

# CPF MEMBERS FORUM

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

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## 2024 Cheshire Pension Fund - Consultations

CPF have announced two consultations which will close on 15 May 2024

- **The Responsible Investment Policy**
- **The Climate Change Strategy**
- See **[Responsible Investment Policy and Climate Change Strategy](#)**

We hope pensioners, members, councillors and residents will respond to this consultation.

Previous CPF consultations have received few responses, because CPF do not send details to all pensioners, either by post or by email.

1. The CPF 2020 consultation on Responsible Investment attracted just 8 responses.
2. Its 2024, but CPF have never collected our emails so cannot email pensioners.
3. **April 2024 payslips have been posted, but did not mention this consultation.**
4. The latest Pensioner News has not yet been publicised in CPF News links, these consultations are mentioned on page 3. [News | Cheshire Pension Fund](#)

### WHY WE FORMED CPF MEMBERS FORUM

Our main campaign is for an AGM for members, which other similar funds hold. In Cheshire our pensions are managed by ten councillors, advised by outside consultants.

CPF do not recognise our Members Forum. Our members say they prefer our pensions to be invested sustainably for the long term in areas such as infrastructure, and think that residents and council tax payers agree with us. Local investing would support Cheshire jobs, businesses and communities, boost our economies, support our families, and form part of the national “levelling-up” agenda.

### OUR VIEW ON THE REVISED “RESPONSIBLE INVESTMENT POLICY”

“Responsible Investment” should also include tobacco, gambling, tax-avoiders, low-pay employers, Russia, FAANGs, finance, armaments, social media, animal testing, etc, not just climate and emissions. The CPF property portfolio, or investing in UK infrastructure for growth, are not mentioned. This policy should contain specific targets and areas where CPF will invest, such as the UK, Cheshire, housing, IT systems, health, green energy and home insulation. Little has changed from earlier versions of the CPF Responsible Investment Policy

This lengthy and wordy policy claims to apply “long-term thinking” and to be “evidence based”. But the document provides no evidence, examples or links to show that the current policies of “engagement” and “stewardship” are working anywhere. The policy has little detail or direction, just a list of ideas, promises, reviews, considerations, and undertakings.

1. It is dominated by fiduciary duty and “engagement” to somehow encourage change.
2. The alternative should be divesting, looking to the future and revising investments.
3. This draft continues CPF’s focus on financial returns.
4. The [FMLC Pension Fund Trustees and Fiduciary Duties](#) assessment is “that sustainability factors can, and should, be considered under fiduciary duty”

5. CPF also define ESG here solely in terms of climate change, we think other areas such as tobacco, gambling, and finance should be included.
6. The registered charity ShareAction promotes the positive potential of the investment system. Their guidelines [ShareAction | Why Responsible Investment](#) say that over 80% of UK adults want their money to do some good as well as provide a financial return. They point out that “the finance sector is a key lever to achieving successful and sustainable outcomes for people and planet.”
7. In 2023 the FCA introduced new rules on greenwashing by funds. This revision only implies in general terms what CPF might do in the longer term.

## **OUR VIEW ON THE REVISED “CLIMATE CHANGE STRATEGY”**

On page 1 the strategy states **“As a long-term asset owner, the Fund would like to see stable, well-functioning and sustainable markets which will foster long-term value creation and sustainable returns.”**

But we now know 2023 was the warmest year ever, and the UN IPPCC and the UK CCC show climate change is not a future possibility, but is here now. We think this sentence shows how CPF see climate change as a problem it would rather not have to deal with. Climate Change will not go away to give CPF managers and advisers an easier life.

1. The global finance system is funding and subsidising the current climate crisis.
2. This revised CPF strategy is also full of “aims”, “intends”, and “seek to”.
3. Engagement, by the pool LGPS Central, is still preferred over divesting.
4. CPF invest indirectly in the LGPS Central “Climate Fund”, which has at least £70 million invested in fossil fuel companies such as Shell, BP, Exxon, and Rio Tinto.
5. The phrase “stranded assets” does not appear once in these policies.

Share Action [ShareAction | Reforming the rules](#) have published their research and proposals for pension reform, on the current attitudes of pension fund managers, green investing, and the risk of stranded assets. **“All future pensioners will directly benefit from collective efforts to prevent damaging climate change and nature destruction, which would de-value their retirement savings and undermine future well-being.”**

## **CPF MEMBERS FORUM**

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. The latest CPF investment holdings for September 2023 are listed at [Investment holdings | Members](#) but these do not show details of all the indirect funds that CPF in, which CPF they say they have no control over.

CPF do not recognise our Members Forum and our campaign for an AGM, and for our pensions to be more widely invested to ESG values (Environmental, Social, Governance). Our members think it is particularly important that our pension fund for local government employees and pensioners is socially responsible, and supports our local communities.

We encourage current pensioners and members of CPF to join our campaign and help give us a voice with CPF. Our Members Forum is free, confidential, and has no commitment. Present employees are also very welcome - it will be your pension one day !

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