPF investments are in the listings:

- CPF invested directly in Advanced Micro Devices (£7,070,631) and Tencent Holdings Ltd (£3,977,312)
- CPF have a further 40 pooled investments, valued at nearly £80 million, which others have excluded for ESG reasons.

In June, the Church Commissioners for England, which manages the Church of England's £10.3bn endowment fund, decided to exclude all remaining oil and gas majors from its portfolio, and will exclude all other companies primarily engaged in the exploration, production and refining of oil or gas, unless they are in genuine alignment with a 1.5°C pathway, by the end of 2023 [Church Commissioners for England to exclude oil and gas companies over failure to align with climate goals](#) )

The CPF policy remains “engagement” instead of divesting. CPF like most pension funds, banks and investors over the last few years, have produced statements about investments. But many “carbon footprints” and ESG statements are now widely being exposed as “greenwash” and “sustaina-babble” if funds do not use their financial power.

## **The DLUHC CONSULTATION : NEXT STEPS ON INVESTMENTS**

After five years of pooling, and as part of the Levelling Up agenda, this DLUHC consultation ended on 2 October. [LGPS Next steps on investments \(www.gov.uk\)](https://www.gov.uk/government/consultations/lgps-next-steps-on-investments)

- CPF have published their response at [Investment holdings | Members](#)
- CPF is one of the eight LGPS funds that own the LGPS Central pool.
- LGPS Central was shown in the DLUHC consultation (paragraph 9) as the pool with the least level of transfers: “Across the scheme as at March 2022 £145 billion or 39% of assets have been transferred to the pools with the percentage varying by pool from under 30% (LGPS Central) to over 80% (LPP)”.
- LGPS Central have not published a response [Consultation Responses LGPS Central](#)

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## **CPF MEMBERS FORUM**

Our Members Forum campaigns for three basic items for pensioners and members:

- an AGM or members meetings
- for CPF to collect our email addresses and use them to communicate
- for web based discussion pages so CPF managers discover members views.

At March 2023, the fund was valued at £6.25bn, with over 110,000 members, in over 300 employers in Cheshire, Warrington, and Halton. 10 councillors manage the fund.

The property portfolio [Investment holdings | Members](#) shows CPF do not own any buildings or property in Cheshire, Warrington or Halton. Additionally CPF is currently applying for planning permission to build 215 houses in Cheltenham !

Our members would prefer our pensions to be invested to ESG standards for our families and grandchildren, in UK infrastructure, for “Net Zero by 2050”, green energy, low-cost housing, insulation, WiFi networks, PPE and health. We also support local investing in communities, housing and businesses in Cheshire, Warrington and Halton.

CPF invest in fossil fuel companies, the banks that fund them, Russian banks, short term financial companies, tobacco, gambling, gaming, armaments, social media, companies on UNHR sanctions lists, the FAANGs, and others who avoid UK Corporation Tax.

Our CPF Members Forum does not want to micro manage any investments, but our members are disappointed that CPF policy remains “engagement” not “divestment”.

**To give us a stronger voice with Cheshire Pension Fund, we encourage all pensioners, current employees and members to join our CPF Members Forum. CPF do not recognise our Forum. To join is free, confidential, and with no commitment.**

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