

CPF MEMBERS FORUM

www.cpfmembersforum.com

PRESS RELEASE 39 (January 2024)

Our Review of Cheshire Pension Fund for 2023

In December CPF published the 2022/2023 Annual Report, eight months after the end of the financial year. [Annual Report 2022-23 | Cheshire Pension Fund](#) At March 2023, CPF was valued at £6.25bn, with over 110,000 members, in over 300 employers in Cheshire, Warrington, and Halton. A Committee of ten councillors manage the fund.

Our Members Forum had hoped for better communications from CPF during 2023. In this review of 2023 we look at the unchanged CPF Communications Strategy, an AGM for members, the lack of news from CPF in much of 2023, investments in fossil fuels, the transfer levels to LGPS Central pool, the CPF Property Portfolio with no property in Cheshire, and UK Investing for UK economic growth and returns.

THE COMMUNICATIONS STRATEGY WAS “CUT AND PASTE” FROM 2022

The Communications Strategy in the Annual Report is an exact copy of the previous year.

- CPF claim they want “member involvement” but cannot contact members by email.
- CPF should recognise that in 2024 all organisations use email and the internet for two-way communication with their members, clients or customers.
- This Strategy is the previous list of CPF contacts and statements, and therefore does not have new projects, or revise project dates, with nothing new for members.

THE LACK OF 2023 NEWS - [News | Cheshire Pension Fund](#)

There were no announcements on CPF News between April and November 2023

- CPF did not publish the names of the six new councillors on the CPF Committee after the May 2023 local elections.
- The new members of the CPF Board in 2023 were also not published for members.
- The DLUHC Consultation on LGPS Investing and Pooling was not mentioned.
- The recent FCA announcement on ending “greenwashing” was not publicised.

£120 MILLION INVESTED IN FOSSIL FUELS BY CHESHIRE PENSION FUND

In October 2023, UK Divest published details of about £16billion invested in fossil fuels by the 86 LGPS funds in England, see [The Pensions Pipeline - UK Divest](#)

- For CPF the figure reported was £120million in fossil fuels for 2022, or 2.24%
- There were repeated warnings from COP28, the CCC, the IPCC and the UNEP that investing in fossil fuels is not in line with Net Zero and reducing emissions.
- The England average was 3.95%, see our Press Release 38.
- The Financial Conduct Authority (FCA) have published PS23/16 guidance on anti-greenwashing and sustainability in investing due to come into effect in 2024.

MEMBERS AGM

Other council pension funds hold open AGMs, and allow questions to the Councillors who manage their fund and make investment decisions. We have questions such as:

- Why none of the properties in the CPF property portfolio are in Cheshire, Warrington or Halton, the areas covered by members our families and our employers.

- Why CPF still has a planning application to build 215 houses in Cheltenham, not Cheshire for low-cost housing, as we know we have a housing crisis
- Why CPF invests in tobacco, but Cheshire East runs Smoking Cessation Projects
- Why we do not invest more of our pensions for the future in UK infrastructure, for “Net Zero”, green energy, insulation, low-cost housing, WiFi networks, PPE and Health, and where possible to support Cheshire.
- Our members are disappointed that our pensions are invested 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”,

100% POOLING BY MARCH 2025

The outcome of the DLUHC 2023 consultation on investments is that all LGPS funds will transition 100% of funds to their pool by 2024/2025.

- Our Press Release 36 showed the transition to the LGPS Central pool.
- This 2022/2023 Annual Report (p31) shows a transfer of 28.8%.
- Previous levels were 19.5% for FY 2021/2022, and 16.8% for 2020/2021.
- Page 104 shows investments of 20.7% with Legal and General, a publicly quoted company, with shareholders, its own profit motive, and so not subject to the cost savings and UK investments envisaged by the government from pooling.

UK INVESTMENTS AND UK RETURNS

The 2023 DLUHC consultation also confirmed that LGPS funds will invest more in the UK infrastructure, for “Levelling Up”, for UK growth, and for the future.

- The 2022/2023 Annual Report (p140) shows CPF invested 22% of funds in the UK and these generated 89% of investment income.
- The remainder invested globally, generated 11% of investment income.
- Our Press Release 37 showed that for the last five years the fund has invested about 20% of CPF assets in the UK, generating about 80% of investment income.
- We questioned why the fund invests about 80% of our pensions globally, missing out on better returns, as well as not supporting the UK economy.

WHY WE FORMED CPF MEMBERS FORUM

Our members say they prefer our pensions to be invested sustainably for the long term in areas such as infrastructure, and that residents and council tax payers agree with us. Local investing would also support Cheshire businesses and communities, boost our economies, support our families, and form part of the national “levelling-up” agenda.

At March 2023, the CPF fund was valued at £6.25bn, with over 110,000 members, in over 300 employers in Cheshire, Warrington, and Halton. It is locally managed by ten councillors, with outside consultants. CPF do not recognise our Members Forum

We will continue our campaign for an AGM, and for our pensions to be invested to ESG values (Environmental, Social, Governance) as a socially responsible pension fund for local government employees and pensioners. We ask current employees and members of CPF to join us and help give a stronger voice with CPF. It is free, confidential, and has no commitment. Present employees are also welcome - it will be your pension one day !

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