gmpf

Tameside Metropolitan Borough

GMPF
2023 Annual Report











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Chair's introduction

Welcome to the 2022/23 Annual Report of the Greater Manchester Pension Fund (GMPF).

Over the past few years the GMPF, along with much of the world, has been tested in a manner that has been unprecedented in our lifetimes. Just as the darkest days of the coronavirus pandemic looked to be behind us, we were faced with the spectre of major armed conflict in Europe for the first time in a generation.

The prospect of a 21st century Cold War, and the new dynamics of conflict and disruption that could entail, will only further endanger human life, exacerbate global tensions, and threaten the coordinated action necessary to take on existential challenges such as the climate crisis. Furthermore, the systems of international markets and governance that pension funds operate in cannot function without cooperation, peace and stability. As an organisation, our thoughts remain with the people of Ukraine and we pledge to do whatever we can to support a swift, peaceful and just end to hostilities.

Closer to home, households and businesses across the country spent much of last year grappling with a toxic combination of soaring inflation and a cost of living crisis. Following the infamous "mini Budget" at the end of last year, pension funds found themselves in the news as a result of massive volatility in the markets and intervention from the Bank of England.

I know that the GMPF has heard concerns from many of our members about what the current economic context means for their pensions, so I want to take the opportunity to set the record straight here. As an open and long-term scheme, our member's pensions are not affected by the vagaries of the stock market. On the contrary, our pension promises are set out in black and white through written legislation and calculated solely on pay and service.

We are keenly aware that pensions are critical to many of our members as they navigate their way through the cost of living crisis. I am therefore pleased to advise that, as of the drafting of this report, the total value of the Fund stands at almost £30 billion. Over the past 12 months, our robust investment performance has also allowed our actuaries to make a number of decisions that will benefit our members and contributing employers.

Firstly, as of April 2023, our pensions increased by 10.1% in line with the cost of living in order to maintain their spending power. This increase is based on the September to September adjustment in the Consumer Price Index (CPI) and there is no limit on the increase that will be applied year-on-year if inflation remains high in future years. Secondly, we have proposed sustainable cuts to contribution rates, meaning that all local authority pools stand to benefit from a reduction equivalent to a 1-2% cut in council tax. This is a significant effort by the fund to keep costs down at a time of high inflation, and it shows clearly how our high investment performance translates into having more money available for front line services delivered by our employers across Greater Manchester.

Period	Main fund return % pa	Benchmark return % pa
2022/23	1.8	0.3
5 years	6.4	5.9
10 years	7.6	7.1
25 years	7.0	6.3

I'm also delighted to announce that over the course of last year our performance was once again recognised by a number of national and global pension organisations. To give just a few examples, in April the GMPF and its infrastructure partnership, GLIL, were shortlisted for no less than four awards at the Pension Age Awards, with GLIL walking away with the award for Specialist Sector Alternatives Manager of the Year. This is a great achievement and reflection on the Fund given its significant involvement in this vital and growing sector.

Furthermore, the GMPF was also declared joint winners for the Investment and Pensions Europe (IPE) 2022 UK Pension Fund of the Year Award, as well as being shortlisted for the Public Sector Pension Fund Award. I was particularly happy to see that the judges acknowledged the flexibility of the GMPF's "impact portfolio". This pioneering vehicle aims to bring the benefits of investing to Greater Manchester and the North West, with an emphasis on health and wellbeing, improving education and skills, sustainable living, renewable energy, job creation and safeguarding.

We were also recognised for our social responsibility and our commitment to homeless charities and social housing sectors. This includes a recent investment of £20 million in the National Homelessness Property Fund, which acquires properties and leases them to the social housing sector and homelessness charities to provide safe, high-quality and energy-efficient homes to individuals and families at risk of housing insecurity or rough sleeping. The fund's managers hope to use the capital raised from the GMPF and other investors to acquire approximately 1,500 homes and house around 7,500 people over the fund's 15-year timeline.

It is in this context of the GMPF's proven world-class standard of responsible asset allocation and decision making that I want to turn to our approach to net zero and a just transition.

What is indisputable is that the climate crisis is the greatest challenge we face, not just as a pension fund but as a planet. The only question on the table is how we face that challenge and manage the transition into a more sustainable economic model.

This is a vast and complex question, and it deserves a vast and complex answer. In developing our solutions the GMPF, as with all pension funds, is bound by its fiduciary duty to meet its obligations to our members while guaranteeing value for money to the employers and taxpayers who underwrite liabilities. Our belief has always been that the best way to square this circle is to reject the blunt instrument of shock therapy divestment in favour of robust and active shareholder engagement as the most effective vehicle for delivering the change we need.

Here are just a few examples of where we've turned those words into action. Even at this early stage in the fight against the climate crisis, the Fund's investments already produce more power through renewables than they do from coal and oil, and our active equity holdings are 20% less carbon intensive than the average pension fund. The GMPF is also the biggest direct local government pension investor in renewable energy and energy efficiency, with nearly a billion pounds allocated in a number of areas including biomass and wind farm assets. This includes investment in Anglian Water, Forth Ports and the Clyde Wind Farm through the GLIL Infrastructure platform. Looking forward, the Fund remains resolutely committed to the 2030 interim emissions reduction target in line with the Intergovernmental Panel on Climate Change's 1.5 degree pathway to reduce carbon intensity by 50% by 2030 versus the 2019 benchmark, and to triple our investment in climate solutions over the course of the next decade.

We've also taken steps to make sure that we can be held accountable for our actions and decisions. GMPF was one of the first UK funds to be approved as a signatory to the Financial Reporting Council's UK Stewardship Code. This requires institutional investors to be transparent about their investment processes, engage with investee companies and vote at shareholder's meetings. We were successful in being approved again this year followed a rigorous auditing process. In December last year, the 2021 Responsible Asset Allocator Initiative Leader's List, which grades the top 634 asset allocators across 98 countries with a combined fund of $36 trillion, also ranked GMPF the world's 35th most responsible investor.

As always, I want to finish by giving my best wishes to our members, and my sincere thanks to our staff and advisors for their continued diligence and professionalism. At the end of another challenging year in pensions and the world in general, I am confident that the GMPF's long term approach is well placed to meet the challenges and grasp the opportunities ahead of us.

Thank you.

Gerald P Cooney

Greater Manchester Pension Fund (Chair)
Cllr Gerald Cooney

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Management structure

Tameside Metropolitan Borough Council (TMBC) became Greater Manchester Pension Fund's (GMPF) administering authority in 1987, and established a management structure, which is still the backbone of the operation today.

Pension Fund Management Panel

The Management Panel carries out a similar role to the trustees of a pension scheme. They are the key decision makers for:

- investment strategy
- monitoring investment activity and performance
- overseeing administrative activities
- guidance to officers in exercising delegated powers.

Each local authority within Greater Manchester is represented on the Management Panel, as is the Ministry of Justice.

Pension Fund Advisory Panel

The Pension Fund Advisory Panel works closely with the Management Panel and advises them in all areas. Each local authority is represented on the Advisory Panel, and there are six employee representatives nominated by the North West TUC.

The members of the Panels as at 31 March 2023 are listed on the following page.

Local Board

The GMPF Local Pensions Board was established early in 2015 and became operational from April 2015. The role of the Local Board is to assist TMBC in its role as administering authority, in particular, to assist with:

- securing compliance with the Regulations, any other legislation relating to the governance and administration of the Scheme, and requirements imposed by the Pensions Regulator in relation to the Scheme; and
- ensuring the effective and efficient governance and administration of the Scheme.

External advisors

Three external advisors assist the Advisory Panel, regarding investment related issues.

The advisors are:

RS Bowie, Guardian Partner, Hymans Robertson

P Moizer, Professor and Dean of Business School, University of Leeds

M Powers, Retired Investment Manager

Management Panel

Councillor GP Cooney	*Tameside (Chair)*
Councillor J North	*Tameside (Deputy Chair)*
Councillor O Ryan	*Tameside (Vice Chair)*
Councillor J Drennan	*Tameside*
Councillor J Lane	*Tameside*
Councillor C Patrick	*Tameside*
Councillor S Quinn	*Tameside*
Councillor VP Ricci	*Tameside*
Councillor J Taylor	*Tameside*
Councillor D Ward	*Tameside*
Councillor P Andrews	*Manchester*
Councillor M Barnes	*Salford*
Councillor D Butt *(from 19.10.22)*	*Trafford*
Councillor A Cowen	*Bolton*
Councillor K Cunliffe	*Wigan*
Councillor J Grimshaw	*Bury*
Councillor A Jabbar	*Oldham*
Councillor P Massey	*Rochdale*
Councillor L Smart	*Stockport*
P Herbert	*Ministry of Justice*

Advisory Panel

Councillor GP Cooney	*Tameside (Chair)*
Councillor P Andrews	*Manchester*
Councillor M Barnes	*Salford*
Councillor D Butt *(from 19.10.22)*	*Trafford*
Councillor A Cowen	*Bolton*
Councillor K Cunliffe	*Wigan*
Councillor J Grimshaw	*Bury*
Councillor A Jabbar	*Oldham*
Councillor P Massey	*Rochdale*
Councillor L Smart	*Stockport*

Employee representatives

G Blackburn	*UNISON*
S Caplan	*UNISON*
K Drury	*UNITE*
A Flatley	*GMB*
F Llewellyn	*UNITE*
J Thompson	*UNITE*

Fund Observers

Councillor JN Pantall	
Councillor J Taylor *(from 19.07.22)*	*Stockport*

Local Board

Employer representatives

Councillor W Fairfoull	Tameside (Chair)
Councillor J Naylor	Tameside
M Cullen	Representative of GM Treasurers
P Entwistle *(from 07.10.22)*	Representative of GM Monitoring Officers
J Hammond *(to 05.10.22)*	Representative of GM Monitoring Officers
P Taylor	Representative of non-local authority employers

Scheme Member representatives

C Goodwin	UNITE
C Lloyd	UNISON
M Rayner	UNISON
D Schofield	GMB
P Catterall *(to 30.04.22)*	Pensioner representative

Working Groups

GMPF has three permanent working groups which consider particular areas of its activities and make recommendations to the Management Panel. Activities include overall governance, investment monitoring, administration, funding, viability and risk considerations.

- Policy and Development
- Investment Monitoring and Environmental, Social and Governance (ESG)
- Administration, Employer Funding and Viability

Frequency of meetings

The Panels and working groups typically meet quarterly, where the performance of GMPF's active investment managers is reviewed. Managers attend the Investment Monitoring and ESG working group annually to report on corporate governance and responsible investment matters.

Officers to GMPF 2022/2023

The Director of Governance and Pensions is GMPF's administrator and acts as the link for members, advisors and investment managers between meetings.

The Chief Executive and the Director of Governance and Pensions provide legal and secretarial services to the Management and Advisory Panels. The Section 151 Officer, TMBC, is responsible for the preparation of GMPF's Statement of Accounts.

S Pleasant MBE	Chief Executive, (Head of Paid Service), Tameside MBC (to June 2022)
SJ Stewart	Chief Executive, (Head of Paid Service), Tameside MBC (from June 2022)
	Director of Governance and Pensions and Solicitor to the Fund, Section 5 Monitoring Officer, Tameside MBC
K Roe	Director of Finance, GMPF's Section 151 Officer to the Fund during the period of completion of the accounts, Tameside MBC (from April to December 2022)
S Fair	Director of Finance, GMPF's Section 151 Officer to the Fund during the period of completion of the accounts, Tameside MBC (from January to March 2023)

Consulting Actuary

GMPF's Consulting Actuary is Hymans Robertson.

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Attendance and training 2022/23

The following section shows attendance at the various Management Panel and working group meetings and includes a list of training events and conferences attended.

Member name	Management Panel	Working Groups		
Councillor G Cooney - Chair (Tameside MBC)	15 July 2022 16 September 2022 2 December 2022 24 March 2023	**Policy and Development** 23 June 2022 8 September 2022 23 November 2022 2 March 2023		
Councillor J North - Deputy Chair (Tameside MBC)	15 July 2022 16 September 2022 2 December 2022 24 March 2023	**Investment Monitoring & ESG** 7 October 2022 20 January 2023	**Administration, Employer Funding & Viability** 29 July 2022 7 October 2022 20 January 2023	**Policy & Development** 8 September 2022 23 November 2022
Councillor O Ryan - Vice Chair (Tameside MBC)	16 September 2022 2 December 2022 24 March 2023	**Investment Monitoring & ESG** 7 October 2022 20 January 2023	**Administration, Employer Funding & Viability** 7 October 2022 20 January 2023	**Policy & Development** 23 June 2022 8 September 2022 23 November 2022 2 March 2023
Councillor J Drennan (Tameside MBC)	15 July 2022 16 September 2022 2 December 2022 24 March 2023	**Investment Monitoring & ESG** 7 October 2022 20 January 2023	**Administration, Employer Funding & Viability** 7 October 2022 20 January 2023	
Councillor J Lane (Tameside MBC)	15 July 2022 16 September 2022 2 December 2022	**Investment Monitoring & ESG** 29 July 2022 7 October 2022 20 January 2023		
Councillor S Quinn (Tameside MBC)	15 July 2022 16 September 2022 2 December 2022	**Investment Monitoring & ESG** 29 July 2022 7 October 2022 20 January 2023	**Administration, Employer Funding & Viability** 29 July 2022 7 October 2022 20 January 2023	
Councillor V Ricci (Tameside MBC)	15 July 2022 16 September 2022 2 December 2022 24 March 2023	**Investment Monitoring & ESG** 8 April 2022 7 October 2022 20 January 2023	**Administration, Employer Funding & Viability** 8 April 2022 7 October 2022 20 January 2023	
Councillor J Taylor (Tameside MBC)	15 July 2022 16 September 2022 2 December 2022 24 March 2023	**Administration, Employer Funding & Viability** 29 July 2022 7 October 2022 20 January 2023		
Councillor D Ward (Tameside MBC)	24 March 2023	**Investment Monitoring & ESG** 8 April 2022 20 January 2023		
Councillor C Patrick (Tameside MBC)	15 July 2022 16 September 2022	**Administration, Employer Funding & Viability** 8 April 2022 29 July 2022 20 January 2023		
Councillor L Smart (Stockport MBC)	15 July 2022 16 September 2022 2 December 2022 24 March 2023	**Investment Monitoring & ESG** 29 July 2022 7 October 2022 20 January 2023		

Member name	Management Panel	Working Groups		
Councillor P Massey (Rochdale MBC)	15 July 2022 16 September 2022 2 December 2022 24 March 2023	**Investment Monitoring & ESG** 29 July 2022 7 October 2022 20 January 2023	**Administration, Employer Funding & Viability** 29 July 2022 7 October 2022 20 January 2023	
Councillor J Grimshaw (Bury MBC)	15 July 2022 16 September 2022 2 December 2022 24 March 2023	**Administration, Employer Funding & Viability** 8 April 2022 7 October 2022 20 January 2023		
Councillor M Barnes (Salford MBC)	15 July 2022 2 December 2022	**Investment Monitoring & ESG** 8 April 2022 20 January 2023		
Councillor K Cunliffe (Wigan MBC)	16 September 2022 2 December 2022			
Councillor A Jabbar (Oldham MBC)	2 December 2022	**Investment Monitoring & ESG** 8 April 2022 29 July 2022 20 January 2023	**Administration, Employer Funding & Viability** 8 April 2022 29 July 2022 20 January 2023	
Councillor D Butt (Trafford MBC)	2 December 2022 24 March 2023	**Investment Monitoring & ESG** 20 January 2023	**Administration, Employer Funding & Viability** 20 January 2023	
Councillor P Andrews (Manchester CC)	15 July 2022	**Investment Monitoring & ESG** 29 July 2022 7 October 2022 20 January 2023	**Administration, Employer Funding & Viability** 29 July 2022 7 October 2022 20 January 2023	
Councillor A Cowen (Bolton MBC)	15 July 2022 16 September 2022 2 December 2022 24 March 2023	**Investment Monitoring & ESG** 7 October 2022	**Administration, Employer Funding & Viability** 29 July 2022 7 October 2022 20 January 2023	
Ms Petula Herbert (Ministry of Justice Representative)	15 July 2022 16 September 2022 2 December 2022 24 March 2023	**Policy & Development** 23 June 2022 8 September 2022 23 November 2022		
Mr Ken Drury (UNITE)	15 July 2022 2 December 2022 24 March 2023	**Investment Monitoring & ESG** 8 April 2022 29 July 2022 7 October 2022 20 January 2023	**Administration, Employer Funding & Viability** 8 April 2022 29 July 2022 7 October 2022 20 January 2023	
Mr Frank Llewellyn (UNITE)	15 July 2022 16 September 2022 2 December 2022 24 March 2023	**Investment Monitoring & ESG** 8 April 2022 29 July 2022 7 October 2022 20 January 2023	**Administration, Employer Funding & Viability** 8 April 2022 29 July 2022 20 January 2023	
Mr John Thompson (UNITE)	15 July 2022 16 September 2022 2 December 2022 24 March 2023	**Policy & Development** 23 June 2022 23 November 2022 2 March 2023		
Mr Alan Flatley (GMB)	15 July 2022 16 September 2022 24 March 2023	**Investment Monitoring & ESG** 8 April 2022 29 July 2022 7 October 2022 20 January 2023	**Administration, Employer Funding & Viability** 29 July 2022 20 January 2023	

Member name	Management Panel	Working Groups		
Mr Scott Caplan (UNISON)	15 July 2022 16 September 2022 2 December 2022	**Investment Monitoring & ESG** 8 April 2022 7 October 2022 20 January 2023		
Ms Gale Blackburn (UNISON)	15 July 2022 16 September 2022 2 December 2022 24 March 2023	**Administration, Employer Funding & Viability** 8 April 2022 20 January 2023		
John Pantall (Independent Observer)	15 July 2022 2 December 2022 24 March 2023	**Investment Monitoring & ESG** 8 April 2022 29 July 2022 7 October 2022 20 January 2023	**Administration, Employer Funding & Viability** 7 October 2022 20 January 2023	**Policy & Development** 23 June 2022 8 September 2022 23 November 2022 2 March 2023
Councillor J Taylor (Stockport – Independent Observer)	16 September 2022 2 December 2022 24 March 2023	**Administration, Employer Funding & Viability** 29 July 2022 7 October 2022 20 January 2023	**Policy & Development** 8 September 2022 23 November 2022 2 March 2023	
Councillor S Hartigan (Bolton MBC)	**left Management Panel prior to July 2022**	**Investment Monitoring & ESG** 8 April 2022	**Administration, Employer Funding & Viability** 8 April 2022	
Councillor P Joinson (Rochdale MBC)	**left Management Panel prior to July 2022**	**Investment Monitoring & ESG** 8 April 2022	**Administration, Employer Funding & Viability** 8 April 2022	
Councillor A Mitchell (Trafford MBC)	**left Management Panel prior to July 2022**	**Investment Monitoring & ESG** 8 April 2022	**Administration, Employer Funding & Viability** 8 April 2022	
Councillor M Smith (Tameside MBC)	**left Management Panel prior to July 2022**	**Investment Monitoring & ESG** 8 April 2022		
Councillor T Sharif (Tameside MBC)	**left Management Panel prior to July 2022**	**Administration, Employer Funding & Viability** 8 April 2022		

Notes

- Councillor P Joinson was replaced by Councillor P Massey from July 2022
- Councillor S Hartigan was replaced by Councillor A Cowen from July 2022
- Councillor J Taylor (Stockport Council) was appointed as an independent observer from July 2022
- Councillor A Mitchell left Management Panel at the end of 2021/22 municipal year and was replaced by Councillor D Butt from October 2022
- Councillor M Smith left Management Panel at the end of 2021/22 municipal year
- Councillor T Sharif left Management Panel at the end of 2021/22 municipal year

Conferences/Training Events Attended

Member name	Conference/Event					
John Pantall	PLSA Investment Conference, Edinburgh 22-25 May 2022	UBS – ESG Factors in decision making 15 July 2022	PLSA Annual Conference – ACC, Liverpool 13 October 2022	UBS Trustee Training, Manchester 14 November 2022	SPS Local Authority Conference 16 November 2022	Net Zero Infrastructure Investing 6 December 2022
John Pantall (continued)	SPS Annual Bonds Conference 12 January 2023	PI Roundtable Real Estate Roundtable 7 February 2023	Club Vita Webinar: What Happened in 2022? 9 February 2023	SPS Local Authority Pension Fund Investment: Current Issues Update 14 March 2023	PLSA Webinar Implementing TPR's new Code of Practice 28 March 2023	
Councillor A Cowen	UBS – ESG Factors in decision making 15 July 2022	LGA Fundamentals Day 1 – Virtual 18 October 2022	LGA Fundamentals Day 2 – Virtual 22 November 2022	LGA Fundamentals Day 3 – Virtual 20 December 2022		
Councillor G Cooney	UBS – ESG Factors in decision making 15 July 2022	UBS Trustee Training, Manchester 14 November 2022	LAPFF Annual Conference, Bournemouth 7-9 December 2022			
Councillor J North	UBS – ESG Factors in decision making 15 July 2022	UBS Trustee Training, Manchester 14 November 2022				
Councillor D Ward	UBS Trustee Training, Manchester 14 November 2022					
Councillor V Ricci	UBS – ESG Factors in decision making 15 July 2022	UBS Trustee Training, Manchester 14 November 2022				
Councillor J Drennan	UBS – ESG Factors in decision making 15 July 2022	UBS Trustee Training, Manchester 14 November 2022				
Councillor S Quinn	UBS – ESG Factors in decision making 15 July 2022	UBS Trustee Training, Manchester 14 November 2022				
Councillor J Lane	UBS – ESG Factors in decision making 15 July 2022	UBS Trustee Training, Manchester 14 November 2022				
Councillor J Grimshaw	UBS – ESG Factors in decision making 15 July 2022	UBS Trustee Training, Manchester 14 November 2022				
Councillor L Smart	UBS – ESG Factors in decision making 15 July 2022	UBS Trustee Training, Manchester 14 November 2022				
Councillor M Barnes	UBS – ESG Factors in decision making 15 July 2022	UBS Trustee Training, Manchester 14 November 2022				
Councillor D Butt	UBS Trustee Training, Manchester 14 November 2022	LGA Fundamentals Day 2 – Virtual 22 November 2022	LGA Fundamentals Day 3 – Virtual 20 December 2022			

Member name	Conference/Event					
Councillor P Massey	**UBS – ESG Factors in decision making** 15 July 2022	**UBS Trustee Training, Manchester** 14 November 2022				
Councillor O Ryan	**UBS – ESG Factors in decision making** 15 July 2022					
Councillor J Taylor	**UBS – ESG Factors in decision making** 15 July 2022					
Councillor C Patrick	**UBS – ESG Factors in decision making** 15 July 2022					
Councillor P Andrews	**UBS – ESG Factors in decision making** 15 July 2022					
Scott Caplan	**UBS – ESG Factors in decision making** 15 July 2022	**UBS Trustee Training, Manchester** 14 November 2022				
Ken Drury	**UBS – ESG Factors in decision making** 15 July 2022	**UBS Trustee Training, Manchester** 14 November 2022				
Frank Llewellyn	**UBS – ESG Factors in decision making** 15 July 2022	**UBS Trustee Training, Manchester** 14 November 2022				
Alan Flatley	**UBS – ESG Factors in decision making** 15 July 2022	**UBS Trustee Training, Manchester** 14 November 2022				
Gale Blackburn	**UBS – ESG Factors in decision making** 15 July 2022	**UBS Trustee Training, Manchester** 14 November 2022				
Petula Herbert	**UBS – ESG Factors in decision making** 15 July 2022					
John Thompson	**UBS – ESG Factors in decision making** 15 July 2022					

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GMPF Local Pension Board

Report of Councillor Bill Fairfoull, Chair, GMPF Local Pension Board

The Greater Manchester Pension Fund (GMPF) Local Pension Board (the Board) was established following the 2013 Pensions Act, which required all public sector pension schemes to set up representative local pension boards by 1 April 2015.

The formal remit of local pension boards is to assist the administering authority to secure compliance with all regulations and legislation, and to help ensure the effective and efficient governance and administration of the scheme.

Local pension boards do not have executive powers. We can scrutinise compliance with regulations and call GMPF Officers or the GMPF Management and Advisory Panel to account, but we are not a decision-making body. We aim to focus our discussions on providing scrutiny to the Management Panel's decision-making processes and providing input from a scheme member and employers' perspective.

We ensure compliance with all relevant legislation and regulations. We contribute to the effective and efficient governance and administration of the scheme. We also assist in implementing any new requirements imposed by the Pensions Regulator in relation to the scheme.

We have a duty to report any material breaches of law to the Pensions Regulator, and we have adopted a standardised policy and procedure to deal with these situations should they occur. It's a function we take very seriously to ensure the best standards of administration and governance for GMPF.

Board membership

The makeup of the Board is determined by Regulation 107(2) of the Act, which states that local pension boards are required to contain an equal number of employer and scheme member representatives. Due to the large number of members and employers participating in GMPF and the scale of assets it holds, we have five scheme representatives and five employer representatives.

The members of the Board at 31 March 2023 and their attendance record at Board meetings during 2022/2023 is shown in the table below. We seek to meet on a quarterly basis and had four meetings in 2022/2023.

Local Pension Board Meeting Dates and Attendance			
7 April 2022	**28 July 2022**	**6 October 2022**	**13 January 2023**
Cllr B Fairfoull - Chair	Cllr B Fairfoull - Chair	Cllr B Fairfoull - Chair	Cllr B Fairfoull - Chair
M Cullen	M Cullen	Cllr J Naylor	Cllr J Naylor
P Taylor	P Taylor	P Taylor	M Cullen
C Lloyd	M Rayner	M Rayner	P Taylor
J Hammond	C Lloyd	D Schofield	M Rayner
P Catterall	C Goodwin	C Lloyd	D Schofield
	J Hammond	P Entwistle	C Lloyd
			P Entwistle

- Pat Catterall left the Local Pension Board 20 April 2022, position currently vacant as of writing.
- Jayne Hammond left the Local Pension Board 5 October 2022.
- Paul Entwistle joined the Local Pension Board 6 October 2022.

The minutes of meetings, including from previous years, can be found on the [Tameside Metropolitan Borough Council website].

The Board has an annual budget of £55,110. During the 2022/23 year, the costs of the Board were £50,217.

Local Pension Board member development

The Public Service Pensions Act 2013 requires that members of local pension boards have an appropriate level of knowledge and understanding in order to carry out their role. The structure and membership of the Board has been designed to try and ensure there is a broad range of knowledge and experience in all relevant areas.

The Board periodically analyses its level of knowledge and understanding, both on an individual member basis and on a collective basis and training is focused in the areas where improvements can be made to the knowledge and understanding of the Board as a whole.

The table below shows attendance of Board members at training events over the last year. In addition, Board members have completed the Pension Regulator's Public Service Toolkit.

Conference and Training Events Attendance	
Member name	**Event**
Mark Rayner	**UBS – ESG Factors in decision making** 15 July 2022
Councillor Fairfoull	**UBS Trustee Training, Manchester** 14 November 2022
Councillor Naylor	**UBS Trustee Training, Manchester** 14 November 2022
Michael Cullen	**UBS Trustee Training, Manchester** 14 November 2022
Catherine Lloyd	**UBS Trustee Training, Manchester** 14 November 2022

Both the Board and the GMPF Management Panel see great benefits in a close working relationship between the Board and the Panel and a culture of openness and transparency between the two bodies.

Board members are encouraged to attend the GMPF Management Panel meetings and to read the Management Panel's reports. The Board considers relevant Panel reports in detail at Board meetings and commissions additional reports from GMPF Officers as appropriate.

The minutes for each Board meeting are noted at the subsequent Management Panel meeting.

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Local Pension Board Annual Review

Key Achivements

- Completed 2022 Actuarial Valuation
- Decreased contribution rates for all Local Authorities
- Helped navigate a tumultuous time in the markets
- Improved timeliness of employer contributions
- Reviewed employer compliance against their obligations
- Expanded our internal ill health insurance arrangement to cover more employers

When 2022-2023 commenced I certainly didn't foresee that we would have three Prime Ministers, four Chancellors of the Exchequer, the return of high inflation and upheaval in the gilts market. I can confidently say that this year has been one of my most fast-paced as Chair of the Local Board.

There are many points I could dwell on regarding this past year's events. However, I feel compelled to talk about inflation and the 'cost of living crisis'. The pensions we provide to members are a central component of their total income in retirement. The Local Board took a keen interest in the revaluation of pensions and how these are uprated with the Consumer Prices Index (CPI) to ensure that pension benefits maintain their real purchasing power. In the LGPS, benefits usually increase in April in line with the previous September's CPI figure. This meant that LGPS benefits increased by a substantial 10.1% in April 2023, which is the largest anyone on the Local Board has witnessed and the largest since adoption of the 2014 LGPS scheme.

Beyond the frenetic events of 2022-2023, we also conducted our 2022 actuarial valuation. We must perform an actuarial valuation every three years in accordance with the LGPS Regulations. At its simplest, the valuation process determined the funding position of GMPF as at 31 March 2022 and contribution rates for each participating employer from 1 April 2023. All LGPS funds in England and Wales undertook actuarial valuations during this time. The Local Board provided a critical eye over the assumptions and results to ensure that the valuation outcomes furthered GMPF's funding objectives as codified in the Funding Strategy Statement. It was a positive valuation with over 88% of employers seeing their employer contribution rates decrease or stay the same. All Local Authorities and their pooled employers had their contribution rates reduced.

A few years ago, GMPF created its own internal ill health insurance arrangement with the aim of removing the risk to employers of being faced with an unaffordable 'strain cost' following one of their employees retiring due to serious ill health. It pleases me that this year we've had a raft of new employers join our internal ill health insurance arrangement which will protect more participating employers from ill health costs.

As the largest LGPS fund we expect to work closely with the Pensions Regulator and aim to be leaders in demonstrating the quality of LGPS governance and administration and the value of Local Pension Boards. We have been eagerly awaiting the release of the Pensions Regulator's new Single Code of Practice. To that end we have undertaken a gap analysis to ensure that we are able to comply with the new code from day one. Until the Single Code of Practice is released, we will continue to monitor the controls that GMPF has in place such as the monitoring of pension contributions and consider whether any breaches flagged up by these controls are likely to be of material significance to the Pensions Regulator as specified by the current codes of practice in force.

Finally, I would like to extend my thanks to all members of the Board for their valuable contributions over the past year. On behalf of the Board I would also like to thank the GMPF Management Panel, officers and advisors for their continued support and assistance.

Cllr Bill Fairfoull

Chair of the GMPF Local Pension Board

Annual Report 2023

Top 20 equity holdings

1	Shell	£362 million
2	BP	£265 million
3	Astrazeneca	£232 million
4	Glencore	£219 million
5	HSBC Holdings	£218 million
6	3i Group	£179 million
7	Glaxosmithkline	£140 million
8	Unilever	£119 million
9	Novartis	£114 million
10	Barclays	£114 million
11	Tesco	£113 million
12	Prudential	£113 million
13	TotalEnergies	£112 million
14	Sanofi	£106 million
15	Infineon Technologies	£100 million
16	Melrose Industries	£93 million
17	Easyjet	£90 million
18	Natwest Group	£88 million
19	Anglo American	£87 million
20	Microsoft Corporation	£85 million

Major holdings

Greater Manchester Pension Fund publishes a list of all its equity holdings each year, following the completion of its external audit.

This list can be found on GMPF's website at: www.gmpf.org.uk/about/how-does-GMPF-Invest

Annual Report 2023

Investment report

Investment management

Management of Greater Manchester Pension Fund's (GMPF) assets is determined within the context of the Local Government Pension Scheme (Management and Investment of Funds) Regulations 2016. These require GMPF to have regard to both the diversification and suitability of its investments and to take proper advice in making investment decisions.

During 1994, the Management Panel decided to separate GMPF's assets into two distinct parts – a Main Fund and a Designated Fund – in order to reflect a major difference between most of GMPF's employers and that of a small number of employers in their liability profiles. The Designated Fund is used for employers who have a very high proportion of pensioner liabilities.

At 31 March 2023, the total Fund value was £29.426 billion. Of this total, £28.573 billion was held in the Main Fund whilst £852 million was held in the Designated Fund, all of which was invested across a broad spread of assets.

The majority of the Designated Fund investments are passively managed by Legal & General Investment Management, whilst the bulk of the cash portfolios are managed internally.

During the course of 2000/01 an extensive review of the external management arrangements of the Main Fund was undertaken and culminated in the adoption of a Fund specific benchmark. UBS Asset Management (UK) act as an active manager and Legal & General Investment Management act as a passive manager. UBS manage a securities portfolio investing in equities, fixed interest and index linked bonds on a multi-asset discretionary basis, whilst Legal & General manage a multi-asset indexed securities portfolio.

In 2014 the Management Panel reaffirmed its decision to introduce two new mandates, a global equity mandate and a debt/credit mandate. The global equity mandate was awarded to Ninety One (formally Investec Asset Management Ltd) and was funded in 2015. The debt/credit mandate was awarded to Stone Harbor Investment Partners and was funded in 2017.

In 2018 the Management Panel adopted recommendations which established a Factor Indexing allocation and portfolio within the Main Fund. Funded in 2019, the portfolio comprises investments in Global Equity (developed markets) tracking a Scientific Beta index with UBS as replicator.

All of GMPF's external managers are signatories to the Scheme Advisory Board's Transparency Code in relation to costs, and the information obtained is used by GMPF for cost benchmarking purposes.

GMPF published a Core Belief Statement in 2009 setting out the key underlying beliefs of the Management Panel in relation to investment issues and GMPF's overall approach to investment matters. These beliefs were reviewed in 2018 and provide the bedrock rationale underpinning GMPF's investment activity. The Core Belief Statement can be found at the back of this report.

The chart on page 22 summarises the management arrangements for the Main Fund at the end of the year.

Custody of financial assets and banking

GMPF uses an independent custodian – currently Northern Trust – to safeguard its financial assets and the rights attaching to those assets. The Custodian is responsible for the safe keeping of GMPF's financial assets, the settlement of transactions, income collection, overseas tax reclamation and other administrative actions in relation to the investments.

GMPF's banker is Royal Bank of Scotland.

The remaining comments and results in this Investment Report relate solely to the Main Fund.

Investment strategy

In December 2000 the Panel adopted a GMPF specific benchmark, which defines the proportion of the Main Fund to be invested in each asset class.

Each year the Management Panel reviews the Main Fund's investment strategy restrictions for the coming year. The benchmark in place at the end of 2022/23 is summarised in the charts on page 22.

Each of the asset managers has been given a specific benchmark reflecting their perceived skills and the relative efficiency of markets. UBS is given a range for each asset class allowing them to make tactical asset allocation decisions. Ninety One and Stone Harbor are relatively unconstrained against Global Equity and absolute return benchmarks respectively.

GMPF's target allocations to private equity, private debt and infrastructure funds are each 5% of Main Fund value which, during the year, were implemented by new commitments to specialised funds of £110 million in private equity funds, and £85 million in Infrastructure funds. The allocation to the 'Special Opportunities Portfolio' (SOP) is limited at 5% of Main Fund value. Current realistic benchmark allocations for private equity, private debt, infrastructure funds and SOP are 5%, 3.5%, 4% and 2% respectively.

GMPF targets local investment through the Property Venture Fund and other allocations. Such local investment is restricted to 5% of Main Fund value.

The following statements can be found later in this report by clicking on the hyperlinks below. These are also available in hard copy on request:

• Funding Strategy Statement	This statement sets out how the Management Panel balances the conflicting aims of affordability, stability and prudence in the funding basis and is fully compliant with statutory guidance.
• GMPF Governance Policy and Compliance Statement	GMPF is required to maintain and publish a Governance Policy and a Governance Compliance Statement detailing its governance arrangements.
• Core Belief Statement	This statement sets out the underlying beliefs of the Management Panel in relation to investment issues.
• Investment Strategy Statement	GMPF is required to maintain and publish an Investment Strategy Statement detailing its investment arrangements and is fully compliant with statutory guidance.
• Responsible Investment Policy	This policy sets out GMPF's approach to Responsible Investment activities and includes information on its implementation and GMPF's commitments to reporting and accountability.
• Communications Policy	This policy outlines how GMPF communicates and engages with all its stakeholders.
• Pension Administration Strategy	This strategy recognises that for administration costs to be minimised, and the mutual service to the member be maximised, employers and the administering authority must cooperate closely.

Management Arrangements

Total Main Fund
£28,573 million

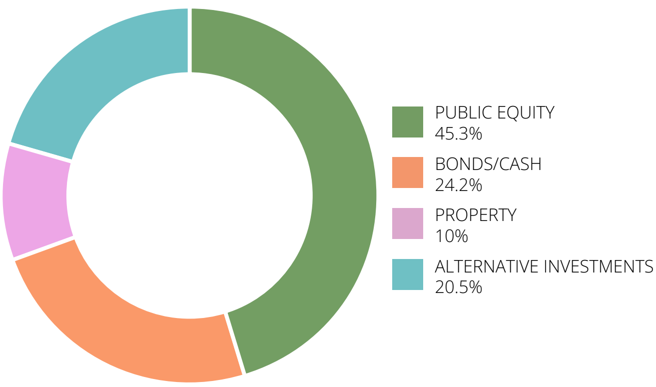
Externally managed	**£19,254 million**
Securities Portfolio	
UBS	£9,816 million
SciBeta	£2,650 million
Legal & General	£2,693 million
Ninety One	£1,875 million
Stone Harbor	£1,412 million
Property	
Schroders	£489 million
APAM	£103 million
Avison Young	£216 million

Internally managed	**£7,797 million**
Cash & Alternatives	£5,690 million
Property	£2,107 million

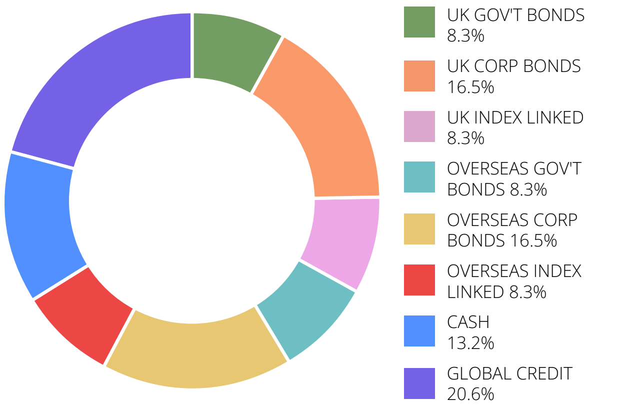
Northern LGPS Vehicles	**£1,522 million**
NPEP	£539 million
GLIL	£983 million

Benchmark Asset Allocation

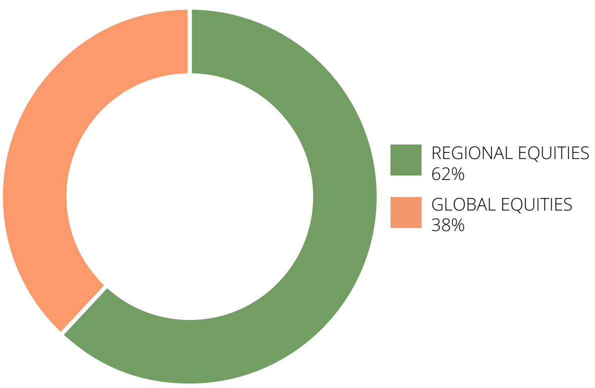
Major asset class split



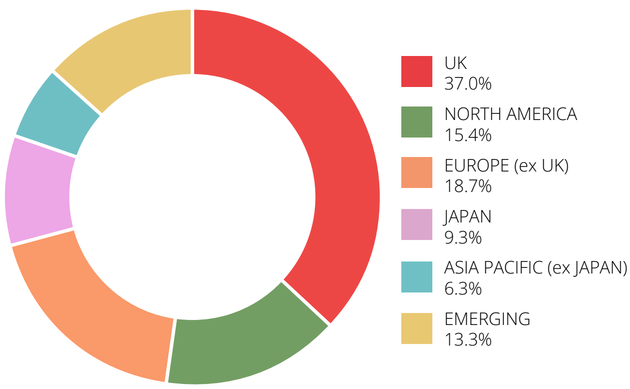
Bonds/cash split



Regional/Global equity split



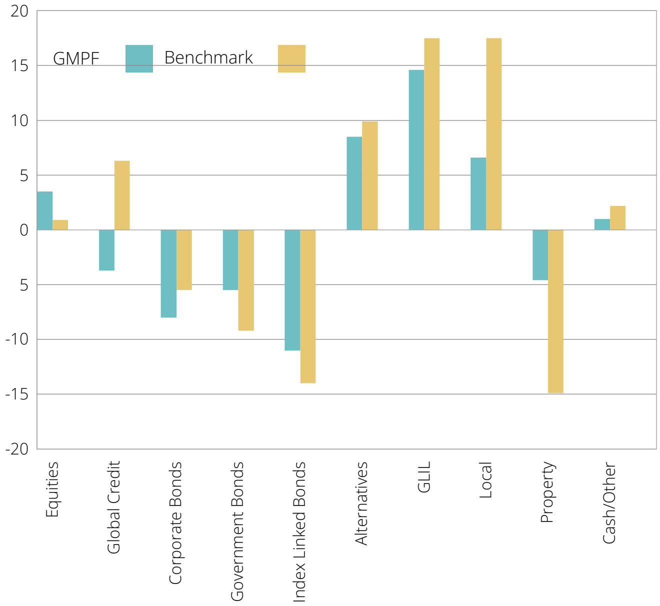
Regional equity split



Investment Returns

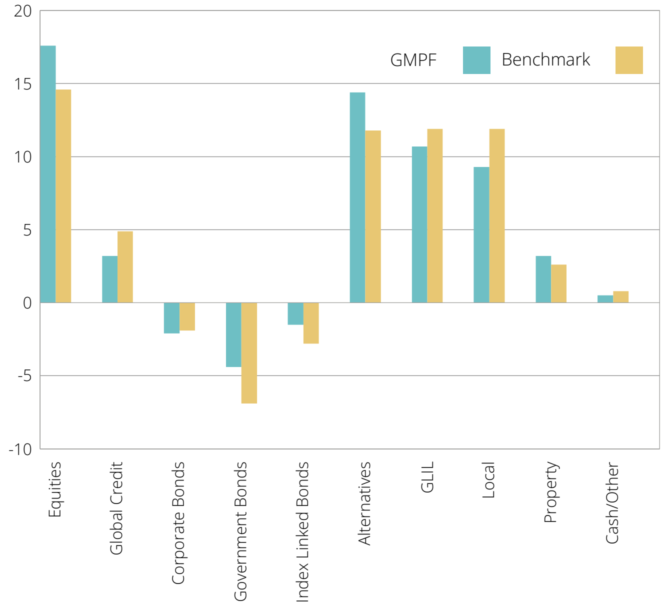
INVESTMENT RETURNS (%)

1 Year ended 31 March 2023



INVESTMENT RETURNS (%)

3 Year ended 31 March 2023



Performance for periods over one year is annualised

Performance

The graphs on this page compare the return achieved by the Main Fund with the benchmark index return in each of the main investment categories during the year, three years and five years to 31 March 2023.

The year saw both positive and negative returns within the categories, with the highest returns being achieved in Alternatives, GLIL and Local.

The Main Fund realised a return of 1.8% during the year, and outperformed the benchmark index in Equities, Government Bonds, Index Linked Bonds, and Property, but underperformed the benchmark in Global Credit, Corporate Bonds, Alternatives, GLIL, Local and Cash.

The three year results saw both positive and negative returns within the categories, with the highest returns being achieved in Equities, Alternatives, GLIL and Local.

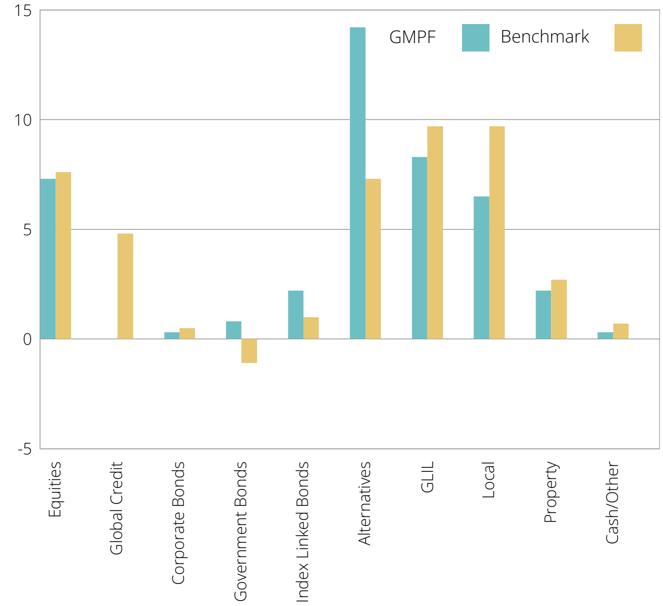
The Main Fund realised a return of 11.4% per year for the three year period, and outperformed the benchmark index in Equities, Government Bonds, Index Linked Bonds, Alternatives, and Property, but underperformed the benchmark in, Global Credit, Corporate Bonds, GLIL, Local, and Cash.

The five year results saw positive returns within the categories, with the highest returns being achieved in Equities, Alternatives, GLIL and Local.

The Main Fund realised a return of 6.4% per year for the five year period, and outperformed the benchmark in Government Bonds, Index Linked Bonds, and Alternatives, but underperformed the benchmark in Equities, Global Credit, Corporate Bonds, GLIL, Local, Property, and Cash.

INVESTMENT RETURNS (%)

5 Year ended 31 March 2023



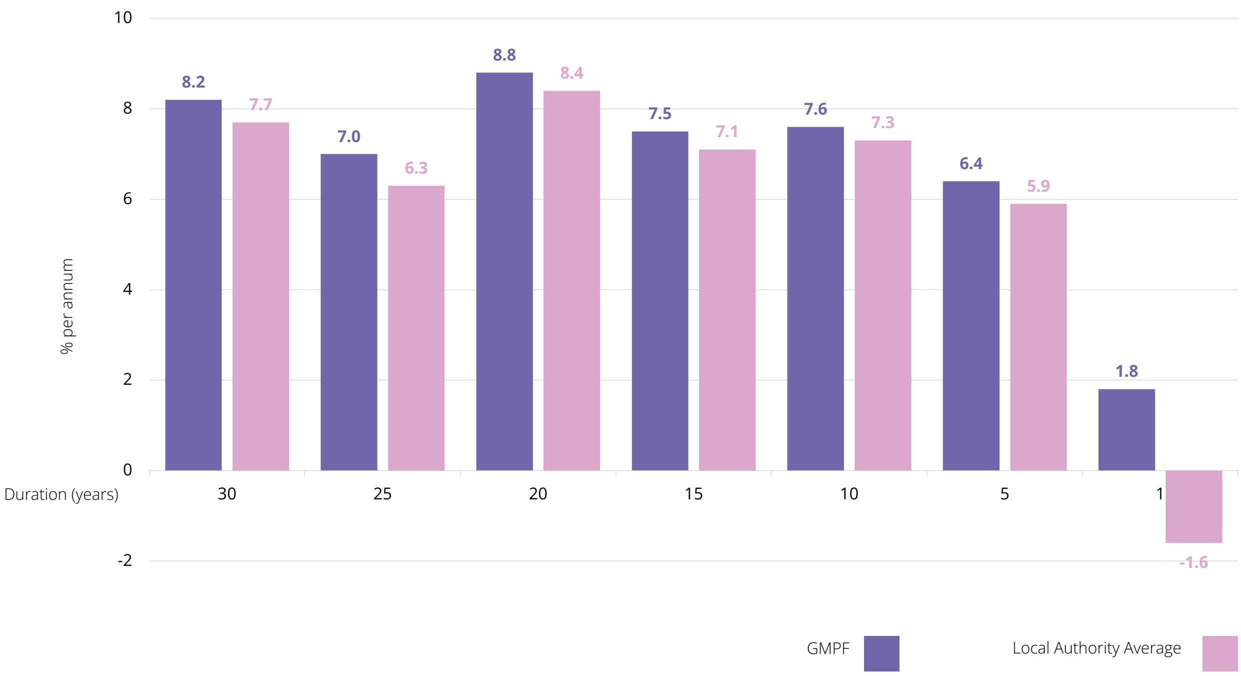
Performance for periods over one year is annualised

Pension Fund Returns

Greater Manchester Pension Fund (GMPF) subscribes to PIRC's Local Authority Pension Performance Analytics Service in order to assess its performance relative to other funds which operate under the same regulations. The graph on this page looks at the Main Fund's performance as compared to the local authority average over various durations extending between 1 year and 30 years. Over the periods of 1, 5, 10, 15, 20, 25 and 30 years the Main Fund has outperformed the average local authority and has ranked fourth, fourteenth, fourteenth, eleventh, eighth, third and second of such funds, respectively.

PENSION FUND RETURNS

PIRC Local Authority Survey - Financial years to 31 March 2023

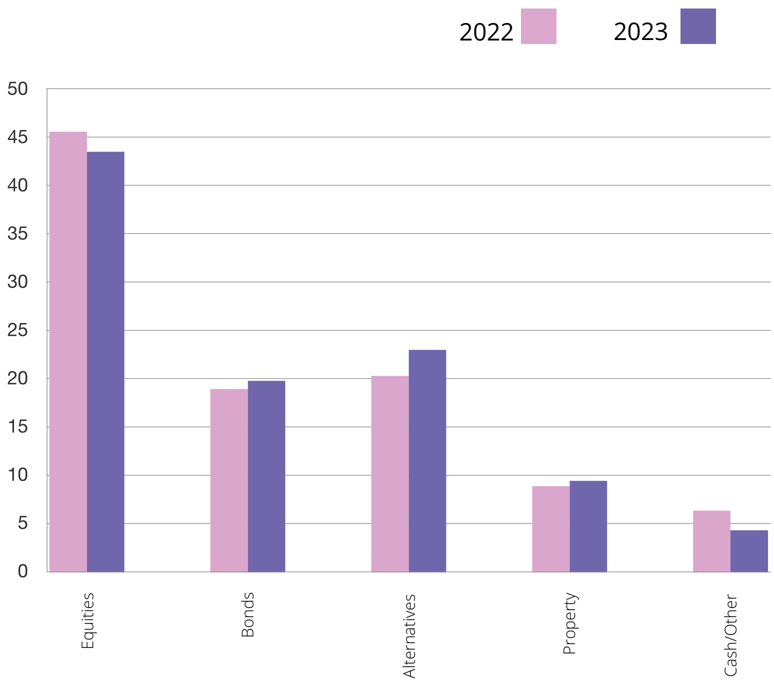


2nd 3rd 8th 11th 14th 14th 4th

GMPF's rank within Local Authority funds

PORTFOLIO DISTRIBUTION (%)

Market value at 31 March

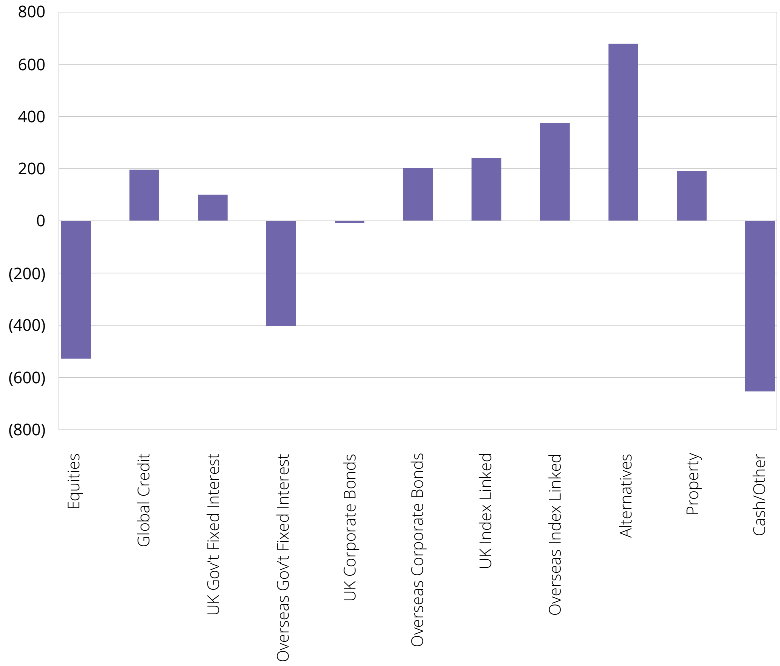


Portfolio Distribution

The distribution of assets across the main investment categories within the Main Fund changes as a result of the investment strategy followed by the managers and the performance achieved within each investment category. These changes are shown, on a market value basis, in the graph top left.

NET INVESTMENT (£m)

Year ended 31 March 2023



Net Investment

The graph bottom left shows the net effect, on a market value basis, of the total investment activity of the Main Fund during the year, based on the Panel's restrictions. As can be seen, there has been a switch out of Equities, Overseas Fixed Interest and Cash/Other, predominately into UK Index Linked, Overseas Index Linked and Alternatives.

Quoted Equities - PageGroup

Established in 1976, FTSE 250 PageGroup provides recruitment services and career opportunities on a local, regional, and global level. With a presence in 37 countries with more than 135 global offices and employing over 9,000 people, PageGroup has grown to become one of the world's best known and most respected recruitment consultancies.

The business operates four key brands: *Page Executive, Michael Page, Page Personnel and Page Outsourcing* and provides permanent, contract and temporary recruitment across all levels of the jobs market.

PageGroup is committed to promoting equal opportunities and inclusion in the workplace, as an employer, a provider of services, and through its suppliers. PageGroup has been recognised as a Disability Confident Leader and one of Britain's Most Admired Companies 2022 for its commitment to diversity, equity and inclusion. Its dedicated Diversity, Equity & Inclusion Client Solutions team, which is led by specialist consultants with lived experience of diversity, actively works with clients to support more people with a disability into employment.

In 2020, PageGroup set out a sustainability strategy to drive purposeful impact and demonstrate its long-term commitment to the environment, society, and governance. This strategy is linked to the United Nations Sustainable Development Goals and reflects PageGroup's commitment to tackling climate change and delivering meaningful social impact. The company's successes in this regard are actively measured against transparent targets in place, and progress on these is published on the PageGroup website and within its annual Sustainability Report.

PageGroup publishes its climate related disclosures annually in accordance with recommendations from the Task Force for Climate-related Financial Disclosures (TCFD). Its sustainability vision includes the ambition to become operationally Net Zero by 2026 alongside a focused plan to reduce emissions which concentrates on six key areas comprising renewable powered offices; electric vehicles (EV) adoption; reducing business travel; encouraging a low carbon community and homeworking; transitioning to a low-carbon supply chain; and raising awareness and changing behaviours.

PageGroup achieved a 'B' CDP Discloser rating in 2022 and was recognised as *ESG Regional Top Rated* by Sustainalytics in 2023, alongside being awarded a *BBB* rating by the leading MSCI ESG rating agency. PageGroup has also been awarded global ISO 27001 accreditation – assurance of the highest recognised standards of data and information security in the world.

Page Group

Annual Report 2023

Economic background

Economic background year to 31 March 2023

Overview

The year to 31 March 2023 was characterised by volatile financial trading conditions, the root cause of which was the persistence of inflation, which resulted in unusually rapid central bank tightening. Despite this, interest rates in most of the developed world remained below trailing measures of inflation at the end of March 2023. Markets expect inflation to moderate rapidly over the next year or two and consequently expect central banks to start cutting rates later in the year. Shifts in perception about the likely path of interest rates are a potential source of further volatility in the year ahead.

The rapid rise in interest rates led to episodes of localised financial turmoil, which are discussed further in the text. The origins of turbulence in the gilt market in the wake of the Liz Truss budget in October 2022 lay in the fact that risk models had not allowed for such a large rise in gilt yields in such a short period. Similarly, a key factor behind the failure of Silicon Valley Bank in America was the fall in the value of its portfolio of US Treasuries, which resulted from the change in the outlook for interest rates to far higher levels than had previously been expected.

Developed market bond prices ended the financial year considerably lower than at the start of April 2022, reflecting the fact that interest rate expectations had risen considerably. The performance for equity market regions was, however, more mixed. While US equities moved lower, European and Japanese equities finished the financial year overall higher than at the start. European equities fell in the first three quarters of 2022 against the background of war in the Ukraine and sharply higher energy prices as Russian energy imports were curtailed. However, by the fourth quarter, against a background of lower gas and oil prices, fears of a severe headwind to growth were easing.

In China, Covid related lockdowns and policy constraints on the real estate sector contributed to stock market underperformance until the end of October 2022. As discussed further below, since then restrictions related to Covid have eased and policy has become more supportive for the real estate sector. Nevertheless, the stock market still had not recovered all lost performance by 31 March 2023.

Key Economic and Market Events

Global stock markets fell sharply in June with the US market falling 8% for the month and 16% for the quarter. Eurozone equities fell 9% in June amidst mounting concerns about gas supplies from Russia. This was a particular worry for Germany, the region's largest economy, with its industrial base being heavily reliant on Russian gas. More defensive markets fared better with the UK market, with its heavy weighting towards value sectors, falling 5% in June. China was the sole exception to falling equity markets with the MSCI China index returning 6% in June and 4% for the quarter as expectations continued for a rebound in Chinese stocks during the second half of the year.

The main reason for the weak sentiment was concern that persistently high inflation would lead to aggressive central bank tightening and undermine consumer spending. In the US inflation rose by 8.6% in May year-on-year, disappointing expectations that price pressures had already peaked. The US Federal Reserve (Fed) raised rates by 75 bps in June, the largest hike since 1994. The European Central Bank (ECB) also tightened policy and in July signalled plans to increase rates for the first time since 2011.

In the UK, the Bank of England (BoE) raised rates by 25 bps to 1.25%, its fifth consecutive hike, taking the base rate to its highest level in 13 years. The increase came as consumer price inflation rose to 9.1% for May year-on-year, the fastest rate in 30 years. The growth outlook also weakened. Minutes from the BoE's Monetary Policy Committee showed that it expected GDP to contract 0.3% in the quarter to June.

Equities and bonds continued to fall in September, amidst concern that high inflation would lead central banks to continue to raise interest rates. The S&P 500 ended the quarter with a loss of 5%, marking the longest run of quarterly losses since 2009. The Chinese market lost 30% for the quarter as hopes for a vigorous economic recovery receded amidst the property crisis and continued Covid lockdowns.

On 30 September, Vladimir Putin announced the annexation of four regions in south-eastern Ukraine and vowed to use 'all means' to defend the territory. The UN warned that the annexation represented a 'dangerous escalation' and undermined the potential for peace talks. The conflict continued to increase market volatility, energy insecurity, and risks for economic growth.

In the UK, the BoE raised interest rates by 50 bps at its September policy meeting, taking its key interest rate to 2.25%. With inflation running at 9.9% the BoE cut its growth forecasts anticipating a GDP contraction of 0.1% in the quarter. It was against this backdrop that Liz Truss succeeded Boris Johnson as prime minister in September. As part of a 'mini budget' shortly after taking office, the new government announced a wide-ranging fiscal package that included £45 billion in unfunded tax cuts. This prompted concerns about the UK's fiscal trajectory and UK assets sold off heavily. The pound fell to an all-time low against the US dollar and the yield on 30-year gilts rose above 5% for the first time since 2008. In response to the market turmoil, and with signs of contagion spreading, the BoE announced that it would intervene in the gilt market buying 'on whatever scale was necessary to restore orderly market conditions.' Gilt yields fell in the wake of the BoE's announcement but continued to be volatile.

Global equities lost ground in December, as worries about the pace of central bank tightening resurfaced. The largest decline was in the S&P 500, with a total fall of 6%. Japan was also one of the biggest losers for the month after the Japanese central bank surprised markets by saying it would tolerate a higher yield on 10-year government bonds. The MSCI Japan lost 5.2%. More defensive markets fared better, with the MSCI UK giving a negative total return of 1%. Europe was the best performing region with a total return of 13%, as the Eurozone proved more resilient than expected in the face of declining supplies of Russian energy.

In the US, the Fed raised interest rates by 50 bps on 14 December, taking the federal funds target range to 4.25-4.5%. It also signalled its intention to continue raising rates. Economic data suggested that higher interest rates were starting to impact the economy. In particular, the housing market turned sharply lower, with home sales down 35% year-on-year in November.

In the UK, the BoE raised rates by 50 bps to 3.5%, following the broader global trend toward slowing the pace of tightening after a 75 bps hike in November. However, the policy committee warned that further increases 'may be required for a sustained return of inflation to target' and said that it would 'respond forcefully' if inflationary pressures started to look more persistent. Inflation slowed from a 41 year high in October of 11.1%, to 10.7% in November. In the three months to October average pay, excluding bonuses, increased at an annual rate of 6.1% and whilst this was lower than inflation it was still inconsistent with the BoE's inflation target.

In China, the government moved faster than expected to unwind its zero Covid policy. Policymakers downgraded Covid management controls and scrapped quarantine and testing requirements for inbound travellers from January 2023. Covid was renamed as an 'infection' (from 'pneumonia') to reflect Omicron variants' reduced severity. Several major cities started to reopen and infections were expected to peak within weeks.

The focus for investors in March was the health of the banking system. Market sentiment was weakened by the collapse of two banks in the US, Silicon Valley Bank and Signature Bank, which forced US regulators to take urgent action to restore confidence. A week later UBS announced that it would acquire Credit Suisse, in a move that the Swiss regulator said would 'ensure stability for the bank's customers and the financial centre'. These concerns contributed to a sharp fall in government bond yields, with investors assuming economic headwinds from the banking system would lead to central bank rate rises ending sooner than expected. The yield on the 2-year US Treasury, which hit a peak of 5% before the turmoil in the banking sector, ended the month at 4%.

Equity markets also gained in March, pointing to confidence that regulators had acted with sufficient speed and force to prevent a full blown banking crisis. Global stocks (MSCI All Country World index) delivered a total return of 3% for the month and a gain of 7% over the quarter. In the UK, economic growth was better than feared, although the outlook remained muted. Incoming data pointed to the UK economy finishing the first quarter of 2023 roughly flat or a little higher, similar to the December quarter. Lower energy prices helped, as did the ongoing resilience of the labour market.

Despite the banking sector turmoil, the inflation threat remained. US monthly core CPI inflation, excluding food and energy, rose to 0.5% in February from 0.4% in January. In the Eurozone, annualized core inflation increased from 5.6% in February to 5.7% in March. The Fed raised policy rates by 25 bps in March, and the ECB delivered a 50 bps hike. Looking ahead, central banks need to consider how to balance their battle with inflation against increased risks to growth and financial stability.

Private Equity

Greater Manchester Pension Fund (GMPF) has been an investor in private companies through pooled partnership vehicles for over four decades and currently has interests in over one hundred active partnerships, creating a portfolio that is very well diversified by stage of investment - from early-stage growth investments to large buyout investments – and by geography – with portfolio companies spread across the United Kingdom, Continental Europe, North America and Asia.

In 2018, the three funds that comprise Northern LGPS formed Northern Private Equity Pool (NPEP), a joint venture that combines the private equity investing activities of the three funds. In the 12 months to 31 March 2023, through its involvement in the NPEP joint venture, GMPF added six funds to its portfolio, representing total commitments of approximately £110 million.

At the end of 2019, Northern Private Equity Pool took a significant step towards its objectives through the establishment of a co-investment partnership with a leading global alternatives asset manager aimed at reducing the costs of private equity investment through partnering more directly with its preferred managers in certain transveviewed and completed.

The Private Equity portfolio was valued at approximately £2.0 billion at 31 March 2023. 2022 ended a decade long run of gains for the portfolio reflecting weakness in asset valuations more broadly. Notwithstanding this, percent per annum rates of return for mature funds invested in during the last decade have been approximately 20% led by software and related digital businesses, healthcare investments and business services.

The economic outlook and the environment for corporate finance has changed materially in the last 18 months with inflation at rates not seen for several decades, interest rates that have increased at a startling pace and, of course, Russia's invasion of Ukraine all creating a challenging environment for investment returns. After a decade and more as one of the highest returning asset classes, Private Equity returns may well moderate quite significantly in the near future as these adverse developments feed into business valuations.

Northern Private Equity Pool LP (NPEP)

Private equity has been one of the best performing asset classes over recent decades and has been an area of successful investment for all Northern Local Government Pension Scheme (LGPS) funds, who are each amongst the most well-established private equity investors in the UK.

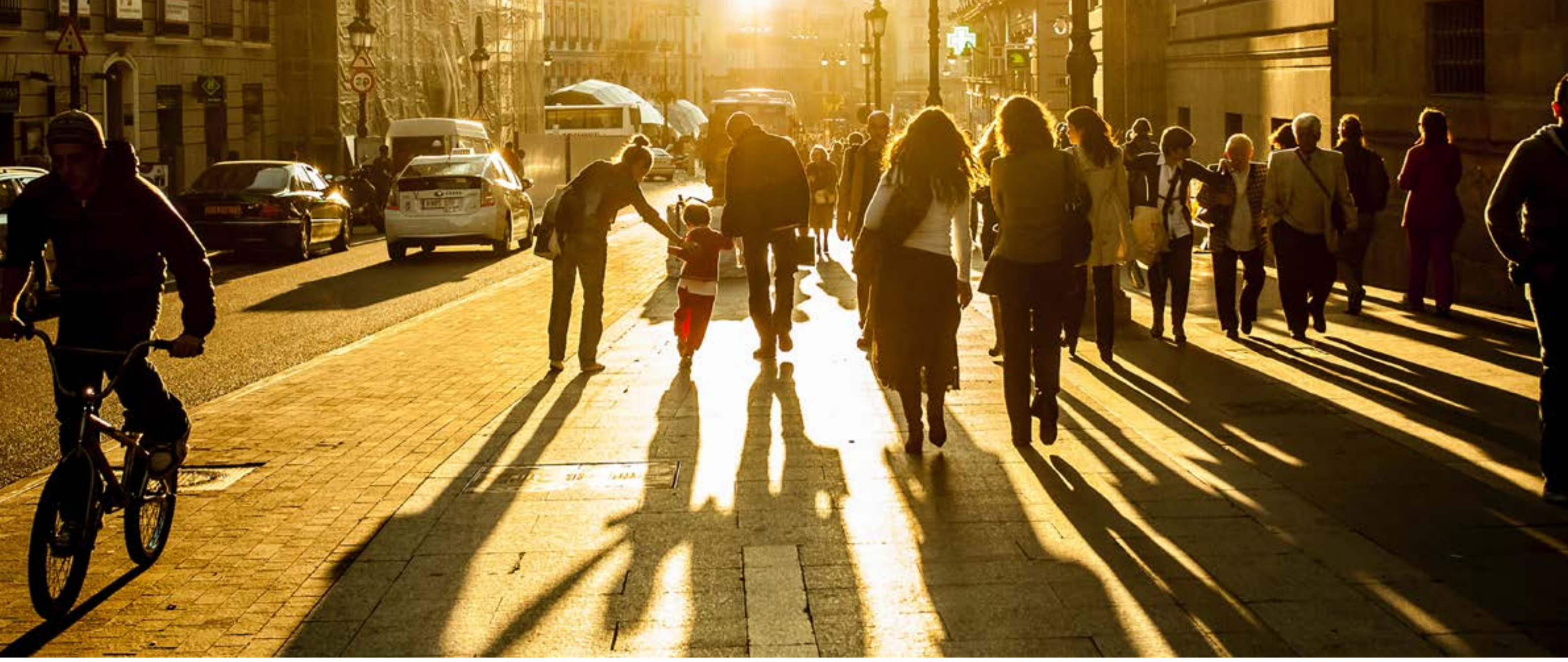
Investment in private equity is complex and in recognition of the strong cost benefit rationale for combining investing efforts in this area, Northern LGPS established the Northern Private Equity Pool in May 2018; an investment joint venture structured as an English Limited Partnership. The partnership operates as a single legal entity through which the three Northern LGPS funds can invest collectively and collaboratively in private equity assets.

The Northern Private Equity Pool continues to draw on the combined expertise and experience of the internal teams at each of the respective Northern LGPS funds, and the administration capabilities of Northern LGPS's pool-wide external custodian. The combined scale and resources of the Northern Private Equity Pool will enable funds in Northern LGPS to invest in private equity through lower cost implementation approaches than have been the case historically.

The Northern Private Equity Pool has built a global portfolio of private equity assets, diversified across several aspects such as economic sector and geographic location and through a combination of growth financing investments and small, medium and large sized buyout transactions. Northern Private Equity Pool will continue to work with some the world's leading private equity management groups, as each of the Northern LGPS funds have done previously, to develop effective relationships for the benefit of Northern LGPS and which will complement each fund's historic efforts in this area.

Investment pace since inception has been consistent with targets, with over £2 billion invested, or committed to be invested, to 33 investment funds. 2022 was the third year that Northern Private Equity Pool undertook co-investment activity alongside a major third-party investment services provider, allowing Northern LGPS funds access to a lower cost implementation method for the private equity asset class through investment alongside preferred managers.

Northern LGPS has made good progress to establish Northern Private Equity Pool as one of the pre-eminent investors in private equity with a strategy that provides access to the best opportunities in the market with a cost position that is a material advancement over historic approaches undertaken by each Northern LGPS fund individually.



Private Equity portfolio – Ramudden Global

Through its private equity partner Triton, Greater Manchester Pension Fund (GMPF) has invested in Ramudden Global.

Ramudden Global is the largest provider of temporary traffic management (TTM) and work zone safety services for critical infrastructure globally. The Group consists of a network of infrastructure safety companies providing urban and high-speed traffic management, arboriculture, digital services and specialisms in infrastructure safety.

The Group provide assistance to Municipalities, Authorities, Contractors and Construction Companies to ensure safety at roadworks, on construction sites and in adjacent areas. This is achieved by designing, equipping and staffing safety solutions that meet all needed requirements. From the small simpler risks like closing a path and cutting back a tree to the larger complexities of maintaining high speed motorways and planning the safety protocols of huge construction sites.

Alongside roadworks, construction facilities, railways and other infrastructure projects, Ramudden Global also make public places and events safe. These are high-risk and temporary environments that require specialized expertise.

Ramudden Global was formed in 2020 and operates in 12 countries with a workforce of more than 4,500 people and over 200 depots. The business has access to the largest network of experts in its segment which helps in efforts to innovate and develop digital solutions, drive the industry forward towards greener and more sustainable solutions, and even improved safety for all stakeholders. The Group is at the heart of social development and very proud to be able to contribute with their expertise.

Digital development has been rapidly expanding in recent years, and as the market leader Ramudden Global is moving the industry forward in this space. At the current time the Group have ~100 professionals across Europe and North America who work on their vision of providing a work site that is fully digitally monitored in real time and from a central platform, which will not only contribute to reduce costs but also enhance safety and service levels.

The Group is working to achieve long term sustainable operations based on the United Nation's global goals, and its ambition is to reduce Ramudden Global's impact while being a driving force for a green shift in the industry as a whole. Sustainability awareness is growing rapidly and sustainability requirements in various procurement procedures are being noted and mainly linked to CO_2 emissions. The Group is investing significant resources in this regard and are currently in the process of electrifying their vehicle fleet with focus on urban and densely populated areas, and have developed digital solutions that help reduce regular maintenance and related emissions.

Ramudden Global
Infrastructure Safety

Infrastructure Funds

Greater Manchester Pension Fund (GMPF) has invested in private infrastructure partnerships for two decades and has continued to grow its portfolio over the past 12 months. One new fund commitment was made amounting to £85 million in capital.

The Infrastructure funds portfolio is now close to its target allocation, so future fund commitments will be calibrated to replenish capital returned from existing fund investments, and will be mainly with existing managers that have shown specific competences in infrastructure investing.

At 31 March 2023 the value of the Infrastructure funds portfolio was approximately £1.3 billion. Those sectors most impacted by Covid-19 lockdowns continued to recover in terms of both trading volumes and equity valuation through 2022. This has been seen mostly in transport and energy sectors.

The portfolio continues to be relatively resilient in the face of adverse economic developments reflecting the essential nature of the services and assets held, which will continue to be important with the outlook for the global economy beset by slowing growth and rising prices. The performance of the portfolio continues to be consistent with its objectives, delivering annual investment returns in the high single digit percentages.

Special Opportunities portfolio

The Special Opportunities portfolio exists to broaden the range of assets in which Greater Manchester Pension Fund (GMPF) invests with the aim of increasing diversification and reducing returns variability. It also exists to take advantage of opportunities as they arise or as market conditions allow.

The Special Opportunities portfolio consists of investments in funds that fall under the headings of Private Debt Opportunities (13 funds) and Real Assets (two funds investing in Agriculture and Timberland).

No new commitments were made in the year to 31 March 2023; the portfolio remaining constituted of 15 active investments. Several potential opportunities are under active consideration at the year end and officers continue to evaluate the future potential of both the existing investment types, as listed above, and also new investment types which may, in time, replicate the success of Private Debt and Factor Based Investing, both of which were piloted in the Special Opportunities portfolio, before becoming separate allocations within GMPF.

At 31 March 2023, the value of the investments within the Special Opportunities portfolio was £560 million.

Private Debt portfolio

Greater Manchester Pension Fund (GMPF) established the Private Debt portfolio in July 2018 to separate from the Special Opportunities portfolio, commitments made to funds targeting investments in private senior secured loans to privately owned, typically private equity backed companies.

The target allocation is 5% of main fund assets by value and is to be achieved over time by making new commitments to private investment funds at an appropriate annual rate.

No new fund commitments were made over the last 12 months, with the result that the portfolio remains constituted of 13 active investments. A total of approximately £1.8 billion has been committed since the portfolio's inception, of which £1.3 billion has been drawn down by managers with £225 million returned through loan repayments or interest. Further investments within the portfolio remain under active consideration, but, as the portfolio reaches its target allocation, will be carefully calibrated to align with the rate of loan repayments from the current portfolio.

The value of the investments within Private Debt portfolio was approximately £1.3 billion at 31 March 2023. The relatively short lifespan of the portfolio does not lend itself to meaningful performance commentary although, to date, performance has met expectations with annual returns of around 7-8%. The portfolio's resilience looks set to be tested as the global economy continues to be affected by inflation, the Russian invasion of Ukraine, and increased interest rates.

Direct infrastructure

In April 2015, Greater Manchester Pension Fund (GMPF) and the London Pensions Fund Authority formed a joint venture to invest directly in infrastructure assets, with a focus on the UK. The joint venture is structured as a limited liability partnership and has been named GLIL Infrastructure LLP (GLIL). As part of the Local Government Pension Scheme (LGPS) pooling discussions, West Yorkshire, Merseyside and Lancashire County Council pension funds joined GLIL in December 2016 and in March 2018 GLIL was restructured as an open-ended fund to facilitate potential new members. The existing members made additional commitments in October 2018, and December 2020. In March 2021 GLIL achieved another significant milestone by admitting its first third party investor in the form of NEST, who committed an initial £150 million. In April 2022 a further significant commitment round took place increasing total committed capital from just under £2.5 billion to in excess of £3.6 billion, all existing partners including NEST participated. GMPF remains the largest participant in the venture.

GLIL began investing in October 2015 and has completed 15 transactions with a total value exceeding £2.5 billion. GLIL's investments cover a wide range of sectors, including transport, regulated utilities, public/private partnerships (PPP) and ports. During the most recent financial year an additional investment was made - the purchase of a stake in Cornerstone Telecommunications Infrastructure, which owns towers that host digital infrastructure for mobile operators. The fund's largest sector exposure remains renewable energy, which makes up over 40% of the portfolio as at the end of December 2022.

GLIL's commitment to investing in Renewable Energy generation and the wider Energy Transition is undiminished. During 2022 GLIL acquired a 12.5% interest in Hornsea One, at the time the world's largest operational Offshore Windfarm, alongside Octopus Renewables for £400 million. Hornsea One has 174 turbines generating 1.2 gigawatts (GW) of energy used to power over one million homes. This transaction compliments GLIL's existing renewable investments; Clyde Windfarm, one of GLIL's earliest transactions, a 21.7% stake was purchased from SSE for £150 million, with a further £118 million invested throughout 2017 and 2018. At the time of the investment, Clyde had 152 operational turbines capable of generating 350 megawatts (MW) and a further 54, more powerful turbines, under construction. Clyde now has a total generation capacity of 522 MW, making it one of the largest onshore windfarms in Europe.

In 2019 GLIL acquired a 49% stake in Cubico's portfolio of 250 MW of solar and wind assets across the UK; Rathcool, GLIL's first non-UK transaction to acquire a controlling majority in a portfolio of eleven Irish windfarms; Smart Meter Assets, a 50% position in a business focusing on the installation and management a portfolio of domestic Smart Meters; and Flexion the establishment of a new company, to deploy a 300MW pipeline of utility-scale battery storage sites across the UK.

Combined, GLIL now has exposure to over 2.5 gigawatts of renewable energy.

Arial view of Hornsea One Offshore Windfarm located 120km off the Yorkshire coast in the North Sea. With a generation capacity of 1.2GW from its 174 turbines Hornsea One was until recently the largest operational Offshore windfarm in the world it generates enough electricity to power over one million homes.

Forth Ports is the third Largest ports group in the UK with key assets including the Port of Tilbury on the Thames east of London and a group of ports based on the Firth of Forth in Scotland including Grangemouth and the Port of Leith close to Edinburgh. Forth handles a wide range of goods and offers many different services to its clients, a significant area of growth has been servicing the renewable energy industry based in the Scottish North Sea.

LPP
Local Pensions Partnership

Northern LGPS
Greater Manchester, Merseyside and West Yorkshire Pension Funds working together

Property portfolio

As the year end 31 March 2023, Greater Manchester Pension Fund's (GMPF) total UK property portfolio was valued at £1,741 million comprised of a direct UK property portfolio and an indirect UK property portfolio valued at £623 million and £1,118 million respectively.

Schroders and APAM, the investment managers of each 'care and maintenance' and 'value add' sub-portfolios, part of direct UK property portfolio, have been overseeing their respective portfolios for the first full year, following their appointment in November 2021.

The Schroders portfolio now consists of 21 core properties, the key objective is to manage a stabilised portfolio of core assets with a strong and resilient income component. During the last financial year, the Whitehall office asset in London was sold for c. £155 million in June following a hold-sell analysis, in particular with consideration against portfolio concentration risks. Schroders is now actively looking to recycle these sales proceeds over the coming year.

The value-add portfolio managed by APAM has nine assets valued at £134.5 million. The portfolio objective is to deliver business plan initiatives on challenged assets to stabilise the portfolio and create liquidity, either to transfer to the core portfolio to be managed on a more passive basis, or to ultimately sell. Good progress has been made over the year in terms of delivering asset management initiatives, particularly with respect to leasing vacant space and commencing required capital expenditure plans. Three disposals completed in the financial year, with a total value of £16.75 million, achieving a £2.52 million gross value realisation above the assets starting valuation of £14.23 million.

The indirect UK portfolio represents £1,118 million invested in a range of vehicles including co-mingled funds, Joint Ventures and co-investments. The portfolio is divided across diversified balanced strategies that seek to obtain the broad characteristics of the UK real estate asset class and specialist funds that provide exposure to alternative asset classes or more specific value add risk that are typically unavailable within balanced funds.

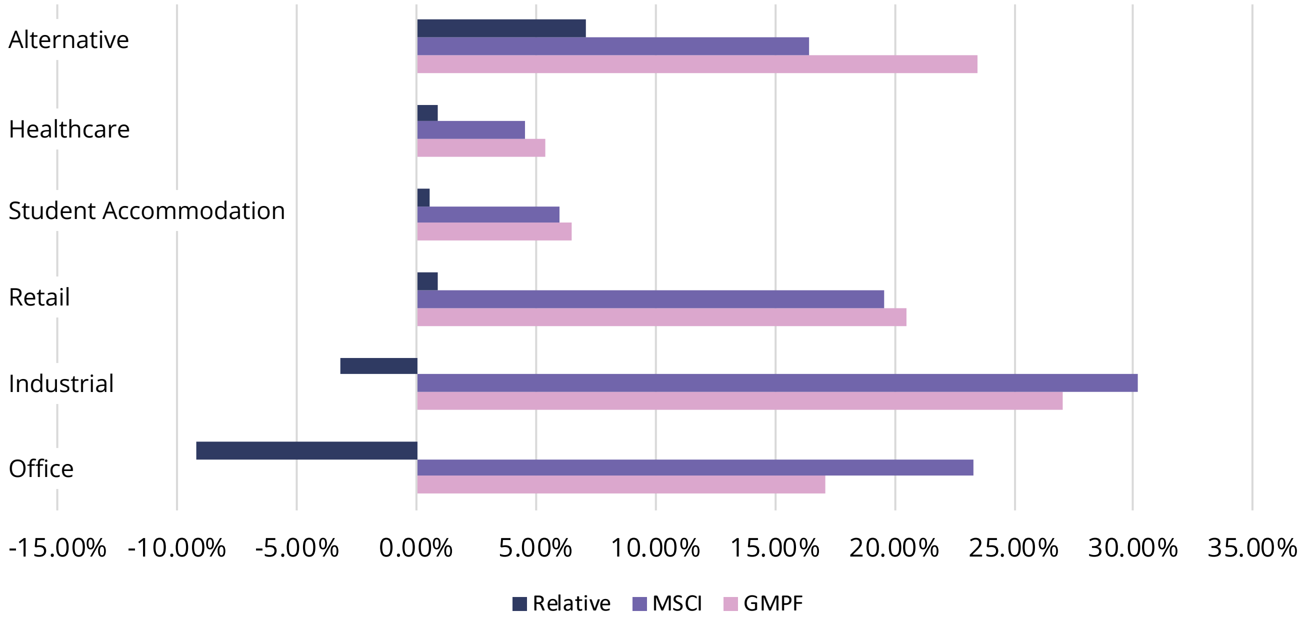
The balanced fund portfolio represents £797 million comprising of eight UK balanced funds. During the financial year, two investments were made within the portfolio, a £49.5 million commitment to a new balanced strategy and a £75 million increased commitment in one of the portfolio core funds.

The specialist fund portfolio comprises of 12 alternative or sector specialist fund investments and one co-investment, totalling £321 million. Throughout the year an increased commitment of £16.6 million has been made to a leisure specialist strategy and a £40 million commitment to a new electric fleet parking specialist fund.

In terms of sector weightings across all UK allocations, the portfolio is generally aligned to its respective benchmark, albeit with a sizeable underweight to the office sector currently, which is considered favourable given potential macro risks to this sector. Equally, the portfolio has a large overweight to the alternative sectors, which is predominantly across residential, leisure and hotel sectors. The internal team is comfortable with this overweight given these investments have provided resilient income-based returns with linkages to inflation over the medium to long term.

	GMPF	MSCI	Relative
Office	17.1%	23.3%	-9.2%
Industrial	27.0%	30.2%	-3.2%
Retail	20.5%	19.6%	+0.9%
Student Accommodation	6.5%	6.0%	+0.5%
Healthcare	5.4%	4.50%	+0.9%
Alternative	23.5%	16.4%	+7.1%

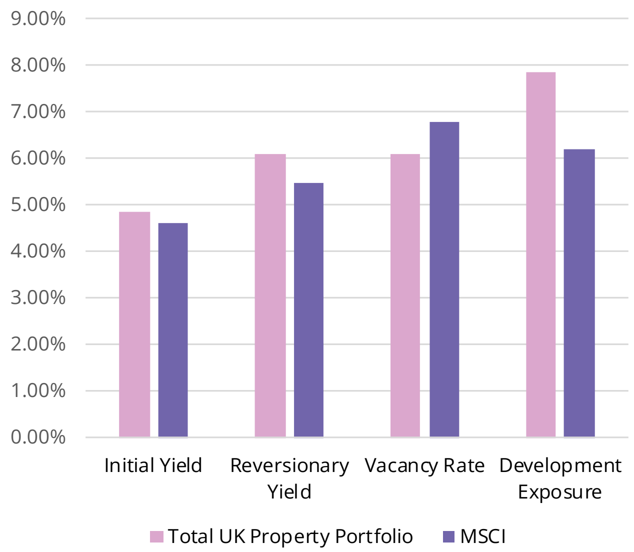
Sector weightings against benchmark



Portfolio metrics against its MSCI benchmark is provided below: -

Metric	Total UK Property Portfolio	MSCI
Initial Yield	4.85%	4.62%
Reversionary Yield	6.10%	5.47%
Vacancy Rate	6.08%	6.80%
Development Exposure	7.87%	6.20%
Average Lease Length	8.14 years	13.3 years

Total UK Property portfolio against benchmark



GMPF overseas portfolio continued in the strategic aim of outperforming the UK property returns through diversification. As of 31 March 2023, the portfolio had 18 investments across, Europe, North America and Asia. Of these, one European affordable housing strategy commitment has been made in the financial year in value of £100 million.

The portfolio provides a balance of risk profiles and currently has only a modest level of leverage. Since inception in 2015 to 31 March 2023, over £892 million had been committed (translated as at the subscription date). Of this, £738.4 million had been drawn down against these commitments.

Greater Manchester Property Venture Fund (GMPVF)

GMPVF has an allocation of up to £800 million and creates property investments by a process of site acquisition, building design, direct property development and property letting/management, in order to generate state of the art office, residential, retail and industrial/workshop accommodation. GMPVF also provides debt finance to projects, generating a commercial rate of return and supporting a broader range of developments than could be carried out by GMPVF alone.

Since its establishment in 1990, GMPVF has developed more than one million square feet of commercial buildings within the Greater Manchester area.

GMPVF has the twin aims of generating a commercial rate of return and supporting the local area. GMPVF also seeks to make an environmental impact through regeneration. To date, all completed developments have generated a profit.

The target area for GMPVF is the Northern Pool region (being North West England and West Yorkshire), with a particular focus on Greater Manchester. Avison Young, a firm of international property consultants, is the advisor to GMPVF.

The year saw a return to more normal patterns of behaviour, with an increase in both social activity and in office working, which helps to underpin much of the leisure and hospitality sectors in Manchester city centre. The economic uncertainty in the second half of the year saw nervousness for investors, with a fall in the number of transactions and a reduction in the value of commercial property.

The residential market remained resilient, with the Manchester city centre market showing continued developer activity and occupier/purchaser demand – such demand does however vary depending on the quality of the location and the development.

GMPVF's existing development portfolio continues to make progress, while the income-producing assets are performing in line with expectations. Avison Young has been actively pursuing further opportunities in more suburban residential locations. GMPVF has maintained a strong level of progress and activity over the past year. Notable activity includes:

- the selection of a development partner for a mixed-use redevelopment of Chorlton Shopping Centre, for new homes, shops, restaurants and car parking
- continued construction of a 300,000 sq ft industrial development on a 25 acre site in Leeds
- ongoing construction at the Island site, a 100,000 sq ft new office building in Manchester city centre
- construction of a further phase of industrial development at Kingsway-Rochdale, comprising 3 units totalling 300,000 sq ft
- commencement of construction at a 62,000 sq ft new industrial development in Altrincham.

Colliers Yard, Salford

The Blade, Manchester

A £27 million development loan was provided in the year for Colliers Yard, a development of 562 apartments and townhouses close to Manchester city centre. Practical completion is expected in early 2024. The project has been significantly de-risked following a forward sale of all 562 units to a large US residential landlord.

A £23 million development loan was also provided in the year for The Blade, a development of 414 high quality apartments in Manchester city centre. Practical completion of the apartments is expected to take place late in 2023.

Construction completed on GMPVF's new 330,000 sq ft industrial/logistics building. The site was acquired without any agreements in place for occupational tenants, with GMPVF exposed to the letting risk. However, a lease has now been signed with global food company Danish Crown, for a production facility. The tenants fit out works are now taking place.

The conversion of offices and building of new homes completed at the former office site owned by GMPVF in Didsbury, Manchester. This was carried out via a development agreement with an experienced house builder. All 82 homes are now sold, with the final property being occupied in early 2023.

GMPVF is a minority partner with Manchester Airport Group, Columbia Threadneedle Investments and Beijing Construction and Engineering Group, to develop Airport City, on land within the Enterprise Zone adjacent to Manchester Airport. This £800 million project will develop offices, advanced industrial, hotel and logistics accommodation, over the next 10 – 15 years.

Monarch 330, Kingsway, Rochdale

Local Investments

Invest 4 Growth

The objective of the Invest 4 Growth portfolio was to make investments that provided a commercial return, but also had a beneficial economic, social or environmental impact. These aims followed and implemented the ideas of a significant report, of the same name, authored by the Smith Institute, and commissioned by local authority funds. This is consistent with the twin aims applied successfully over many years to local investment. Greater Manchester Pension Fund (GMPF) approved an allocation of £50 million in the initiative in March 2014.

Invest 4 Growth was a collaborative project with several other Local Government Pension Scheme (LGPS), where a number of participating funds pooled resources to carry out due diligence and negotiate investment management fees with external managers. This resource sharing and the economies of scale enabled GMPF and the other funds to make savings on the investment costs and achieve a diversified portfolio.

GMPF is the largest participant of the Invest 4 Growth initiative and has fully committed its allocation of £50 million. As at 31 March 2023, £36 million of capital had been drawn and invested by fund managers.

It is still too early to judge investment performance overall, but to date the mangers are making satisfactory progress against the initial objectives.

Tier 1, a business invested in by one of GMPF fund managers (Bridges Sustainable Growth Fund IV(B)), which is an innovative circular economy business specialising in the reconditioning and re-selling of surplus IT equipment, purchased from large corporations. They also work with a charity partner to provide work experience for prisoners and reduce re-offending.

Impact Portfolio

Following on from the Invest 4 Growth initiative, GMPF has approved an initial allocation of up to £465 million into an Impact Portfolio. This portfolio has the same twin aims of generating a commercial return and delivering a positive local impact. GMPF is seeking to collaborate with other pension funds, specifically the Northern Pool members, to develop a diversified portfolio and achieve cost benefits from greater economies of scale.

As at 31 March 2023, total commitments of £848 million have been made into a number of investments, with £313 million cash drawn down. The overarching impact themes are Jobs and Place, and the areas of investment include: the provision of supported living accommodation, renewable energy, loans to small and medium sized businesses and private equity with a focus on impact investing. Alongside investments into nationally focused pooled funds, GMPF will seek co-investment opportunities to enhance the impact in the North West and reduce the overall investment management costs.

Fischer Farms, invested in by one of GMPF fund managers (Gresham House British Strategic Investment Infrastructure Fund I), which is addressing food security via a vertical farming business, that is growing leafy greens and other produce at a controlled in-door environment in the UK.

Back 2 Work, invested in by one of GMPF fund managers (Palatine Impact Fund), a skills and training provider with a purpose to equip unemployed people from all backgrounds with job-ready skills to successfully gain employment and career progression.

Annual Report 2023

Approach to Climate Risk

Greater Manchester Pension Fund (GMPF) actively supports the recommendations of the Financial Stability Board's Task Force on Climate-related Financial Disclosures (TCFD) and sets out below its approach to managing climate risk within the TCFD's four thematic areas of governance, strategy, risk management and metrics and targets. This report covers the GMPF Main Fund.

Governance

Recommended disclosure (a)

Describe the Board's oversight of climate-related risks and opportunities.

The Pension Fund Management Panel (the Panel) is responsible for managing climate-related issues as part of its remit of having responsibility for GMPF's investment strategy. The approach is codified in the ISS and RI Policy. The Investment Monitoring and ESG (Environmental, social and governance) Working Group, a specialist subcommittee of the Panel, also considers issues relating to climate change. The Panel and Working Group consider climate change issues across GMPF and specifically in areas such as strategic asset allocation, investment strategy and risk management with the aim of minimising adverse financial impacts and maximising the opportunities for long term economic returns on our assets. The Panel and Investment Monitoring and ESG Working group meet quarterly where elected members who represent beneficiaries, and the local population are given the opportunity to scrutinise GMPF's approach to managing climate-related risks and opportunities. GMPF's external managers routinely attend these Working Group meetings to update members on the steps they are taking to implement GMPF's climate-related policies and ways in which they are taking into consideration climate change. GMPF's stewardship approach is informed by PIRC Limited as its Responsible Investment advisor who assist in the development and implementation of the Responsible Investment Policy. GMPF is an active member in LAPFF (Local Authority Pension Fund Forum) and leverages its position to challenge companies in which it has an interest. The majority of GMPF's engagement activity is carried out via these relationships. Both LAPFF and the Northern LGPS produce publicly available quarterly reports that highlight responsible investment activity.

In recognition of the risks and opportunities of climate change, GMPF has committed to undertake an annual carbon footprint of applicable assets using the services of one of the most prominent companies in this field. GMPF recognises the carbon footprinting process is constantly evolving and so as part of their roles GMPF Officers meet with providers to keep up to date with the latest methodologies and ensure results are accurate and incorporate the latest practices. The results of these are reported to the Panel and are publicly available. GMPF reports its Responsible Investment related activities quarterly to the Panel and this report is also publicly available. The Fund worked with one if its external managers to produce a document highlighting how it is investing for the energy transition. This includes GMPF's approach to oil and gas companies in terms of the climate challenge and how these companies will play a critical role in the energy transition. Additionally, GMPF takes ESG factors into consideration as part of its fiduciary duty to ensure it can pay the pensions of its members and to protect employers and local tax payers from high pension costs.

Recommended disclosure (b)

Describe management's role in assessing and managing climate-related risks and opportunities.

Day to day management of GMPF's climate change strategy is delegated to the external Fund Managers, who operate under GMPF's policies on ESG. The external Fund Managers are regularly monitored by Officers from GMPF, and they also present the processes they have in place to implement GMPF's Responsible Investment Policies, which includes GMPF's approach to climate risk, to the Investment Monitoring and ESG Working Group. An annual carbon footprinting exercise is used to assess both the risks from climate change, but also areas of opportunity. Officers report quarterly to the Panel GMPF's responsible investment related activity which is also publicly available. GMPF employs a specialist advisor, PIRC, to instruct its voting activity on active equity holdings, including on areas such as climate change. GMPF also incorporates Voting Alerts from the Local Authority Pension Fund Forum on climate change within its policy. As the Panel members are ultimately responsible regular training is arranged for both Panel members, advisors and Officers to ensure they are kept abreast of latest developments. GMPF's annual report contains a list of conferences and training events attended by members and the Fund has an annual member development policy and training plan to ensure the decision-making bodies have the necessary level of knowledge and understanding to carry out their roles effectively. As an example, UBS, one GMPF's external managers provides an annual training day in Manchester for Members and Officers relating to responsible investment with sessions particularly focusing on climate change. The Working Group meetings, Officer reports and training all ensure the Panel are well informed to be able to assess and manage climate related risks and opportunities.

Strategy

Recommended disclosure a)

Describe the climate-related risks and opportunities the organisation has identified over the short, medium, and long term.

GMPF considers climate-related issues across multiple timeframes and has strategies to help address these. GMPF identifies climate-related issues through collaboration with its external Fund Managers, and organisations such as the Local Authority Pension Fund Forum, the Institutional Investor Group on Climate Change, the Transition Pathway Initiative, Climate Action 100+, Investing in a Just Transition and the Principles for Responsible Investment. This has led to co-filing and supporting resolutions for action related to climate change and better disclosures of climate-related issues.

GMPF has identified a number of risks and opportunities including regulatory risk as governments use their legislative powers to decarbonise economies, the physical risks of climate change, technological advancements and changes in consumer behaviours that will arise over different timeframes. These risks and opportunities are likely to manifest themselves over different time horizons and there is too much uncertainty around the timings to place timeframes around them. Therefore, GMPF remains cognisant of risks and opportunities over all time horizons.

GMPF has signed up to the 'Investing in a Just Transition' initiative recognising that delivering a just transition will be key to the UK's success in building a zero carbon and resilient economy. GMPF understands this needs to be done in a sustainable way that supports an inclusive economy, with a particular focus on workers and communities across the country. Analysis shows that unless a transition is effected carefully, there will be significant impacts on workers and communities in the North.

Recommended disclosure b)

Describe the impact of climate-related risks and opportunities on the organisation's businesses, strategy, and financial planning.

A review of GMPF's Investment Strategy is carried out each year. During this process, GMPF seeks the opinions and comments of its advisors, external managers, and investment consultant on the strategy it is taking, which includes its approach to responsible investing, in the context of strategic asset allocation. The inputs are analysed within the investment team and then reported to the Management Panel. This review provides GMPF with a level of assurance in ensuring its policies and approach are effective and verification regarding the appropriateness of its strategy.

GMPF's ESG policies and considerations, including climate change, are incorporated into the mandates of the external Fund Managers via their respective Investment Management Agreements. External Fund Manager appointments also take ESG considerations into account, and these are monitored on an ongoing basis.

GMPF also makes several investments with positive impacts on climate change; these are only made where an acceptable level of financial return is also expected. Climate-related investment opportunities are available in areas such as energy efficiency, choice of energy sources, products and services and new markets. GMPF considers that currently there are relatively limited climate related investment opportunities in the public markets with more opportunities existing in the private markets across private equity, private debt, infrastructure and real assets. This has asset allocation implications due to the illiquidity and complexity of some of these asset classes. Property is a significant asset class allocation and GMPF is aware that buildings are responsible for over one-third of total greenhouse gas emissions in the UK. For directly held properties, GMPF works with its property management teams on focus areas such as energy management and owner-occupier relations to reduce these emissions, and indirectly held property managers do likewise.

GMPF has increased its long term strategic allocation to infrastructure to 10%, allocating almost £3 billion of assets for this purpose. A key strategy within this allocation is investments in low carbon and renewable energy opportunities. For example, GMPF has invested directly in UK operational wind and solar assets, smart meters and energy storage.

GMPF via the GLIL infrastructure vehicle, acquired a majority investment in Rathcool, a portfolio of 11 operational onshore wind farms that provide around 11% of the Republic of Ireland's installed wind capacity. The investment was the first major transaction for GLIL outside of the UK, taking a significant majority equity stake in the portfolio alongside existing shareholder, the Craydel Group – the Cork-based renewable energy asset developer and operator. Established in 2011, the portfolio is currently operating 453 MW of installed wind capacity and, in its lifetime, has generated enough electricity to power 350,000 homes and prevented 480,000 tonnes of CO2 emissions per year, compared to non-renewable energy generation. The portfolio benefits from long term offtake arrangements in place through Ireland's renewable energy support schemes, REFIT and RESS, and corporate PPAs. The windfarms are in County Clare, County Cork, County Galway, County Kerry and County Mayo.

GLIL Infrastructure acquired a stake in Hornsea One, the world's largest operational offshore wind farm, which is located off the north-east coast of England. GLIL and its partner jointly acquired a 12.5% stake in the project as a 50:50 equity partner. Ørsted, which constructed the offshore wind farm, has retained its 50% shareholding in the project, continuing to provide operations and maintenance services and remains as an offtaker to energy generated by the project under a Power Purchase Agreement.

- Hornsea One is operational and comprises 1.2GW of installed wind capacity.
- The wind farm consists of 174 turbines located 120km off the north-east coast of England and spans an area of 407km2.
- The project benefits from contracted revenue through a 15-year Contract for Difference with inflation linkage, ending in 2036.
- The wind farm generates enough electricity to power over 1 million homes.

By investing in low carbon and clean energy projects and ventures with the twin aims of a commercial return as well as a positive environmental and social impact, GMPF has identified opportunities in the medium to long term which complement GMPF's ambition of a just transition to a low carbon economy. These investments are made from the dedicated Impact Portfolio.

The GMPF Investment Committee approved a commitment of £100 million for the Impact portfolio to support sustainable infrastructure in the UK. The Local investments team proposed a 70:30 split of this commitment to favour a North West bias over national investments to support local infrastructure within the region. The manager focuses on the five areas of alternative investments which complement GMPF's approach to sustainable investments with a local dimension.

- Forestry
- New Energy (renewables and battery energy storage)
- Housing
- Sustainable Infrastructure
- Public and Private Equity

Recommended disclosure c)

Describe the resilience of the organisation's strategy, taking into consideration different climate-related scenarios, including a two degree or lower scenario.

GMPF has compared its public market equity portfolios against a two-degree benchmark using the Paris Agreement Capital Transition Assessment (PACTA) tool. The tool is a free, open-source methodology tool which measures a portfolios alignment with various climate scenarios consistent with the Paris Agreement. PACTA's forward looking methodology focuses on how the companies the Fund invests in are aligned to the UN's agreed limit of a global temperature increase of 2°C. This takes information on current emissions, and also looks into current investment and production plans to project how emissions may change in the future. The tool allows GMPF to get a granular view of the alignment of its holdings by sector and related technologies. The tool attempts to answer the following questions:

- What proportion of the portfolio is invested in climate-related sectors?
- Do the production plans of the companies in the portfolio tally with climate scenarios which comply with the Paris Agreement?
- Which companies in the portfolio significantly influence the results?
- How does my portfolio perform compared to market benchmarks?

The analysis is based on forward-looking asset-based company level data in the following nine key climate relevant sectors: power, oil and gas, coal mining, automotive, shipping, aviation, cement, steel and heavy-duty vehicles. Together these sectors account for 75% of global carbon dioxide emissions. The data is mapped to financial and ownership data and compared to climate scenarios that provide low-carbon energy transition roadmaps at technology-level.

GMPF's annual carbon footprint has a backward-looking and forward-looking element to it. The backward-looking methodology uses the information from the companies' most recent reports, and third-party sources, to measure the level of GHG emissions of the company over the last year. As such, the Fund's carbon footprint is a measure of its emissions over the last year.

The forward-looking element uses publicly available information from companies and third-party data sources to estimate future emissions which enables GMPF to assess the alignment of its assets to the Paris goals. It incorporates both historical performance as well as forward-looking indicators over a medium-term horizon. This avoids the uncertainties of using only estimated forward-looking data, and it is of a sufficient time horizon to make the effect of year-on-year volatility less significant. Historical data on GHG emissions and company activity level is incorporated from a base year of 2012. Forward-looking data sources are used to track likely future transition pathways from the most recent year of company disclosed data through to 2030. This enables investors, such as GMPF, to assess their portfolios against the goal of limiting global warming and to track progress over time.

The forward-looking analysis also includes a physical risk assessment. The risk types are split into two major categories, the first being transitional risks (including policy and legal risk, technology risk, market risk and reputational risk), and the second being physical risks. Physical risks resulting from climate change can be acute (driven by an event such as a flood or storm) or chronic (arising from longer term shifts in climate patterns) and may have financial implications for organizations such as damage to assets, interruption of operations and disruption to supply chains. GMPF is cognisant of the large levels of uncertainty which are inherent in forward looking climate models.

GMPF's actuary, Hymans Robertson, undertakes climate analysis in conjunction with their Asset Liability Modelling analysis. Hymans looked at GMPF's investment decision making process that is underpinned by key investment beliefs and carried out their analysis under three scenarios. The results of the analysis supported the work GMPF has been doing on integrating Responsible Investment best practices, GMPF's intention of being net carbon neutral by 2050, its implementation of the low carbon multi factor Scientific Beta mandate and the infrastructure allocation to renewables.

GMPF has considered the impact of climate change on employer covenant, and notes that the main employers served by the Fund are tax raising bodies with an extremely strong covenant.

Risk management

Recommended disclosure a)

Describe the organisation's processes for identifying and assessing climate-related risks.

GMPF believes that each of the following categories of risks, as outlined by the TCFD, pose a material financial risk, and are thus each a cause for concern:

- Market and technology shifts (eg reduced market demand for higher carbon products).
- Reputation (eg growing expectations for responsible conduct from stakeholders).
- Policy and legal (eg increased input/operating costs for high carbon activities).
- Physical risks (eg chronic changes and more frequent and severe extremes of climate).

GMPF's specialist IMESG working group which meets quarterly has a particular focus on ESG. To ensure strong governance and accountability all working groups including the IMESG working group have Terms of Reference that are periodically reviewed and updated. External managers, consultants and service providers who advise or act on behalf of GMPF periodically attend the working group meetings and report on their activities to members and Officers. The IMESG working group has detailed oversight of GMPF's external investment managers and Responsible Investment consultant.

GMPF appointed PIRC as its Responsible Investment advisor, to assist in the development and implementation of its Responsible Investment policy. PIRC are Europe's largest independent corporate governance and shareholder advisory consultancy whose objective is to facilitate and support responsible capital stewardship by long-term investors. PIRC's role is to assist GMPF to effectively exercise its shareowner rights and to identify and mitigate governance risk in its portfolios and set ESG criteria.

PIRC attend all IMESG working group meetings and it is in their remit to question or provide feedback to any other presentation within the meeting as well as presenting their own Responsible Investment updates. This provides GMPF with an additional resource in holding managers and its investment consultant to account. This also allows the Working Group to evaluate PIRC's own activities.

GMPF set its first set of objectives for its investment consultant, Hymans Robertson, in December 2019. GMPF includes Responsible Investment and ESG related objectives for its investment consultant to ensure advice provided should reflect the Management Panel's Responsible Investment policies as well as complying with relevant pensions regulation, legislation and guidance. The investment consultant is assessed on an annual basis against its objectives via an internal meeting between Officers of GMPF where their performance over the preceding year is discussed and a qualitative assessment of their objectives is undertaken.

Day to day management of GMPF's climate change strategy is delegated to the external Fund Managers, who operate under GMPF's policies on ESG issues. This means that the external Fund Managers fully integrate any climate-related risks when making their investment decisions. The decisions and thinking behind them is presented by the Fund Managers to the Investment Monitoring and ESG Working Group. This Working Group meeting provides a forum for the Panel to scrutinise the Fund Managers approach and assess whether their processes and activities are aligned to GMPF's policies.

GMPF conducts an annual review of its investment strategy to ensure the appropriateness of its approach. This involves questioning the external fund managers, GMPF's advisors and investment consultant on a range of issues requesting their thoughts, feedback and any recommendations they may have. Amongst the questions asked each year is the question of whether they see if there are any reasons GMPF should change its benchmark allocation in light of ESG risks or opportunities. GMPF Officers reflect upon the responses and formulate an appropriate strategy which is reported to the Panel for their consideration.

GMPF's annual carbon footprinting exercise which has expanded to include physical risks, coupled with the use of the Transition Pathway Initiative (TPI) toolkit, also help assess climate-related risks, including the identification of companies to engage with. GMPF's involvement in forums such as the Local Authority Pension Fund Forum, Climate Action 100+ and the Institutional Investor Group on Climate Change further provide an understanding of the climate-related risks that GMPF faces.

Recommended disclosure b)

Describe the organisation's processes for managing climate-related risks.

A significant pillar of GMPF's efforts to manage climate change risk is through engagement with companies, both through the external Fund Managers and in collaboration with wider industry groups such as the Local Authority Pension Fund Forum, the Institutional Investor Group on Climate Change, the Transition Pathway Initiative, Climate Action 100+, the Net Zero Asset Owner Alliance, Investing in a Just Transition, Say on Climate and the Principles for Responsible Investment. For example, through collaborative activities, GMPF aims to support 1.5 to 2-degree business model scenarios and participate in:

- engagement with companies to improve their approaches to climate change as well as encourage them to report on their actions for future business model scenarios;
- escalation of issues where GMPF feels progress is not being made. This may be done collaboratively, directly or via GMPF's Responsible Investment advisor;
- influencing policy makers; and
- promotion of relevant research projects in areas such as developing standardised carbon intensity measures, and investment initiatives that improve information flow and investment opportunities.

Examples of stewardship activities GMPF undertake are submitted annually to the Financial Reporting Council as part of GMPF's Stewardship Code Submission. GMPF's external Fund Managers also implement the Fund's ESG policies in their management of the portfolios. GMPF's commitment to an orderly transition to a low carbon economy is demonstrated by the replacement of £2.5 billion of passive, index tracking investments, with an enhanced Factor Based Investing approach that has significantly reduced GMPF's exposure to carbon emissions and intensity. Factor Based Investing lends itself to incorporating ESG constraints. GMPF worked with Scientific Beta, and commissioned research for a bespoke GMPF version of their flagship indices that offers GMPF a diversified multi-factor exposure to developed market Global Equity, coupled with a significantly reduced carbon exposure, together with the incorporation of other important risk control design features. The index construction methodology developed by Scientific Beta allows for the creation of low carbon indices that substantially reduces GMPF's footprint, whilst maintaining well-diversified exposure to rewarded factors and preserving our expectations around long term returns. The results of the research undertaken by Scientific Beta on the GMPF Index suggest a reduction in the Carbon Footprint of the Index (vs the market cap weighted Index) of around 45%, and a reduction in the Weighted Average Carbon Intensity of the Index (vs the market cap weighted Index) of around 35%.

Recommended disclosure c)

Describe how processes for identifying, assessing, and managing climate-related risks are integrated into the organisation's overall risk management.

Climate change is included within GMPF's risk register in the context of the risk of the strategic allocation underperforming. Relevant controls and mitigating actions are also documented. The risk register is reviewed by the Management Panel. The risks of climate change and GMPF's approach to managing this risk are also addressed in GMPF's Investment Strategy Statement and Responsible Investment Policy.

GMPF has a business plan that is updated annually that formally incorporates an objective of enhancing stewardship activities and sets desired outcomes. The objectives include areas such as governance of GMPF, collaboration, local investments and ESG factors. The ESG outcomes include the encouragement of suppliers and investee companies to work towards a just transition to a net zero emissions economy by c2050 and to minimise the environmental impact in delivering GMPF's ultimate objective of paying its pensioners.

In addition, as set out above, the external Fund Managers have GMPF's ESG policies incorporated into their Investment Management Agreements. Day to day management of climate change strategy is delegated to the external Fund Managers. This means that the external Fund Managers consider any climate-related risks when making their investment decisions.

Metrics and targets

Recommended disclosure a)

Disclose the metrics used by the organisation to assess climate-related risks and opportunities in line with its strategy and risk management process.

GMPF monitors the voting and engagement of all its external Fund Managers and proxy voting advisor on issues including climate change. The 'two degrees' analysis measured GMPF's alignment with various climate scenarios consistent with the Paris Agreement in relation to electric power generation, fossil fuel reserves and vehicle production.

GMPF undertakes an annual carbon footprint and measures the three industry standard normalised measures of carbon intensity. This allows for easy comparison and to better track progress towards net zero. A description of the three measures is below.

Carbon to Revenue (C/R) – Expresses the volume of carbon emitted per million pounds of sales generated. This reflects the portfolio's carbon efficiency in relation to generating revenue.

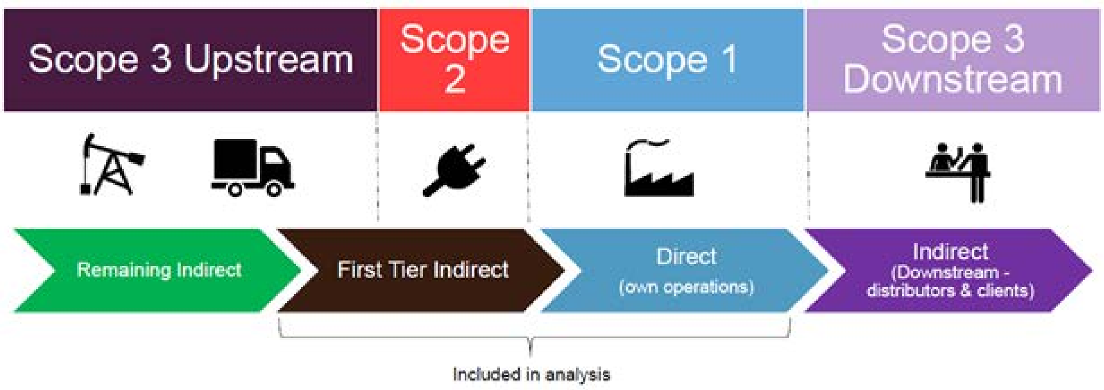
Carbon to Value invested (C/V) – Expresses the volume of carbon emitted per million pounds of investment. This reflects the carbon efficiency in relation to amount invested. This measure can be more volatile than the carbon to revenue measure due to fluctuations in the share price of a company and so can appear markedly different one year to the next.

Weighted Average Carbon Intensity (WACI) – Expresses the weighted average of the carbon to revenue metric. This method is recommended by the TCFD, of which the GMPF is a supporter.

Recommended disclosure b)

Disclose Scope 1, Scope 2, and, if appropriate, Scope 3 greenhouse gas (GHG) emissions, and the related risks.

GMPF uses the services of an independent, external provider to measure its carbon footprint annually. Whilst GMPF has selected a credible, best in class provider, GMPF acknowledges that there are a number of limitations to carbon footprinting as the process relies on data being disclosed by companies, and where this is not, data from third parties, modelled data or estimates are used. Additionally, carbon footprinting is still a relative new discipline and continues to evolve and methodological differences exist between data providers consequently results can vary across service providers. The nature of the outputs from the exercise is a backward-looking measure that does not take into consideration future changes and therefore should not be viewed in isolation. GMPF has considered Scopes 1 and 2 in their entirety and Scope 3 upstream emissions partially in its analysis as at the time of measurement, Scope 3 data was not considered sufficiently robust to incorporate risks double counting of emissions.



Scope 1 – CO2e emissions from company-owned and controlled resources.

Scope 2 – Indirect CO2e emissions generated by purchased electricity, heat, steam and cooling.

Scope 3 – Indirect CO2e emissions that are linked to a company's operations that occur in the value chain.

These can be upstream or downstream.

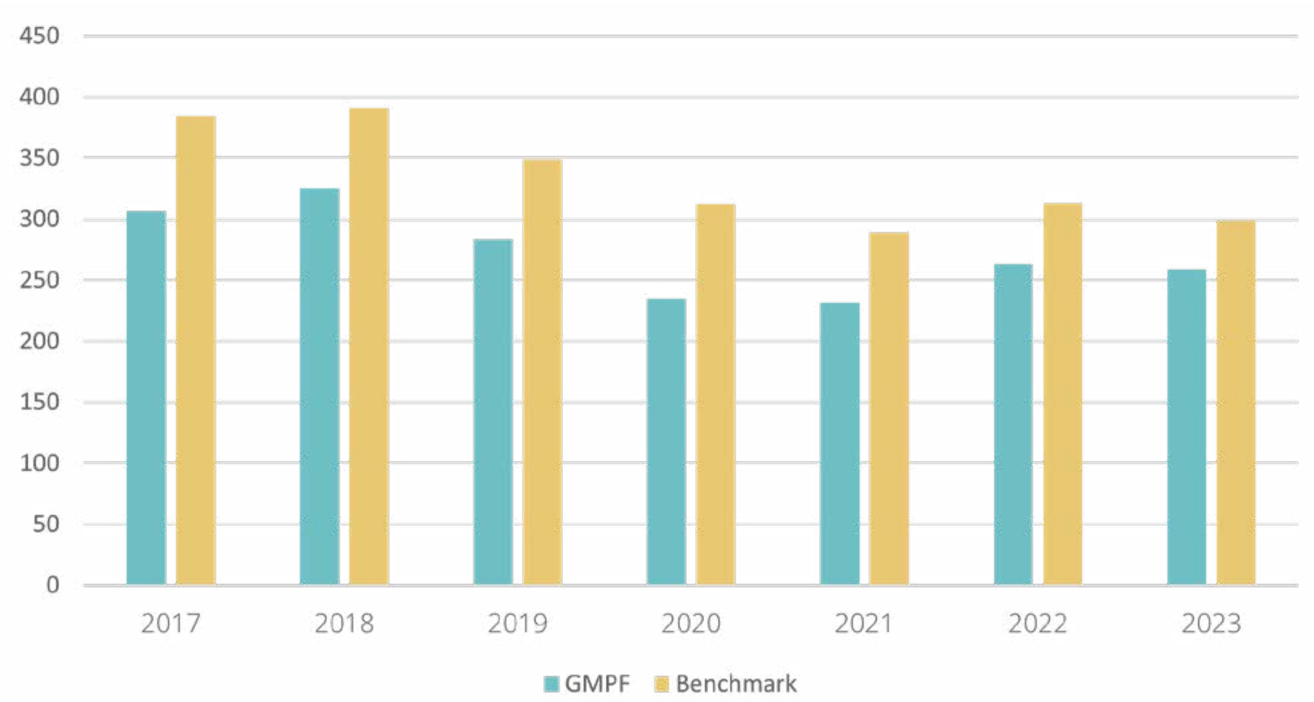
Upstream – The emissions associated with the production, processing, transmission, storage and distribution of raw materials beginning with extraction and ending with delivery to the site of use.

Downstream – The emissions associated with a product or service after it leaves the company's control or ownership.

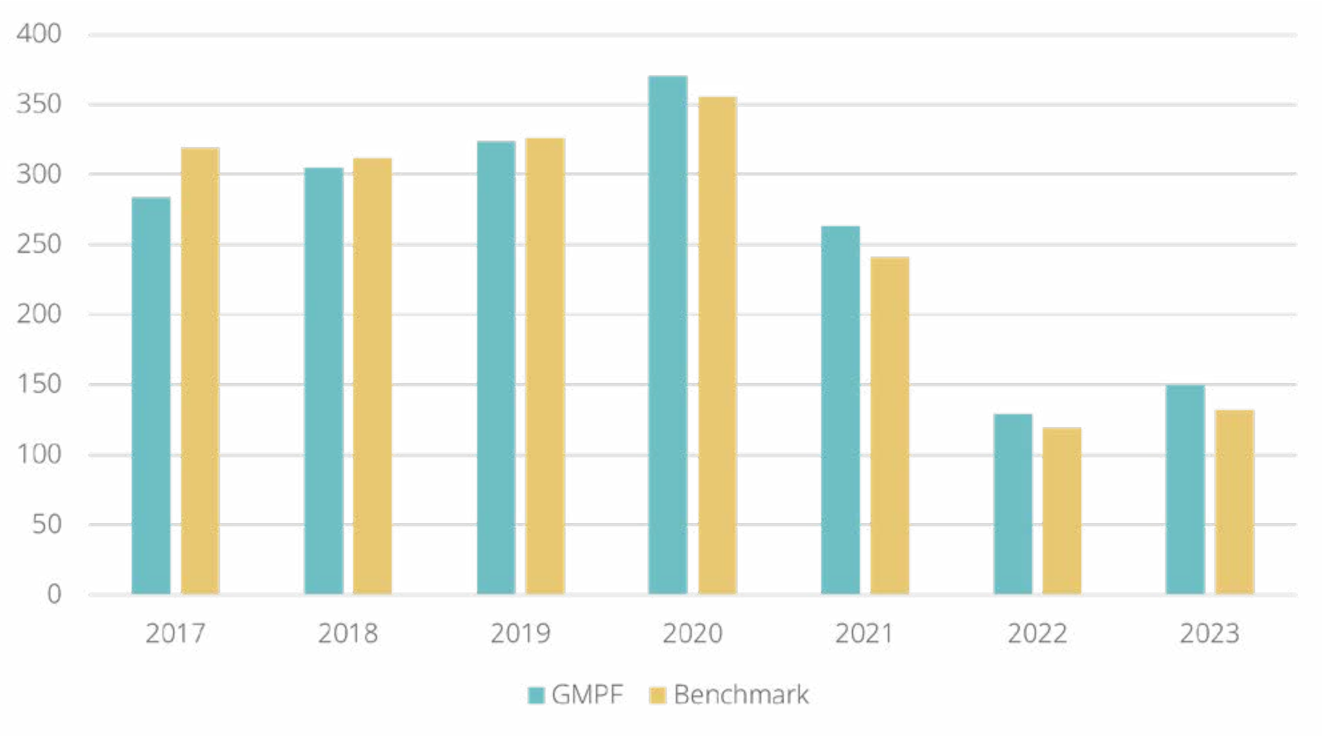
First Tier Indirect – Scope 2 emissions plus the company's first-tier scope 3 upstream emissions.

The three charts below show the historical intensities relative to the benchmark for the three normalised metrics. GMPF's carbon footprinting exercise found that as at 31 March 2023, the active equity holdings were 13% more efficient than the combined benchmark on the weighted average carbon intensity method, as recommended by TCFD. This compares with a figure of 16% as at 31 March 2022. The carbon footprinting covers £11.5 billion of assets when the Main Fund was valued at £28.5 billion. The Fund is working with its carbon footprinting provider to include all listed equity and corporate bond assets into the 2019 baseline WACI and subsequent annual portfolio metrics with the intention of expanding to other asset classes as methodologies and guidance improve.

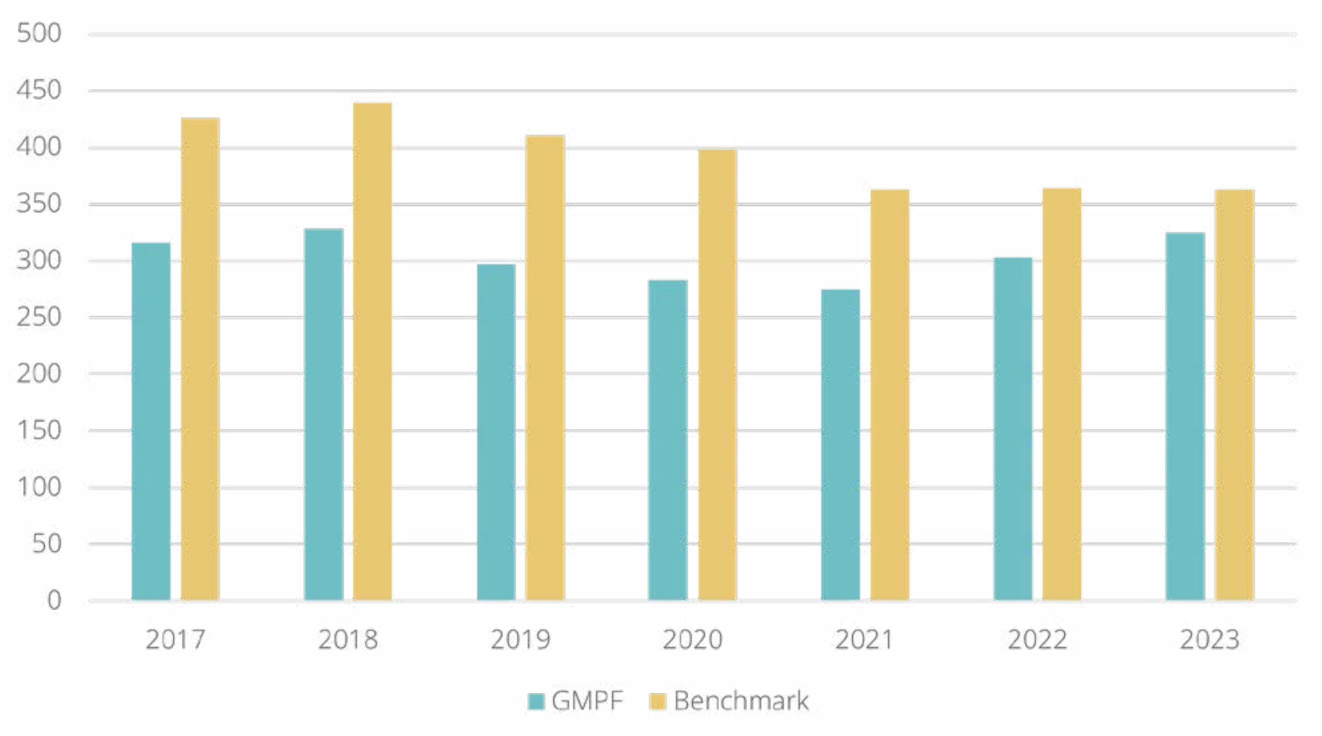
GMPF WEIGHTED AVERAGE CARBON INTENSITY (WACI)



GMPF CARBON INTENSITY PER MILLION OF VALUE INVESTED

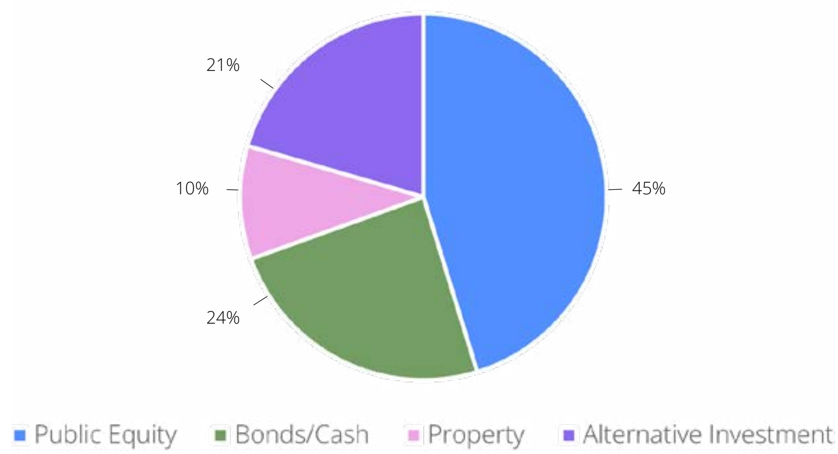


GMPF CARBON INTENSITY PER MILLION OF REVENUE



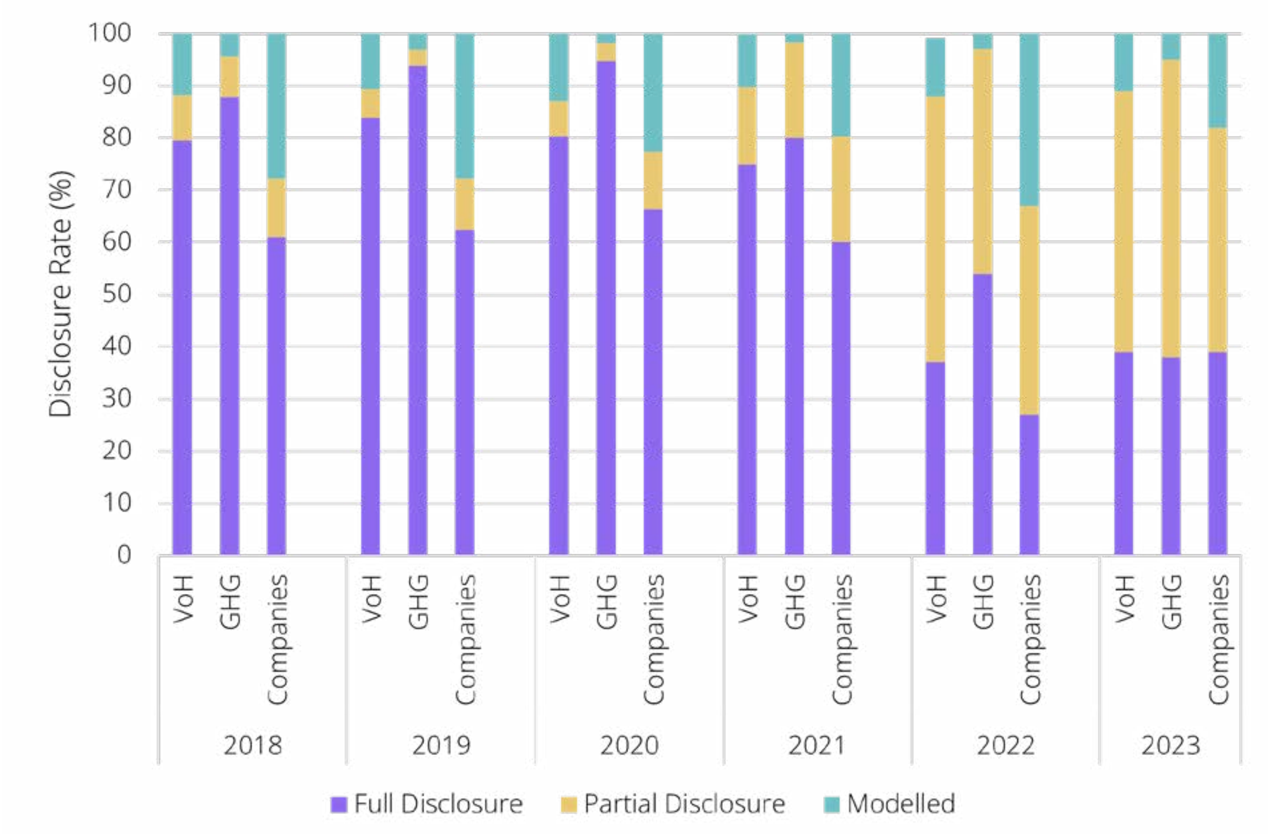
The chart below shows GMPF's benchmark asset allocation of the major asset classes.

BENCHMARK ASSET ALLOCATION



In order to understand the quality of the results GMPF tracks the disclosure rates which feed into the analysis. A higher level of disclosure would lead to more accurate results. The level of carbon disclosure is based on each company's Scope 1 emissions and are classified as fully disclosed, partially disclosed or modelled. Through its membership of CDP, GMPF calls for greater disclosure from companies on their carbon emissions.

PORTFOLIO DISCLOSURE



GMPF via the Northern LGPS is a signatory to the Transition Pathway Initiative (TPI) which is a global, asset-owner led initiative that assesses companies' preparedness for the transition to a low carbon economy. The TPI enables assessment of how companies are managing climate change and the risk it poses to their business. Based on company disclosures, TPI's company assessments are divided into two parts. Firstly, Management Quality which covers companies' management/governance of greenhouse gas emissions and the risks and opportunities arising from the low-carbon transition and secondly, a Carbon 'Performance Assessment', which involves quantitative benchmarking of companies' emissions pathways against international targets and national pledges made as part of the 2015 UN Paris Agreement. In turn, this enables better informed investment processes and decisions, and can shape engagement activities and proxy voting decisions.

The TPI tool enables the assessment of companies' carbon management quality and carbon performance based only on publicly available information, by analysing 582 of the largest corporations in a variety of high-emitting sectors. The companies within a selected sector appear on a management quality 'staircase' with their relative position from Level 0 to 4, with Level 4 being the highest rating. The 4STAR rating is given to companies with a 'perfect' score for the TPI indicators.

Level 0 – Unaware of or not Acknowledging Climate Change as a Business Issue

Level 1 – Acknowledging Climate Change as a Business Issue

Level 2 – Building Capacity

Level 3 – Integrated into Operational Decision-making

Level 4 – Strategic Assessment

GMPF annually maps its holdings to the TPI's list of target companies. As of 31 March 2023, GMPF was invested in 150 companies that appeared in the TPIs universe of high emitters. GMPF's investment in these companies totalled £2.9 billion.

TPI Rating	Number of Companies	GMPF Holding (£m)	% of Equity Analysed
0	0	0	0%
1	4	63	2%
2	7	78	3%
3	69	600	21%
4	66	1,574	54%
4STAR	4	598	20%

Recommended disclosure c)

Describe the targets used by the organisation to manage climate-related risks and opportunities and performance against targets.

GMPF's long term goal is for 100% of assets to be compatible with the net zero emissions ambition by c2050 in line with the Paris Agreement. GMPF understands there are a number of limitations to carbon footprinting. The methods rely heavily on data disclosed by companies and where this is not, reliable third-party data, modelled data or estimates are used. Additionally, the various data sources and methods mean that using different providers can lead to variations in the levels of carbon emissions being reported and subsequent results. For this reason, GMPF uses a combination of a number of calculated carbon related metrics from its provider and its external managers as well as qualitative data from Climate Action 100+ and TPI data to gain an understanding of the risks and opportunities it faces rather than relying on any single metric.

In March 2021, GMPF as a member of the Northern LGPS was among 22 asset owners committed to implementing the IIGCC's net zero framework to achieve net zero alignment by 2050 or sooner and to halve its

WACI metric, as recommended by the TCFD, from a 2019 baseline by 2030 for its listed equity and corporate bonds assets. GMPF has thus far calculated its baseline WACI in 2019 for active equity, at 349 (tCO2e/£m). GMPF's 2023 active equity WACI is 259 (tCO2e/£m) which equates to a 26% reduction vs the 2019 baseline.

As part of this commitment to implement the IIGCC's net zero framework, GMPF also committed to doubling investments in climate solutions by 31 December 2030 from a baseline of $520 million as of 31 March 2021. As of 31 March 2023, GMPF had an estimated $986m invested in climate solutions within its infrastructure allocation.

Voting activity

Greater Manchester Pension Fund's (GMPF) approach to proxy voting is described at Section 10 of the Investment Strategy Statement.

GMPF has delegated the exercising of voting rights attached to its direct holdings to Pensions & Investment Research Consultants Ltd (PIRC). PIRC are an independent corporate governance and shareholder advisory consultancy that advises and provides research to GMPF on governance and other ESG issues. This will mean that GMPF's votes are typically cast in line with PIRC's voting policy. This aligns GMPF's approach with that of its pooling partners, Merseyside Pension Fund and West Yorkshire Pension Fund, enabling a shared voice on corporate governance issues.

With this delegation, GMPF's voting record is provided online, and can be found at this link.

Voting Disclosure (pirc.co.uk)

In order to track the performance of various regional equity indices, the appointed external passive securities manager, Legal & General, holds shares in thousands of companies around the world. In the normal course of events, Legal & General typically implements its own voting policy for GMPF but may vote the relevant holding according to GMPF's instructions on a case by case basis should GMPF so require.

More information on Legal & General's voting policy and records can be found at this link **www.lgim.com**.

Financial performance report

Simplified statement of accounts

	£m	£m	£m
Fund value at 31 March 2021			29,324
Contributions and benefits			(260)
Employee contributions	184		
Employer contributions	529		
Pension benefits paid		(954)	
Net transfers		(19)	
Management costs			(105)
Investment		(96)	
Administration		(7)	
Oversight		(2)	
Investments			467
Income	719		
Change in market value of investments	(252)		
Total change in value of GMPF			102
GMPF value at 31 March 2022			29,426

Out-turn against medium term financial plan

The table below shows the financial out-turn against the prediction for the year 2022/23 as agreed by the Management Panel at its meeting in March 2022. The main variance was that, Investment returns were lower than the long term average this year as some markets were negative for the period creating a marginal fall in the valuation of assets partially offset by income.

	2022/23 prediction £m	2022/23 actual £m	Variance £m
GMPF size at start of year	29,324	29,324	
GMPF size at end of year	30,408	29,426	(982)
Pensions paid	(945)	(954)	(9)
Contributions received	629	713	84
Transfers	0	(19)	(19)
Net cashflow	(316)	(260)	56
Management costs	(125)	(105)	20
Investment income	618	719	101
Increase in value of investments	907	(252)	(1,159)
Net return from investments	1,525	467	(1,058)
Net change in value of GMPF	1,084	102	(982)

Out-turn against prediction for management costs 2022/23

The table below shows the out-turn for expenditure against budget (ex-investment management external fees) for 2022/23.

	Total Out-turn 2022/23 £000	Total Budget 2022/23 £000	Variance Fav (Adv) £000
Staffing	7,649	7,848	199
Leadership & development	93	696	603
Governance	323	325	2
Custody	484	500	16
Actuarial fees	608	580	(28)
Professional fees	983	1,961	978
IT and equipment	962	1,387	425
Premises	1,114	1,104	(10)
Other general costs	428	673	245
Income	(779)	(1,225)	(446)
Central establishment charges	501	508	7
Total pre-investment management fees	12,365	14,357	1,992

External investment management fees

The table below shows investment fees paid directly by GMPF against forecast, variances will be due to changes in asset valuations and fee negotiation by investments team from that projected at start of the year, notably an excellent result with equity managers.

Total Budget 2022/23	£25.054m
Total Out-turn 2022/23	£20.669m
Variance	£4.385m

Investment fees private markets

Certain investments in pooled vehicles, predominantly in private markets, alternatives and property have investment costs charged directly by the investment managers from either asset values or capital calls/ payments. These costs are allocated directly to the Fund Account where information is available to the Custodian by the investment manager, on an as paid rather than on an accruals basis. For 2022/23 these costs are £68 million compared to £84 million in 2021/22

Where costs are charged by these managers and not disclosed to the Custodian, they are included in the fair value adjustments applied to assets concerned within the Fund Account and corresponding notes; in previous years all of these costs were treated this way.

The table below shows an estimate of a fuller charge to these private market funds on an accruals basis including performance related fees for 2021/22 and 2022/23. The material change from year to year is a significant reduction in the performance fees which reflects the fall off in equity values in 2022/23 following a strong 12 months to 31 March 2022.

12 months to 31 March 2022 £000		12 months to 31 March 2023 £000
	GMPF Private market and alternative investments	
182,440	- performance related	543
67,604	- non-performance related	77,342
	GMPF Indirect investment property	
15,502	- performance related	14,273
19,149	- non-performance related	25,928
	Northern LGPS investments (NPEP/GLIL)	
17,621	- performance related	3,505
12,634	- non-performance related	15,025
314,950	Total	136,607

Three year financial plan

The table below shows the financial forecast for period 2023-2026. Key issues remain consistent with previous years.

- The net negative cash flow from contribution income less benefits whilst accelerating due to the maturity of the Fund, is offset by investment income meaning that GMPF is not going to be a forced seller of assets for the foreseeable future.
- These figures are based on long term projected average investment performance of 5.2% taken from and short term volatility may cause significant variations to the figures in this forecast.
- Due to the general uncertainty, specific forthcoming issues with how costs from pooled investments are treated, and a desire to review budgets on a zero-based basis, the Management Panel has not approved a three year budget for management costs with the exception of AUM movements for external management fees.

	2023/24 £m	2024/25 £m	2025/26 £m
Fund size at start of year	29,426	30,588	31,808
Fund size at end of year	30,588	31,808	33,102
Pensions paid	938	955	961
Contributions received	592	612	634
Transfers	0	0	0
Net cashflow	-346	-343	-327
Management costs	140	150	160
Investment income	655	691	730
Increase in value of investments	993	1,022	1,051
Net return from investments	1,648	1,713	1,781
Net change in Fund	1,162	1,220	1,294

Annual Report

Statement of Accounts

2022/23

Administered by

Tameside Metropolitan Borough

Independent auditor's statement to the members of Tameside Metropolitan Borough Council on the pension fund financial statements included within the Greater Manchester Pension Fund annual report

Report on the financial statements

We have examined the Pension Fund financial statements for the year ended 31 March 2023 included within the Greater Manchester Pension Fund annual report, which comprise the Fund Account, the Net Assets Statement, and the notes to the financial statements, including the summary of significant accounting policies.

Opinion

In our opinion, the Pension Fund financial statements are consistent with the audited financial statements of Tameside Metropolitan Borough Council for the year ended 31 March 2023 and comply with applicable law and the CIPFA/LASAAC Code of Practice on Local Authority Accounting in the United Kingdom 2022/23.

I have not considered the effects of any events between the date I signed my report on the full financial statements, on 4 December 2024, and the date of this statement.

Respective responsibilities of the Director of Resources and the auditor

As explained more fully in the Statement of the Director of Resources Responsibilities, the Director of Resources is responsible for the preparation of the Pension Fund's financial statements in accordance with applicable United Kingdom law.

Our responsibility is to report to the Members of Tameside Metropolitan Borough Council as a body, whether the Pension Fund financial statements within the Pension Fund annual report are consistent with the financial statements of Tameside Metropolitan Borough Council.

We conducted our work in accordance with Auditor Guidance Note 07 – Auditor Reporting, issued by the National Audit Office. Our report on the Pension Fund financial statements contained within the audited financial statements of Tameside Metropolitan Borough Council describes the basis of our opinions on the financial statements.

Use of this auditor's statement

This report is made solely to the members of Tameside Metropolitan Borough Council, as a body and as administering authority for the Greater Manchester Pension Fund, in accordance with Part 5 paragraph 20(5) of the Local Audit and Accountability Act 2014. Our work has been undertaken so that we might state to the members of Tameside Metropolitan Borough Council those matters we are required to state to them and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than Tameside Metropolitan Borough Council and Tameside Metropolitan Borough Council's members as a body, for our audit work, for this statement, or for the opinions we have formed.

Suresh Patel

Key Audit Partner

for and on behalf of Forvis Mazars LLP

One St. Peter's Square

Manchester

M2 3DE

3 April 2025

Fund Account for the year ended 31 March 2023

31 March 2022 £000		Note	31 March 2023 £000
	Contributions and benefits		
(168,254)	Contributions from members	5	(184,648)
(460,804)	Contributions from employers	5	(528,724)
(629,058)			(713,372)
(386)	Transfers in (bulk)	5a	(0)
(21,213)	Transfers in (individual)		(35,147)
(650,657)			**(748,519)**
905,599	Benefits payable	6	954,379
34,940	Payments to and on account of leavers	7	54,043
(289,882)	**Net (additions) / withdrawals from dealings with members**		259,903
120,317	Management expenses	8	105,736
410,199	**Net (additions) / withdrawals including management expenses**		**365,639**
	Returns on investments		
(589,927)	Investment income	9	(722,211)
3,415	Taxes on income	10	3,258
(2,257,932)	Profit and losses on disposal of investments and changes in value of investments	11a	(251,855)
(2,844,444)	**Net return on investments**		**(467,098)**
(2,434,245)	**Net (increase)/decrease in the net assets available for benefits during the year**		**(101,459)**
(26,890,009)	Net assets of the Fund at start of year		(29,324,254)
(29,324,254)	**Net assets of the Fund at end of year**		**(29,425,713)**

Please see relevant note for further information and/or analysis.

Net Assets Statement at 31 March 2023

31 March 2022 £000		Note	31 March 2023 £000
11,104,860	Equities	11a	10,849,776
2,473,336	Bonds	11b	2,786,973
975,760	Investment property	11c	807,695
24,838	Derivative contracts	11d	14,929
9,363,200	Pooled investment vehicles	11e	10,773,706
4,179,479	Insurance policies	11f	3,526,911
922,059	Cash and deposits	11g	435,893
298,234	Other investment assets	11h	182,053
29,341,766	**Investment assets**		**29,377,936**
(49,499)	Derivative contract liabilities	11d	(7,155)
(18,148)	Other investment liabilities	11h	(23,528)
(67,647)	**Investment liabilities**		**(30,683)**
76,083	Current assets	11h	96,712
(25,948)	Current liabilities	11h	(18,252)
50,135	**Net current assets**		**78,460**
29,324,254	**Net assets of the scheme available to fund benefits at the reporting period end**		**29,425,713**

Please see relevant note for further information and/or analysis.

1. Notes to the Accounts

The financial statements have been prepared in accordance with the Code of Practice on Local Authority Accounting in the United Kingdom 2022/23 based on IFRS, published by the Chartered Institute of Public Finance and Accountancy (CIPFA). This requires that GMPF accounts should be prepared in accordance with International Accounting Standard (IAS) 26, except where interpretations or adaptations to fit the public sector are detailed in the Code. The financial statements summarise the transactions of GMPF and deal with net assets at the disposal of the Management Panel. They do not take account of obligations to pay pensions and benefits which fall due after the end of the GMPF financial year. Under IFRS, GMPF is required to disclose the actuarial present value of promised retirement benefits. This is disclosed as a separate note (Note 25). The full actuarial position of GMPF which does take account of pension and benefit obligations falling due after the year end is outlined in note 22. These financial statements should be read in conjunction with that information.

2. Accounting policies

Basis of preparation:

The accounts have been prepared on an accruals basis. That is, income and expenditure is recognised as it is earned or incurred including contributions receivable and pension benefits payable. The exceptions are that individual and bulk transfers (due to uncertainty over final settlement and timing of payments), advance payment of employer contributions, and investment costs for private markets administered by the custodian as part of investment activity, are recognised on a received or paid basis. There are no accounting standards issued but not adopted in the preparation of the financial statements.

Financial assets and liabilities:

A financial asset or a financial liability shall be recognised in the balance sheet when, and only when, GMPF becomes a party to the contractual provisions of the instrument. On initial recognition, GMPF is required to classify financial assets and liabilities into amortised cost, fair value through profit and loss or fair value through other comprehensive income.

- Financial assets are classified dependent on the reason for holding the assets.
- Amortised cost assets are those held to generate cash flows and the amounts received are solely principal and interest.
- Fair value assets through profit and loss or other comprehensive income, are assets which fail the amortised cost categorisation tests, where they are held for trading purposes and/or the amounts received relate to more than solely principal and interest (eg equity instruments).
- Financial liabilities are classified as amortised cost except in certain circumstances where they are classified as at fair value.

Contribution income:

Tiered employee contribution rates are set in accordance with LGPS regulations using common percentage rates across all Funds which rise according to pensionable pay.

Normal contributions, from both the members and from the employer, are accounted for on an accruals basis at the percentage rate recommended by the fund actuary in the payroll period to which they relate. Employer funding contributions are accounted for on the due dates on which they are payable under the schedule of contributions set by the scheme actuary or on receipt if earlier than the due date.

Employers' augmentation contributions and pensions strain contributions are accounted for in the period in which the liability arises. Any amount due in year but unpaid will be classed as a current financial asset. Amounts not due until future years are classed as long term financial assets.

Additional voluntary contributions (AVC):

GMPF provides an AVC scheme for its contributors, the assets of which are invested separately from GMPF. These AVC sums are not included in the GMPF's financial statements in accordance with Regulation 4(2)(c) of the Pension Scheme (Management and Investment of Funds) Regulations 2009 (as amended). Members participating in this arrangement each receive an annual statement confirming the amount held in their account and the movements in the year. Further details are provided in note 24.

Additional voluntary contributions income:

Where a member is able and chooses to use their AVC fund to buy scheme benefits, this is treated on a cash basis and is categorised within Transfers In.

Investment income:

Dividends from quoted securities are accounted for on an accruals basis and any outstanding amount is included in the Net Asset Statement as an investment asset. Dividend income is recognised on the date the asset is quoted ex-dividend.

Distributions from pooled investment vehicles are recognised at the date of issue. Distribution income is accounted for on an accruals basis and any outstanding amount is included in the Net Asset Statement as an investment asset.

Property rent, interest income from fixed interest investments and short term deposits have been accounted for on an accruals basis.

Accrued investment income:

Acquisitions costs of listed equities investments which comprise stamp duty, commissions and market levies are included within the management expenses recorded in the Fund Account.

Accrued investment income has been categorised within investments in accordance with the CIPFA Code of Practice on Local Authority Accounting in the United Kingdom: 2022/23 Accounts.

Foreign income:

Foreign income is translated into sterling at the rate applicable at the date of conversion. Income due at the year end is translated at the rate applicable at 31 March 2023. Any differences are treated as gains or losses on realisation.

Foreign investments:

Foreign investments are translated at the exchange rate applicable at 31 March 2023. Any gains or losses arising on translation of investments into sterling are accounted for as a change in market value of investment.

Rental income:

Rental income from operating leases on investment properties owned by GMPF is recognised on a straight-line basis over the term of the lease. Any lease incentives granted are recognised as an integral part of the total rental income over the term of the lease. Contingent rents are only recognised when contractually due.

Benefits:

Benefits payable represent the benefits paid during the financial year and include an estimated accrual for lump sum benefits outstanding as at the year end if applicable. Benefits payable also includes interest on late payment. Any amounts due but unpaid are disclosed in the net assets statement as current liabilities.

Investment levels:

All investment assets held at their fair value as at 31 March 2023 are determined at levels in line with current guidance classifications.

Where, compared to the prior year, there is a change in the observable market data input into the valuation of an individual asset or an entire asset class, then a transfer between levels will be considered and if enacted will be recorded in the current year.

Investment values:

All investment assets are valued at their fair value as at 31 March 2023 are determined as follows:

At 31 March 2023	Valuation basis/technique	Main assumptions	Key sensitivites affecting the valuations provided
Equities and bonds (Level 1)	Pricing from market data providers based on observable bid price quotations.	Use of pricing source. If there are minor variations in the price dependent upon the pricing feed used, the Custodian's valuation will take precedence.	not required
Direct investment property (Level 3)	Independent valuations for freehold and leasehold investment properties at fair value have been valued by Savills plc, Chartered Surveyors, as at 31 December 2022, subsequently adjusted for transactions undertaken between 1 January 2023 and 31 March 2023. Valuations have been prepared in accordance with Royal Institute of Chartered Surveyors (RICS) Red Book.	Investment properties have been valued on the basis of open market value (the estimated amounts for which a property should exchange between a willing buyer and seller) and market rent (the expected benefits from holding the asset) in accordance with the RICS Appraisal and Valuation Manual. The values are estimates and may not reflect the actual values.	Significant changes in rental growth, vacancy levels or discount rate could affect valuations, as could more general changes to market processes.
Indirect property (part of Pooled Investment Vehicles) (Levels 2-3)	Independent valuations for freehold and leasehold properties less any debt within the individual property fund plus/minus other net assets.	Freehold and leasehold properties valued on an open market basis. Valuation carried out in accordance with the principles laid down by the RICS Appraisal and Valuation Manual and independent audit review of the net assets within the individual property fund.	Material events occurring between the date of the financial statements provided and GMPF's own reporting date, changes to expected cashflows, differences audited and unaudited accounts.
Cash and other net assets (Level 1)	Value of deposit or value of transaction.	Cash and account balances are short term, highly liquid and subject to minimal changes in value. All cash is recorded at book value unless there is knowledge of any impairment.	not required
Insurance policies (Level 2)	Insurance policies consist of units held in a pooled fund. Unit prices are provided by the fund investment manager based on the bid value of the underlying securities held by the fund.	Use of pricing source, bid balues of underlying securites are provided by the investment manager are compared to the Custodian's records. All cash held by the funds are recorded at book value unless the investment manager has knowledge of any impairment.	not required

At 31 March 2023	Valuation basis/technique	Main assumptions	Key sensitivites affecting the valuations provided
Derivatives (Level 2)	Derivative contracts are valued at fair value. Futures contracts' fair value is determined using exchange prices at the reporting date. The fair value is the unrealised profit or loss at the current bid market quoted price. The amounts included in change in market value are the realised gains and losses on closed futures contracts and the unrealised gains and losses on open futures contracts. The fair value of the forward currency contracts is based on market forward exchange rates at the year-end date and determined as the gain or loss that would arise if the outstanding contract was matched at the year end with an equal and opposite contract.	All derivatives are based on a visible price (ie not private transactions) and all counter parties are deemed solvent and able to meet their liabilities. The relevant prices and exchange rates used are provided by the Custodian and consistent with those used elsewhere in accounts.	not required
Private equity, infrastructure and special opportunities portfolios (Levels 2-3)	The funds are valued either in accordance with Accounting Standards Codification 820 or with International Financial Reporting Standards (IFRS). The valuation basis, determined by the relevant fund manager, may be any of quoted market prices, broker or dealer quotations, transaction price, third party transaction price, applying earnings multiples of comparable public companies to projected future cash flows, third party independent appraisals or pricing models. The valuation of these assets can take up to six months to come through. GMPF practice when closing accounts is to use the latest available valuation and adjust for cashflows.	In reaching the determination of fair value, the investment managers consider many factors including changes in interest rates and credit spreads, the operating cash flows and financial performance of the investments relative to budgets, trends within sectors and/or regions, underlying business models, expected exit timing and strategy and any specific rights or terms associated with the investment, such as conversion features and liquidation preferences. The preparation of financial statements in conformity with IFRS requires management to make judgments, estimates, and assumptions that affect the application of policies and the reported amounts of assets and liabilities, income and expense. The estimates and assumptions are reviewed on an on-going basis.	Material events occurring between the date of the financial statements provided and GMPF's own reporting date, changes to expected cashflows, differences audited and unaudited accounts.

Cash and cash equivalents:

Cash comprises of cash in hand and demand deposits. Cash equivalents are short term, highly liquid investments that are readily convertible to known amounts of cash and that are subject to minimal risk of changes in values.

Transaction costs of investments:

Acquisitions costs of listed equities investments which comprise stamp duty, commissions and market levies are included within the management expenses recorded in the Fund Account.

Acquisitions costs of investments other than listed equities are included in purchase prices and netted from sale receipts.

Management expenses:

Investment management expenses paid directly by GMPF are included within Management Expenses within the Fund Account. These costs together with other management costs are met from within the employer contribution rate. Certain of GMPF's external securities managers have contracts which include performance fees in addition to the annual management fees. The performance fees are based upon one off, non-rolling, three yearly calculations. It is GMPF policy to accrue for any performance fees which are considered to be potentially payable.

In addition, certain investments in pooled vehicles, predominantly in private markets, alternatives and property have investment costs charged directly by the investment managers. These costs are allocated directly to the Fund Account where information is available to the Custodian by the investment manager, on an as paid rather than on an accruals basis. Where costs are charged by these managers and not disclosed to the Custodian, they are included in the fair value adjustments applied to assets concerned within the Fund Account and corresponding notes, in previous years all of these costs were treated this way. The annual report contains a comprehensive review of investment costs.

Administration Expenses are included within Management Expenses within the Fund Account. These costs are accounted for on an accruals basis. The costs of administration are met by employers through their employer contribution rate. All staff costs of the administering authority's pension service are charged direct to GMPF.

Net (profit)/loss on foreign currency:

Net (profit)/loss on foreign currency comprise the change in value of short term deposits due to exchange rate movements during the year.

Actuarial present value of promised retirement benefits:

The actuarial present value of promised retirement benefits is assessed on an annual basis by the Actuary in accordance with the requirements of IAS19 and relevant actuarial standards. As permitted under IAS26, GMPF has opted to disclose the actuarial present value of promised retirement benefits by way of a note to the Net Asset Statement (see note 25).

Transfers:

Transfer values represent amounts received and paid during the period for individual members who have either joined or left GMPF during the financial year and are calculated in accordance with Local Government Pension Scheme Regulations.

Individual transfers in/out are accounted for when received/paid, which is normally when the member liability is accepted or discharged. This reflects when liabilities are transferred and received. Transfers in from members wishing to use the proceeds of their additional voluntary contributions to purchase scheme benefits are accounted for on a receipts basis and are included in transfers in. Bulk (group) transfers, due to uncertainty over final settlement and timing of payments, are recognised on a received or paid basis.

Taxation:

GMPF is a registered public service scheme under section 1(1) of Schedule 36 of the Finance Act 2004 and as such is exempt from UK income tax on interest received and from capital gains tax on the proceeds of investments sold. Income from overseas investments suffers withholding tax in the country of origin unless exemption is permitted. Irrecoverable tax is accounted for as a fund expense as it arises.

2a. Critical judgements in applying accounting policies

In applying the policies, GMPF has had to make certain judgements about complex transactions, or those involving uncertainty. Those with most significant effect are:

- All leases are classified as operating leases.

Any judgements made in relation to specific assets and liabilities, in addition to information stated in the relevant notes, can also be found in note 2: Accounting policies.

2b. Major sources of estimation uncertainty

Compliance with IFRS requires the assumptions and uncertainties contained within figures in the accounts and the use of estimates to be explained. GMPF accounts contain estimated figures, taking into account historical experience, current trends and other relevant factors, as detailed below:

Unquoted equity, infrastructure and special opportunities investments

Unquoted equities are valued by the investment managers in accordance with Accounting Standards Codification 820 or with International Financial Reporting Standards (IFRS). The value of unquoted equities, infrastructure and special opportunities held via investment in specialist pooled investment vehicles at 31 March 2023 was £5,224,591,000 (£4,634,476,000 at 31 March 2022).

The valuation of these assets can take up to six months to come through. GMPF practice when closing accounts is to use the latest available valuation and adjust for cashflows.

3. Classification of financial instruments

Accounting policies describe how different asset classes of financial instruments are measured and how income and expenses, including fair value gains and losses, are recognised. The following table analyses the carrying amounts of financial assets and liabilities by category and net assets statement heading.

A small number of indirect property unit trusts (£819.4 million) were reclassified in 2021/22 from Level 3 to Level 2 based on a more detailed understanding of the observable and unobservable inputs into these assets. This movement is shown in note 3a.

	At 31 March 2023		
	Fair value through profit and loss £000	Financial assets at amortised cost £000	Financial liabilities at amortised cost £000
Financial assets:			
Equities	10,849,776	0	0
Bonds	2,786,973	0	0
Derivatives	14,929	0	0
Pooled investment vehicles	10,773,706	0	0
Insurance policies	3,526,911	0	0
Cash	0	435,893	0
Other investment assets	0	182,053	0
Current assets	0	96,712	0
	27,952,295	**714,658**	**0**
Financial liabilities:			
Derivatives	(7,155)	0	0
Other investment liabilities	0	0	(23,528)
Current liabilities	0	0	(18,252)
	(7,155)	**0**	**(41,780)**
Total	**27,945,140**	**714,658**	**(41,780)**

	At 31 March 2022		
	Fair value through profit and loss £000	Financial assets at amortised cost £000	Financial liabilities at amortised cost £000
Financial assets:			
Equities	11,104,860	0	0
Bonds	2,473,336	0	0
Derivatives	24,838	0	0
Pooled investment vehicles	9,396,723	0	0
Insurance policies	4,179,479	0	0
Cash	0	922,059	0
Other investment assets	0	298,234	0
Current assets	0	76,083	0
	27,179,236	**1,296,376**	**0**
Financial liabilities:			
Derivatives	(49,499)	0	0
Other investment liabilities	0	0	(18,148)
Current liabilities	0	0	(25,948)
	(49,499)	**0**	**(44,096)**
Total	**27,129,737**	**1,296,376**	**(44,096)**

Note: the above tables do not include investment property.

Net gains and losses on financial instruments

All gains and losses on financial instruments were at fair value through the profit and loss. The net loss for the year ending 31 March 2023 was £199,870,000 (£2,150,000,000 net profit as at 31 March 2022).

3a. Valuation of assets carried at fair value

The table below provides an analysis of the assets and liabilities of GMPF that are carried at fair value in the GMPF Net Asset Statement grouped into Levels 1 to 3 based on the degree to which fair value is observable. Further details of the values shown can be found in note 11.

	At 31 March 2023			
	Level 1 £000	Level 2 £000	Level 3 £000	Total £000
Financial assets:				
Equities	10,849,776	0	0	10,849,776
Fixed interest	0	2,786,973	0	2,786,973
Derivatives	0	14,929	0	14,929
Pooled investment vehicles	0	2,841,223	7,932,483	10,773,706
Insurance policies	0	3,526,911	0	3,526,911
Non financial assets (at fair value through profit & loss):				
Directly held investment property	0	0	807,695	807,695
Total	**10,849,776**	**9,170,036**	**8,740,178**	**28,759,990**

	At 31 March 2022			
	Level 1 £000	Level 2 £000	Level 3 £000	Total £000
Financial assets:				
Equities	11,104,860	0	0	11,104,860
Fixed interest	0	2,473,336	0	2,473,336
Derivatives	0	24,838	0	24,838
Pooled investment vehicles		2,694,898	6,668,302	9,363,200
Insurance policies		4,179,479		4,179,479
Non financial assets (at fair value through profit & loss):				
Directly held investment property	0	0	975,760	975,760
Total	**11,104,860**	**9,372,551**	**7,644,062**	**28,121,473**

The valuation of assets has been classified into three levels according to the quality and reliability of information used to determine the fair values.

Level 1

Inputs to Level 1 are quoted prices on the asset being valued in an active market where there is sufficient transaction activity to allow pricing information to be provided on an ongoing basis. Financial instruments classified as Level 1 predominantly comprise actively traded shares.

There have been no transfers in year between Level 1 and Level 2.

Level 2

Level 2 prices are those other than Level 1 that are observable eg composite prices for fixed income instruments and fund net asset value prices. This is considered to be the most common level for all asset classes other than equities.

Level 3

Level 3 prices are those where at least one input, which could have a significant effect on the instrument's valuation, is not based on observable market data. Such instruments would include the GMPF private equity and infrastructure investments which are valued using various valuation techniques that require significant management judgement in determining appropriate assumptions, including applying earnings multiples from comparable public market companies to estimated future cash flows.

The valuation techniques used by GMPF, and the key sensitivities to those, are detailed in note 2 and there has been no change in the valuation techniques used during the year. All assets have been valued using fair value techniques which represent the highest and best price available at the reporting date. Transfers between levels are deemed to have occurred when there is a significant change to the level of observable and unobservable inputs used to determine fair value.

A small number of indirect property unit trusts (£819.4 million) were reclassified in 2021/2 from Level 3 to Level 2 to bring them in line with current guidance for classification. These were previously reported as Level 3 due to the concerns over the volatility that pertained at the time, perceived as higher level of risk due to factors other than observable market data.

The table below sets out the assets classified as level 3 assets. GMPF has determined that the valuation methods detailed in note 2 are likely to be accurate to within the following ranges, as provided by GMPF's investment advisor, Hymans Robertson LLP, and has set out below the consequent potential impact on the closing value of investments held at 31 March 2023 and 31 March 2022. There are various factors that affect the complexity of valuation and the realisable value of assets including changing one or more unobservable inputs and certain asset specific issues may lead to realisable valuations falling outside the stated range.

	Valuation at 31 March 2023 £000	Valuation range %	Value on increase £000	Value on decrease £000
Directly held investment property	807,695	17.2%	946,619	668,771
Private equity	4,258,276	33.6%	5,689,057	2,827,495
Indirect property investments	1,365,283	17.2%	1,600,112	1,130,454
Infrastructure	2,308,924	17.3%	2,708,368	1,909,480
Level 3 Assets	**8,740,178**		**10,944,156**	**6,536,200**

	Valuation at 31 March 2022 £000	Valuation range %	Value on increase £000	Value on decrease £000
Directly held investment property	975,760	16.1%	1,132,857	818,663
Private equity	3,854,579	32.6%	5,111,172	2,597,986
Indirect property investments	934,759	16.1%	1,085,255	784,263
Infrastructure	1,878,964	15.2%	2,164,567	1,593,361
Level 3 Assets	**7,644,062**		**9,493,851**	**5,794,273**

A reconciliation of fair value measurements in Level 3 is set out below:

31 March 2021 £000		31 March 2023 £000
6,615,567	Opening balance	7,644,062
1,608,555	Acquisitions	1,721,838
(1,095,798)	Disposal proceeds / Return of capital	(948,120)
	Total gains/losses included in the Fund account:	
440,625	- on assets sold	320,736
894,517	- on assets held at year end	1,662
(819,404)	Transfer of unit trusts to Level 2 at market value	0
7,644,062	**Closing balance**	**8,740,178**

4. Financial risk management

The Management Panel of GMPF recognises that risk is inherent in any investment activity. GMPF has an active risk management programme in place and the measures, which it uses to control key risks, are set out in its Funding Strategy Statement (FSS).

The FSS is prepared in collaboration with GMPF's Actuary, Hymans Robertson LLP, and after consultation with GMPF's employers and investment advisors.

The FSS is reviewed in detail at least every three years in line with triennial valuations being carried out. A full review was completed in December 2022.

GMPF's approach to investment risk measurement and its management is set out in its Investment Strategy Statement (ISS). The overall approach is to reduce risk to a minimum where it is possible to do so without compromising returns (eg in operational matters), and to limit risk to prudently acceptable levels otherwise (eg in investment matters).

The means by which GMPF minimises operational risk and constrains investment risk is set out in further detail in its ISS (available at www.gmpf.org.uk).

Some risks lend themselves to being measured (eg using such concepts as 'Active Risk' and such techniques as 'Asset Liability Modelling') and where this is the case, GMPF employs the relevant approach to measurement. GMPF reviews new approaches to measurement as these continue to be developed.

GMPF's exposures to risks and its objectives, policies and processes for managing and measuring the risks have not changed throughout the course of the year.

Market risk

Market risk is the level of volatility in returns on investments caused by changes in market expectations, interest rates, credit spreads, foreign exchange rates and other factors.

This is calculated as the standard deviation of predicted outcomes. GMPF is exposed to market risk through its portfolio being invested in a variety of asset classes.

GMPF seeks to limit its exposure to market risk by diversifying its portfolio as explained within its ISS and by restricting the freedom of its fund managers to deviate from benchmark allocations. The asset allocation has been made with regard to the balance between expected returns and expected volatility of asset classes and using advice from GMPF's investment advisor, Hymans Robertson LLP.

The table below shows the expected market risk exposure or predicted volatilities of GMPF's investments:

	Potential market movements (+/-)	
Asset type	31 March 2022 p.a.	31 March 2023 p.a.
UK equities	20.3%	19.1%
Overseas equities	20.6%	19.8%
Fixed interest gilts	6.9%	6.3%
Index linked gilts	7.4%	7.5%
Corporate bonds	8.1%	7.8%
High yield debt	7.5%	8.2%
Investment property	16.1%	17.2%
Private equity	32.6%	33.6%
Infrastructure	15.2%	17.3%
Cash and other liquid funds	0.3%	0.3%
GMPF	11.9%	11.5%

The volatilities for each asset class and correlations used to create the total GMPF volatility have been estimated using standard deviations of 5,000 simulated one-year total returns using Hymans Robertson Asset Model, the economic scenario generator maintained by Hymans Robertson LLP.

The overall GMPF volatility has been calculated based on GMPF's target asset split as at 31 March 2022 and 2023. The calibration of the model is based on a combination of historical data, economic theory and expert opinion. This model includes the impact of potential changes in UK interest rates and foreign exchange rates to fixed income assets allowing for correlation impacts.

If the market price of GMPF's investments increases or decreases over a period of a year in line with the data within the table above, the change in the market value of the net assets available to pay benefits as at 31 March 2022 and 2023 would have been as shown in the tables below.

Asset type	31 March 2023 £000	% Change p.a.	Value on increase £000	Value on decrease £000
UK equities	3,497,152	19.1%	4,165,108	2,829,196
Overseas equities	8,930,763	19.8%	10,699,054	7,162,472
Fixed interest gilts	1,273,326	6.3%	1,353,546	1,193,106
Index linked gilts	1,635,500	7.5%	1,758,163	1,512,838
Corporate bonds	1,979,020	7.8%	2,133,384	1,824,656
High yield debt	1,543,647	8.2%	1,670,226	1,417,068
Investment property	2,914,997	17.2%	3,416,376	2,413,618
Private equity	4,258,276	33.6%	5,689,057	2,827,495
Infrastructure	2,308,924	17.3%	2,708,368	1,909,480
Cash and other liquid funds	1,036,331	0.3%	1,039,440	1,033,222
GMPF	**29,377,936**	**11.5%**	**32,756,399**	**25,999,473**

Asset type	31 March 2022 £000	% Change p.a.	Value on increase £000	Value on decrease £000
UK equities	3,969,042	20.3%	4,774,758	3,163,326
Overseas equities	8,895,699	20.6%	10,728,213	7,063,185
Fixed interest bonds	1,685,914	6.9%	1,802,242	1,569,586
Index linked bonds	1,215,196	7.4%	1,305,121	1,125,271
Corporate bonds	2,010,247	8.1%	2,173,077	1,847,417
High yield debt	1,419,226	7.5%	1,525,668	1,312,784
Investment property	2,630,318	16.1%	3,053,799	2,206,837
Private equity	3,854,579	32.6%	5,111,172	2,597,986
Infrastructure	1,978,568	15.2%	2,279,310	1,677,826
Cash and other liquid funds	1,682,977	0.3%	1,688,026	1,677,928
GMPF	**29,341,766**	**11.9%**	**32,833,436**	**25,850,096**

Note: the above tables do not include investment liabilities and net current assets. Pooled Investment Vehicles have been broken down and included in the relevant asset type.

Interest rate risk

GMPF invests in financial assets for the primary purpose of obtaining a return on investments whilst recognising that there is a risk that returns will not be as expected. Changes in the level of interest rates will contribute to the volatility of returns in all asset classes. The table in the section on market risk shows the expected volatility over one year for GMPF's investment portfolio. One area directly affected by interest rate changes is the level of income expected from floating rate cash instruments. As at 31 March 2023, GMPF had £388,176,000 (2021/22 £412,270,000) invested in this asset via pooled investment vehicles. Therefore, a 1% change in interest rates will increase or reduce GMPF's return by £3,882,000 (2021/22 £4,123,000) on an annualised basis. Interest rates would have to rise significantly to have any material impact on value of the Fund.

Currency risk

GMPF invests in financial assets for the primary purpose of obtaining a return on investments whilst recognising that there is a risk that returns will not be as expected. Changes in the level of foreign exchange rates will contribute to the overall volatility of overseas assets. GMPF's approach is to consider these risks in a holistic nature. The table in the section on market risk shows the expected volatility over one year for GMPF's investment portfolio including overseas assets which are separately identified.

Credit risk

Credit risk represents the risk that the counterparty to a transaction or a financial instrument will fail to discharge an obligation and cause GMPF to incur a financial loss. The market values of investments generally reflect an assessment of credit risk in their pricing and consequently the risk of loss is implicitly provided for in the carrying value of GMPF's financial assets and liabilities. The volatility of credit risk is encapsulated within the overall volatility of assets detailed in the table showing market risk.

In essence, GMPF's entire investment portfolio is exposed to some form of credit risk. However, the selection of high-quality counterparties, brokers and financial institutions minimises the credit risk that may occur through the failure to settle a transaction in a timely manner.

Contractual credit risk is represented by the net payment or receipt that remains outstanding, and the cost of replacing the derivative positions in the event of counterparty default. The residual risk is minimal due to the various insurance policies held by the exchanges to cover defaulting counterparties.

Deposits are not made with banks and financial institutions unless they are rated independently and meet Tameside Metropolitan Borough Council's (TMBC), as administering authority, credit criteria. TMBC has also set limits as to the maximum percentage of the deposits placed with any one class of financial institution. In addition, TMBC invests an agreed percentage of its funds in the money markets to provide diversification. Money market funds chosen all had an 'AAA' rating from a leading ratings agency.

TMBC believes it has managed its exposure to credit risk and has had no experience of default or uncollectable deposits, with no balances written off during the period. GMPF's cash holding under its Treasury Management arrangements at 31 March 2023 was £279,000,000 (31 March 2022 £737,400,000). This was held with the following institutions:

Summary	Rating	Balance at 31 March 2022 £000	Balance at 31 March 2023 £000
Money market Funds			
Aberdeen Assets	AAA	65,400	0
Federated	AAA	75,000	0
Insight	AAA	75,000	0
Legal & General	AAA	75,000	0
Morgan Stanley	AAA	75,000	75,000
SSGA	AAA	75,000	66,000
Banks			
Close Brothers	A+	50,000	50,000
Barclays	A+	50,000	50,000
Local authorities & public bodies			
Aberdeenshire Council	N/A	10,000	5,000
Blackpool Council	N/A	5,000	0
Derbyshire Council	N/A	10,000	0
Eastbourne Council	N/A	5,000	0
Eastleigh Council	N/A	35,000	0
Enfield Council	N/A	0	5,000
Great Yarmouth Borough Council	N/A	0	8,000
Leeds City Council	N/A	20,000	0
Spelthorne Council	N/A	5,000	0
Telford & Wrekin Council	N/A	0	5,000
Thurruck Council *	N/A	50,000	0
Uttlesford Council	N/A	2,000	0
Wakefield council	N/A	10,000	0
West Dunbartonshire Council	N/A	30,000	5,000
Wokingham Council	N/A	15,000	10,000
Total		**737,400**	**279,000**

*Paid in full.

Liquidity risk

Liquidity risk represents the risk that GMPF will not be able to meet its financial obligations as they fall due. TMBC therefore take steps to ensure that GMPF has adequate cash resources to meet its commitments. This will particularly be the case for cash from the liability matching mandates from the main investment strategy to meet the pensioner payroll cost; and also, cash to meet investment commitments.

TMBC has immediate access to the GMPF cash holdings, except for investments placed with other local authorities – where periods are fixed when the deposit is placed. GMPF had in excess of £435 million cash balances at 31 March 2023, of which £279 million was held on deposit.

All financial liabilities at 31 March 2023 are due within one year.

The majority of GMPF assets are liquid; their value could be realised within one week. The table below shows GMPF investments in liquidity terms:

31 March 2022 £000	Liquidity terms	31 March 2023 £000
20,581,301	Assets realisable within 7 days	19,714,739
75,000	Assets realisable in 8-30 days	141,000
102,000	Assets realisable in 31-90 days	20,000
8,583,465	Assets taking more than 90 days to realise	9,502,197
29,341,766	**Total**	**29,377,936**

Management prepares periodic cash flow forecasts to understand and manage the timing of GMPF's cash flows. The appropriate strategic level of cash balances to be held is a central consideration when preparing GMPF's annual investment strategy.

The effects of reductions in public expenditure are expected to result in a significant maturing of GMPF's liabilities, with fewer employee members and more pensioner and deferred members. However, when income from investments is taken into account, GMPF is expected to continue to be cash flow positive for the foreseeable future and it will not be a forced seller of investments to meet its pension obligations.

5. Contributions

By Category

31 March 2022 £000		31 March 2023 £000
(168,254)	Members' contributions	(184,648)
	Employers:	
(450,971)	Normal contributions	(524,959)
(9,833)	Deficit recovery contributions	(3,765)
(460,804)	Total employer contributions	(528,724)
(629,058)	**Total**	**(713,372)**

By Authority

31 March 2022 £000		31 March 2023 £000
(7,843)	Tameside MBC (administering body)	(11,943)
(537,821)	Scheduled Bodies	(633,724)
(83,394)	Admission bodies	(67,705)
(629,058)	**Total**	**(713,372)**

Scheme employers can be split into those listed in Part 1 of Schedule 2 of the Local Government Pension Scheme (Administration) Regulations 2013 (as amended) (such as local authorities), which participate automatically, and those listed in Part 2 (such as town councils) which can only participate if they choose to do so by designating employees or groups of employees as eligible. Part 2 employers are called designating bodies. Community admission bodies provide a public service in the United Kingdom otherwise than for the purposes of gain and have sufficient links with a Scheme employer. Transferee admission bodies are commercial organisations carrying out work for local authorities, or other Part 1 or Part 2 employers, under a best value or other arrangement. Further analysis of contributions by employer is contained in note 20 of these statements.

The funding level is the ratio of assets to liabilities at the valuation date. At the 2022 Actuarial Valuation, GMPF was assessed as 104% funded. The employer contribution rates specified are minimum rates. Some employers make voluntary payments in excess of these minimum rates and some make contributions in excess of their future service rate in order to help repay a deficit position over a period. In addition, a small number of employers were required to make explicit lump sum deficit payments – details of these can be found in the 2022 Actuarial Valuation report located at www.gmpf.org.uk.

Contribution rates in 2022/23 were based on the results of the 2019 Actuarial Valuation. The contribution rates resulting from the 2022 Actuarial Valuation take effect from 1 April 2023.

6. Benefits payable

By Category

31 March 2022 £000		**31 March 2023 £000**
749,216	Pensions	793,763
134,585	Commutation and lump sum retirement benefits	142,337
21,798	Lump sum death benefits	18,279
905,599	**Total**	**954,379**

By Authority

31 March 2022 £000		31 March 2023 £000
37,651	Tameside MBC (administering body)	40,034
682,533	Scheduled bodies	719,037
185,415	Admission bodies	195,308
905,599	**Total**	**954,379**

Further analysis of benefits payable by employer is contained in note 20 of these statements.

7. Payments to and on account of leavers

31 March 2022 £000		31 March 2023 £000
2,748	Group transfers to other schemes	0
31,217	Individual transfers to other schemes	52,868
23	Payments for members joining state scheme	0
(18)	Income for members from state scheme	(8)
970	Refunds to members leaving service	1,183
34,940	**Total**	**54,043**

8. Management expenses

The costs of administration and investment management are met by the employers through their employer contribution rate. In June 2016, CIPFA published guidance on Accounting for LGPS Management Costs. The aim of this guidance is to assist in the improvement of consistent and comparable data across LGPS funds. GMPF Scheme management costs have been categorised in accordance with this guidance in the tables below.

31 March 2022 £000		31 March 2023 £000
112,928	Investment management expenses	96,425
6,147	Administrative costs	7,273
1,242	Oversight and governance costs	2,038
120,317	**Total**	**105,736**

The cost of administration and investment management are met by the employers through their employer contributions. Note 8 shows costs analysed as per CIPFA guidance. The key element of investment management costs are fees paid to investment managers and these are set out in more detail in note 11i.

Investment management expenses

31 March 2022 £000		31 March 2023 £000
1,794	Employee costs	1,871
274	Support services including IT	308
5,282	Transaction costs (public managers) *	4,956
84,473	Management fees - private markets (custodian)**	67,746
20,699	Management fees - public markets	21,092
406	Custody fees	452
112,928	**Total**	**96,425**

* Transaction costs are incremental costs directly attributable to the sale and purchase of UK and Overseas equities. They comprise £629,000 (2022 £633,000) commissions and £4,327,000 (2022 £4,649,000) other costs which included UK stamp duty and market levies.

**These costs are allocated directly to the Fund Account where information is available to the Custodian by the investment manager, on an as paid rather than on an accruals basis.

Administrative costs

31 March 2022 £000		31 March 2023 £000
4,892	Employee costs	5,339
1,072	Support services including IT	1,727
183	Printing and publications	207
6,147	**Total**	**7,273**

Oversight and governance costs

31 March 2022 £000		31 March 2023 £000
493	Employee costs	566
17	Support services including IT	392
143	Governance and decision making costs	178
30	Investment performance monitoring	37
73	External audit fees *	73
132	Internal audit fees	134
188	Actuarial fees - investment consultancy	98
166	Actuarial fees	560
1,242	**Total**	**2,038**

** Total external auditors fee in 2022/23 is £73,383 (2021/22 73,383) of which £30,000 (2021/22 £30,000) was in relation to work carried out on behalf of GMPF's main scheme employers.*

The above costs include GMPF's share of costs for Northern LGPS Pool – see note 8a for further details.

8a. Costs related to the Northern LGPS Pool

	At 31 March 2023			
Set up costs:	Direct £000	Indirect £000	Total in year £000	Cumulative £000
Legal	0	0	0	71
Procurement	0	0	0	30
Other costs	66	0	66	379
Total set up costs	**66**	**0**	**66**	**480**

Set up costs:	At 31 March 2022 Direct £000	Indirect £000	Total in year £000	Cumulative £000
Legal	0	0	0	71
Procurement	0	0	0	30
Other costs	75	0	75	314
Total set up costs	**75**	**0**	**75**	**415**

9. Investment income

31 March 2022 £000		31 March 2023 £000
(46,950)	Fixed interest (corporate and government bonds)	(56,692)
(319,244)	Equities	(366,446)
(899)	Index linked	(1,684)
(183,396)	Pooled investment vehicles	(248,365)
(43,480)	Investment property (gross)	(40,501)
5,915	Investment property non-recoverable expenditure	8,937
(434)	Interest on cash deposits	(15,315)
(1,439)	Stocklending	(2,145)
(589,927)	**Total**	**(722,211)**

In accordance with IAS 12 Income Taxes, investment income includes withholding taxes and irrecoverable withholding tax is analysed separately as a tax charge. Income received by Legal and General and Stone Harbour is automatically reinvested within the relevant sector fund, as are many of the other specialist pooled funds, and thus excluded from the above analysis.

10. Taxation

GMPF is exempt from UK income tax on interest and from capital gains tax on the profits resulting from the sale of investments. GMPF is exempt from United States withholding tax on dividends and can recover all or part of the withholding tax deducted in some other countries. The amount of withholding tax deducted from overseas dividends which GMPF is unable to reclaim in 2022/23 amounts to £3,258,000 (2021/22 £3,415,000) and is shown as a tax charge.

As Tameside MBC is the Administering Authority for GMPF, VAT input tax was recoverable on all GMPF activities including expenditure on investment and property expenses.

11a. Reconciliation of movement in financial assets

The following tables analyse the carrying amounts of the financial assets and liabilities by category.

Value at 31 March 2022 £000		Purchases £000	Sales £000	Change in fair value £000	Value at 31 March 2023 £000
	Financial assets at fair value through profit and loss				
11,104,860	Equities	3,676,689	(4,096,650)	164,877	10,849,776
2,473,336	Bonds	1,899,404	(1,439,230)	(146,537)	2,786,973
975,760	Investment property	89,599	(180,247)	(77,417)	807,695
(24,661)	Net derivatives	170,551	(216,180)	78,064	7,774
13,542,679	Managed and unitised funds	3,563,824	(2,509,612)	(296,274)	14,300,617
28,071,974		**9,400,067**	**(8,441,919)**	**(277,287)**	**28,752,835**
	Financial assets and liabilities at amortised cost				
922,059	Cash				435,893
298,234	Other investment assets				182,053
76,083	Net current assets				96,712
(18,148)	Other investment liabilities				(23,528)
(25,948)	Net current liabilities				(18,252)
29,324,254	**Total**				**29,425,713**

Value at 31 March 2021 £000		Purchases £000	Sales £000	Change in fair value £000	Value at 31 March 2022 £000
	Financial assets at fair value through profit and loss				
11,462,318	Equities	3,669,169	(5,200,770)	1,174,143	11,104,860
1,731,185	Bonds	1,348,170	(543,342)	(62,677)	2,473,336
870,516	Investment property	48,041	(45,562)	102,765	975,760
(7,743)	Net derivatives	180,796	(126,647)	(71,067)	(24,661)
12,020,434	Managed and unitised funds	2,539,906	(2,126,828)	1,109,167	13,542,679
26,076,710		**7,786,082**	**(8,043,149)**	**2,252,331**	**28,071,974**
	Financial assets and liabilities at amortised cost				
663,516	Cash				922,059
221,170	Other investment assets				298,234
74,694	Net current assets				76,083
(120,098)	Other investment liabilities				(18,148)
(25,983)	Net current liabilities				(25,948)
26,890,009	**Total**				**29,324,254**

The table above excludes any profits or losses on foreign currency transactions from Changes in Fair Value. This accounts for the difference to the value shown in the Fund Statement.

11b. Bonds

31 March 2022 £000		31 March 2023 £000
567,856	UK public sector quoted	591,351
654,566	Overseas public sector quoted	263,134
511,538	UK corporate quoted	435,994
500,729	Overseas corporate quoted	674,564
238,647	Index linked	821,930
2,473,336		**2,786,973**

11c. Investment property

31 March 2022 £000		31 March 2023 £000
760,205	UK - Main investment property portfolio	591,825
215,555	UK - Greater Manchester Property Venture Fund	215,870
975,760		**807,695**

In order to reduce risk, investment property is diversified over a wide range of sectors.

No directly held investment property has restrictions on its realisation, remittance of income or disposal proceeds.

Committed expenditure in relation to investment property can be found at note 17.

In accordance with the Investment Property Strategy, hold/sell decisions for the investment properties remain under active review, subject to business plan progress and investment market sentiment. Three properties were either being prepared for sale, being marketed or prices had been agreed at 31 March 2023 - combined valuation: £22,900,000 (compared to two properties March 2022 combined valuation: £9,380,000).

GMPF sold four investment properties during the 2022/23 financial year: combined valuation £172,000,000 at 31 March 2022 (had sold five investment properties during the 2021/22 financial year: combined valuation £32,200,000 at 31 March 2021).

The following tables summarise the movement in the fair value of investment properties over the year:

Movement in the fair value of investment properties in 2022/23	£000
Balance at 1 April 2022	975,760
Purchases	57,045
Expenditure during year	32,554
Disposals	(180,247)
Net gains/ (losses) from fair value adjustments	(77,417)
Balance at 31 March 2023*	**807,695**

** Three properties were either being prepared for sale, marketed or prices had been agreed at 31 March 2023*

Movement in the fair value of investment properties in 2021/22	£000
Balance at 1 April 2021	870,516
Purchases	27,644
Expenditure during year	20,397
Disposals	(45,562)
Net gains/ (losses) from fair value adjustments	102,765
Balance at 31 March 2022*	**975,760**

** Two properties were either being prepared for sale, marketed or prices had been agreed at 31 March 2022*

Future operating lease rentals receivable

31 March 2022 £000		31 March 2023 £000
42,576	Not later than 1 year	36,786
140,373	Later than 1 year, but not later than 5 years	116,147
221,272	Later than 5 years	216,290
404,221	**Total**	**369,222**

The future minimum lease payments due to GMPF under non-cancellable operating leases are stated above. Only direct properties have been included.

The following approach has been taken in calculating the figures above: -

- Where a lease contains a tenant's break clause, it is only up to this point that the aggregation is made.
- GMPF's share of club deals, joint ventures and indirect holdings are excluded.
- Some (predominantly retail) tenancies contain provisions for rent concessions during periods of enforced store closures. These have not been modelled above, due to the unknown extent and timing of any such periods.
- For tenancies where the rent is linked to turnover and there is no base rent element, the rent has been modelled as zero as no further sums are guaranteed to be received.
- No contingent rents were recognised in the period.

11d. Derivatives

31 March 2022 £000		31 March 2023 £000
	Investment assets:	
3,350	Forward currency contracts	36
21,488	Financial futures	14,893
24,838		14,929
	Investment liabilities:	
(417)	Forward currency contracts	(7,067)
(49,082)	Financial futures	(88)
(24,661)	**Net (liability)/asset**	7,774

Derivative receipts and payments represent the realised gains and losses on futures contracts and forward currency contracts. GMPF's objective in entering into derivative positions was to decrease risk in the portfolio.

The tables below analyse the derivative contracts held at 31 March by maturity date. The Forward Currency Contracts were all traded on an over-the-counter basis.

31 March 2023

Contract	Settlement date	Currency	Currency bought 000	Currency	Currency sold 000	Assets £000	Liability £000
Forward Currency Contract	Within one month	JPY	27,935,700	GBP	174,089	0	(3,776)
Forward Currency Contract	Within one month	AUD	10,000	GBP	5,508	0	(89)
Forward Currency Contract	Within one month	CHF	7,000	GBP	6,230	0	(22)
Forward Currency Contract	Within one month	HKD	15,000	GBP	1,576	0	(30)
Forward Currency Contract	Within one month	EUR	27,750	GBP	24,366	36	0
Forward Currency Contract	Within one month	USD	213,000	GBP	175,324	0	(3,131)
Forward Currency Contract	Within one month	CAD	14,750	GBP	8,833	0	(19)
Total						**36**	**(7,067)**

31 March 2022

Contract	Settlement date	Currency	Currency bought 000	Currency	Currency sold 000	Assets £000	Liability £000
Forward Currency Contract	Within one month	JPY	20,037,600	GBP	124,049	1,806	(398)
Forward Currency Contract	Within one month	GBP	210,935	USD	276,475	919	0
Forward Currency Contract	Within one month	CHF	8,600	GBP	7,003	99	0
Forward Currency Contract	Within one month	HKD	26,500	GBP	2,573	0	(2)
Forward Currency Contract	Within one month	AUD	12,900	GBP	7,252	108	0
Forward Currency Contract	Within one month	CAD	21,000	GBP	12,628	141	0
Forward Currency Contract	Within one month	USD	291,500	GBP	221,390	44	(17)
Forward Currency Contract	Within one month	EUR	39,000	GBP	32,742	233	0
Total						**3,350**	**(417)**

31 March 2023

Contract	Settlement date	Currency	Economic exposure 000	Market value £000
UK Equity Futures	Less than one year	GBP	13,215	182
Overseas Equity Futures	Less than one year	GBP	277,446	14,711
UK Equity Futures	Less than one year	GBP	0	0
Overseas Equity Futures	Less than one year	GBP	22,767	(88)
Total			**313,428**	**14,805**

31 March 2022

Contract	Settlement date	Currency	Economic exposure 000	Market value £000
UK Equity Futures	Less than one year	GBP	19,988	831
Overseas Equity Futures	Less than one year	GBP	376,760	20,656
UK Commodity Futures	Less than one year	GBP	(35,409)	(1,797)
Overseas Equity Futures	Less than one year	GBP	(782,292)	(47,284)
Total			**(420,953)**	**(27,594)**

11e. Pooled investment vehicles

Pooled investment vehicles aggregate capital from multiple investors to pursue specified investment strategies. The table below analyses, by type and underlying asset class, funds in which GMPF invests.

31 March 2022 £000		31 March 2023 £000
1,174,708	Property	1,233,618
1,878,965	Infrastructure *	2,308,924
3,320,427	Private equity **	3,700,187
653,821	Equities	696,410
534,151	Special opportunities	558,089
1,255,196	Global credit	1,411,873
8,817,268	**Managed funds**	**9,909,101**
545,932	Property	864,605
545,932	**Unit trusts**	**864,605**
9,363,200	**Total pooled investment vehicles**	**10,773,706**

* *includes £983,284,000 GLIL investment via the Northern LGPS Pool vehicle (2022 £820,509,000)*

** *includes £538,506,000 NPEP investment via the Northern LGPS Pool vehicle (2022 £415,315,000)*

11f. Insurance policies

31 March 2022 £000		31 March 2023 £000
33,523	Property	9,080
262	UK quoted equity	260
261,437	UK fixed interest	233,112
775,598	UK index linked securities	627,984
591,524	UK corporate bonds	505,910
412,270	UK cash instruments	388,176
1,102,865	Overseas quoted equity	866,663
202,056	Overseas fixed interest	185,730
406,456	Overseas corporate bonds	362,551
200,950	Overseas index linked securities	185,587
164,029	Global credit	131,774
28,509	Inflation funds	30,084
4,179,479	**Insurance policies**	**3,526,911**

11g. Cash

31 March 2022 £000		31 March 2023 £000
788,571	Sterling	329,062
133,488	Foreign currency	106,831
922,059	**Total**	**435,893**

11h. Other investments balances and net assets

31 March 2021 £000		31 March 2022 £000
7,933	Amounts due from broker	1,821
70,667	Outstanding dividends and recoverable withholding tax	71,317
17,885	Gross accrued interest on bonds	19,651
15,200	Gross accrued interest on loans	13,768
79,069	Investment loans	59,949
103,116	Variation margin	12,715
4,364	Other accrued interest and tax reclaims	2,832
298,234	**Other investment assets**	**182,053**
(16,383)	Amounts due to broker	(21,762)
(1,765)	Irrecoverable withholding tax	(1,766)
(18,148)	**Other investment liabilities**	**(23,528)**
30,387	Employer contributions - main scheme	24,508
54	Employer contributions - additional pensions	39
27,522	Property	24,121
363	Admin & investment management expenses	910
17,757	Other	47,134
76,083	**Current assets**	**96,712**
(7,914)	Property	(7,260)
(18)	Employer contributions - main scheme	(18)
(1,820)	Employer contributions - additional pensions	(1,726)
(4,995)	Admin & investment management expenses	(4,903)
(11,201)	Other	(4,345)
(25,948)	**Current liabilities**	**(18,252)**
50,135	**Net current assets**	**78,460**
330,221	**Other investment balances and net assets**	**236,985**

11i. Transaction and management costs

Managers of listed securities

Since 1 April 2016 transaction costs in respect of the purchase and sale of equities have been respectively excluded or included in the prices reported in the Net Assets Statement and charged to the Fund Account. Details may be seen at note 8.

Directly held property

Transaction costs continue to be capitalised and are implicit within the value of the assets concerned. These amounted to £4,784,000 for 2022/23 (2021/22 £14,946,000).

The CIPFA Code of Practice (and guidance related to the Code) does not require 'bid-offer spread' to be reported as a transaction cost.

Pooled investment vehicles in unlisted assets

Certain investments in pooled vehicles, predominantly in private markets, alternatives and property have investment costs charged directly by the investment managers from either asset values or capital calls/ payments. These costs are allocated directly to the Fund Account where information is available to the Custodian by the investment manager, on an as paid rather than on an accruals basis.

Where costs are charged by these managers and not disclosed to the Custodian, they are included in the fair value adjustments applied to assets concerned within the Fund Account and corresponding notes; in previous years all of these costs were treated this way.

The table below shows an estimate of a fuller charge to these private market funds on an accruals basis including performance related fees.

31 March 2022 £000		31 March 2023 £000
	GMPF Private market and alternative investments	
182,440	- performance related	534
67,604	- non-performance related	77,342
	GMPF Indirect investment property	
15,502	- performance related	14,273
19,149	- non-performance related	25,928
	Northern LGPS Investments (NPEP/GLIL)	
17,621	- performance related	3,505
12,634	- non-performance related	15,025
314,950	**Total**	**136,607**

12. Local investments

GMPF invests within the North West of England with a focus on the Greater Manchester conurbation in property development and redevelopment opportunities. This programme of investments is delivered through Greater Manchester Property Venture Fund.

31 March 2022 £000		31 March 2023 £000
215,555	Greater Manchester Property Venture Fund	**215,870**

13. Designated funds

A small number of employers within GMPF have a materially different liability profile. Some earmarked investments are allocated to these employers. The investments of the designated fund incorporated in the Net Asset Statement are as follows:

31 March 2022 £000		31 March 2023 £000
188,103	UK corporate bond	144,849
568,730	UK index linked	447,920
21,313	Cash instruments	18,607
28,509	Inflation funds	30,085
164,029	Investment Grade Corporate Bonds	131,774
58,166	UK fixed interest	51,721
1,028,850	**Insurance policies (MF36861)**	**824,956**
33,272	Cash	27,502
1,062,122	**Total**	**852,458**

14. Summary of managers' portfolio values at 31 March

2022 £m	2022 %		2023 £m	2023 %
		Externally managed		
9,825	33.5%	UBS Global Asset Management	9,816	33.3%
4,146	14.1%	Legal & General	3,518	12.0%
2,603	8.9%	Sci Beta	2,650	9.0%
1,780	6.1%	Ninety One (formerly Investec)	1,875	6.4%
1,255	4.3%	Stone Harbor	1,412	4.8%
0	0.0%	LaSalle	0	0.0%
703	2.4%	Schroders Capital	489	1.7%
57	0.2%	APAM	103	0.4%
215	0.7%	Avison Young (advisory mandate)	216	0.7%
20,584	**70.2%**		**20,079**	**68.3%**
		Internally managed		
5,734	19.5%	Private markets	6,567	22.2%
33	0.1%	Designated funds	28	0.1%
1,754	6.0%	Property (indirect)	2,107	7.2%
1,219	4.2%	Cash, other investments and net assets	645	2.2%
8,740	**29.8%**		**9,347**	**31.7%**
29,324	**100.0%**	**Total**	**29,426**	**100.0%**

15. Concentration of investment

As at 31 March 2023, GMPF held, respectively, 9.15%, 2.80% and 0.004% of its net assets in insurance contracts MF32950, MF36861 and MF36558 with Legal & General Assurance (Pensions Management) Limited. They are linked long term contracts under Class III of Schedule 1 of the Insurance Companies Act 1982 and not 'with profits' contracts.

The policy documents have been issued and the values are incorporated in the Net Asset Statement within insurance policies. Details of the underlying asset classes included in policy MF36861 can be seen in note 13 Designated Funds, the other policies' underlying asset classes are as follows:

31 March 2022 £000	Policy MF32950	31 March 2023 £000
1,102,254	Overseas equities	866,090
203,238	UK fixed interest	181,356
403,358	UK corporate bonds	360,989
202,019	Overseas fixed interest	185,695
206,832	UK index linked	180,027
200,914	Overseas index linked	185,552
390,897	UK cash instruments	369,502
406,383	Overseas corporate bonds	362,479
3,115,895	**Total**	**2,691,690**

31 March 2022 £000	Policy MF36558	31 March 2023 £000
262	UK equities	260
611	Overseas equities	573
32	UK fixed interest	35
63	UK corporate bonds	72
37	Overseas fixed interest	35
36	UK index linked	37
60	UK cash instruments	35
37	Overseas index linked	67
73	Overseas corporate bonds	72
1,211	**Total**	**1,186**

16. Notifiable interests

As at 31 March 2022 and 31 March 2023, GMPF had holdings of 3% or over in the ordinary share capital of the following quoted companies:

UK Equity 31 March 2022 %		UK Equity 31 March 2023 %
3.5	Balfour Beatty PLC	-
5.2	Curry's PLC	4.0
3.3	Intu Properties PLC	3.3
3.9	Man Group PLC	-
3.0	National Express Group PLC	-
4.8	RPS Group PLC	-
-	Synthomer PLC	5.8

Note: the table only shows investments of 3.0% and above; all others are less than 3%

17. Undrawn commitments

31 March 2022 £000	Asset type	Nature of commitment	31 March 2023 £000
2,630	Directly held investment property	Commitments regarding demolition or refurbishment work	2,342
75,432	Directly held investment property	Commitments regarding purchases	43,331
1,878,290	Indirect private equity and infrastructure	Commitments to fund	2,221,962
413,664	Special Opportunities portfolio	Commitments to fund	361,383
233,687	Property managed funds	Commitments to fund	288,354
48,296	Property unit trusts	Commitments to fund	9,697
1,900	Commercial/domestic based property unit trust	Commitments to fund	9,417
6,242	Local Investment 4 Growth fund	Commitments to fund	17,092
232,268	Local Impact Portfolio	Commitments to fund	368,055
3,532	Greater Manchester Property Venture Fund	Commitment to lend	22,078
813,144	Private debt portfolio	Commitment to fund	513,821
62,410	Internally Managed LGPS Northern Housing	Commitment to fund	81,756
3,771,495	**Total**		**3,939,288**

The above expenditure was contractually committed as at 31 March and a series of staged payments are to be made at future dates.

18a. Related party transaction

In the course of fulfilling its role as administering authority to GMPF, Tameside MBC incurred costs for services (eg salaries and support costs) of £9,526,000 (2021/22: £8,530,000) on behalf of GMPF and reclaimed from HMRC VAT of £8,483,000 (2021/22 £6,208,000) net. Total payments due to Tameside MBC therefore, amounted to £1,043,000 (2021/22 £2,322,000). GMPF reimbursed Tameside MBC £2,933,000 (2021/22 £1,913,000) for these charges during the year and so there is a debtor owing to GMPF at the year end of £1,890,000 (2021/22 £409,000 creditor). This debt will be netted off future payments due to Tameside MBC.

There is no direct charge to GMPF for the services of the Chief Executive & Director of Pensions and the Director of Resources, but a contribution towards their cost is included in the recharge as detailed above. They receive no additional salary or remuneration for undertaking these roles. Details of the total remuneration of these officers will be published on the Tameside MBC website. The remuneration of the Chair of the Management Panel can be found by accessing the following link:

http://www.tameside.gov.uk/constitution/part6

Other key management personnel full time and total remuneration, including employer's pension contributions, are as shown below:

For year ending 31 March 2023	Salary entitlement (Full time equivalent)	Salary, fees & allowances (Paid in year)	Employers pensions contributions (Paid in year)	Total (Paid in year)
Assistant Director of	**£**	**£**	**£**	**£**
Pensions (Special Projects)	98,207	58,924	12,374	**71,298**
Pensions (Investments)	98,207	98,207	20,623	**118,830**
Pensions (Funding & Business Development) - Left post 30/10/2022	98,207	57,023	11,975	**68,998**
Pensions (Local Investments & Property)	98,207	98,207	20,623	**118,830**
Pensions (Administration)	86,918	86,918	18,253	**105,171**

For year ending 31 March 2022	Salary entitlement (Full time equivalent)	Salary, fees & allowances (Paid in year)	Employers pensions contributions (Paid in year)	Total (Paid in year)
Assistant Director of	**£**	**£**	**£**	**£**
Pensions (Special Projects)	96,282	57,769	12,131	**69,900**
Pensions (Investments)	96,282	96,282	20,219	**116,501**
Pensions (Funding & Business Development)	96,282	96,282	20,219	**116,501**
Pensions (Local Investments & Property)	96,282	96,282	20,219	**116,501**
Pensions (Administration)	84,993	84,993	17,849	**102,842**

Note: There were no payments for Compensation for Loss of Office in 2021/22 or 2022/23

Paragraph 3.9.4.3 of the CIPFA Code of Practice on Local Authority Accounting in the United Kingdom exempts Local Authorities on the Key Management Personnel disclosure requirements of IAS 24, on the basis that the disclosure requirements for officer remuneration and members' allowances detailed in Section 3.4 of the code (which are derived from the requirements of Regulation 7(2)-(4) of the Accounts and Audit (England) Regulations 2011 and Regulation 7A of the Accounts and Audit (Wales) Regulations (2005) satisfy the Key Management Personnel disclosure requirements of paragraph 16 of IAS 24.

The disclosures required by regulation 7(2)-(4) of the Accounts and Audit (England) Regulations can be found in the main accounts of the administering authority - Tameside MBC.

No senior officers responsible for the administration of GMPF have entered into any contract (other than their contract of employment) with Tameside MBC (administering authority).

18b. Other Directorships and Pension Benefits

A number of officers responsible for the administration of GMPF have directorships in companies which have been incorporated for the sole purpose of the investment administration and management of GMPF's assets and other assets which GMPF has a joint interest with other LGPS funds. These are:

Name	Position in GMPF 2022/23	Company in which directorship is held	Company Registration Number
Sandra Stewart	Chief Executive & Director of Governance & Pensions	Northern Pool GP (No1) Ltd	11360203
Patrick Dowdall	Assistant Director of Pensions (Local Investments & Property)	Matrix Homes (General Partner) Ltd	08980059
		Hive Bethnal Green Ltd	09362438
		Plot 5 First Street Nominee Ltd	09919396
		Plot 5 First Street GP Ltd	09904743
		GMPF UT (Second Unit Holder) Ltd	08725454
		Airport City (General Partner) Ltd	08723477
		Airport City (Asset Manager) Ltd	08723467
		Manchester Charles Street Residential (ELP GP) Ltd	10977358
		Manchester Charles Street Residential (SLP GP) Ltd	SC576947
		Manchester New Square (General Partner) Ltd	11082473
		GMPF Heimstaden Bostad Ltd	14684986
		Semperian PPP Investment Partners Holdings Ltd (Jersey Registration)	98327
John Douglas	Investment Manager / Interim Head of Accountancy	GLIL Corporate Holdings Ltd	10046509
		GLIL Corporate Holdings 2 Ltd	10824179
		GLIL Corporate Holdings 3 Ltd	12932522
		GLIL Corporate Holdings 4 Ltd	13679875
		GLIL Corporate Holdings 5 Ltd	13680391
		GLIL Renewable Holdings	12315576
		GLIL Storage 1 Ltd	13489710
		GLIL Storage 2 Ltd	13490021
		GLIL Blue Comet Holdings Limited	12880831

The above receive no remuneration for these directorships.

Name	Position in GMPF 2022/23	Company in which directorship is held	Company Registration Number
Kevin Etchells	Principal Investment Manager	Island Site (General Partner) Ltd	11532059
		Island Site (Nominee) Ltd	11532379
		Hive Bethnal Green Ltd	09362438
		Leeds Valley Park Management Company Ltd	04635674
		GMPF Heimstaden Bostad Ltd	14684986
Andrew Hall	Senior Investment Manager (Property)	GMPF UT (Second Unit Holder) Ltd	08725454
		Matrix Homes (General Partner) Ltd	08980059
		Plot 5 First Street GP Ltd	09904743
		Plot 5 First Street Nominee Ltd	09919396
		Manchester Charles Street Residential (ELP GP) Ltd	10977358
		Manchester Charles Street Residential (SLP GP) Ltd	SC576947
		Island Site (General Partner) Ltd	11532059
		Island Site (Nominee) Ltd	11532379
		Manchester New Square (General Partner) Ltd	11082473
David Olliver	Senior Investment Manager	GLIL Corporate Holdings 3 Ltd	12932522
		GLIL Blue Comet Holdings Limited	12880831
		42 Irish renewable energy holdings and windfarms	List available
Alan Robertson	Investment Manager	Flexion Energy UK Storage Ltd	13492210
		Flexion Energy UK Holdings Ltd	13492974
		GLIL Storage 1 Ltd	13489710
		GLIL Storage 1 Ltd	13490021

The above receive no remuneration for these directorships.

Under legislation introduced in 2003/04, Councillors were entitled to join the pension scheme. However, separate legislation came into effect from 2014 rescinding this and all Councillors in the LGPS had their benefits deferred on expiry of their terms of office.

The following members of the Management and Advisory Panels consequently have:

- benefits on hold during 2022/23 under the Councillor Scheme
- are in receipt of pension benefits under the Councillor Scheme
- have benefits on hold by virtue of their membership of GMPF in current or previous employments
- are in receipt of pension benefits by virtue of their membership of GMPF in previous employments.

Deferred benefits from membership as Councillor

Name	Position
Cllr C Patrick	Councillor member
Cllr A Jabbar	Councillor member

In receipt of pension from membership as Councillor	
Name	**Position**
Cllr G Cooney	Councillor member
Cllr J Lane	Councillor member
Cllr S Quinn	Councillor member
Cllr J Taylor	Councillor member
Cllr D Ward	Councillor member
Cllr D Butt	Councillor member
Cllr K Cunliffe	Councillor member

Deferred benefits from membership as employee	
Name	**Position**
Cllr C Patrick	Councillor member
G Blackburn	Employer representative

In receipt of pension from membership as employee	
Name	**Position**
Cllr V Ricci	Councillor member
Cllr G Cooney	Councillor member
Cllr J Drennan	Councillor member
Cllr J Lane	Councillor member
Cllr A Jabbar	Councillor member
Cllr P Andrews	Councillor member
J Thompson	Employer representative
F Llewellyn	Employee representative
A Flatley	Employee representative

Each member of the Local Board, the GMPF Management and Advisory Panels and Working Groups formally considers declarations of interest at each meeting. In addition, an annual return of all declarations of interest is obtained from the members by their respective Councils. Those relevant to GMPF Management Panel or Board membership, ie where the organisation is a GMPF contributing employer, are listed below:

Name	Position & Organisation	Organisation relationship with GMPF
Cllr G Cooney	Trustee of Jigsaw Homes Group Ltd (Reg No 29433R)	Contributing employer
	Director of Ashton Pioneer Homes Ltd (Reg No 03383565)	Contributing employer
	Director of Pioneer Homes Services Ltd (subsidiary of Ashton Pioneer Homes Ltd) (Reg No 06546606)	Contributing employer
	Director of APH Developments Ltd (subsidiary of Ashton Pioneer Homes Ltd) (Reg No 03989251)	Contributing employer
	Director of Mechanics' Centre Ltd (Reg No 01983373)	Contributing employer
Cllr O Ryan	Employee of Oldham MBC	Contributing employer
Cllr J Drennan	Employee of Manchester City Council	Contributing employer
Cllr S Quinn	Employee of Tameside MBC	Contributing employer
Cllr P Massey	Employee of Rochdale MBC	Contributing employer
Cllr B Fairfoull	Member of Manchester Airport Consultative Committee	Contributing employer
Cllr K Cunliffe	Director of Wigan Metropolitan Development Company Ltd (Co No: 01486410)	Contributing employer
Cllr A Jabbar	Deputy - Greater Manchester Combined Authority	Contributing employer
	External Member - Oldham College	Contributing employer
Cllr M Barnes	Employee of University of Salford	Contributing employer
Cllr P Andrews	Member of Manchester Airport Consultative Committee	Contributing employer
	Member of Manchester Port Health Authority	Contributing employer
	Governor of Newall Green Primary School	Contributing employer
	Director of Mechanics' Centre Ltd (Reg No 01983373)	Contributing employer
P Herbert	Employee of Ministry of Justice	Contributing employer
K Drury	Employee of University of Manchester	Contributing employer
A Flatley	Employee of Bolton MBC	Contributing employer
S Caplan	Employee of Trafford MBC	Contributing employer
G Blackburn	Employee of Salford CC	Contributing employer
P Taylor	Employee of LTE Group	Contributing employer
M Rayner	Employee of Stockport MBC	Contributing employer
D Schofield	Employee of Manchester City Council	Contributing employer
C Lloyd	Employee of Tameside MBC	Contributing employer
C Goodwin	Employee of University of Manchester	Contributing employer
Mr P Entwistle	Employee of Oldham MBC	Contributing employer
M Cullen	Employee of Stockport MBC	Contributing Employer

19. Employer related investment

As at 31 March 2023, GMPF had no outstanding short-term loans to any contributing employer ie £ Nil (2022 £ Nil).

As part of the Greater Manchester Property Venture Fund, the Fund has a portfolio of loans secured on development projects across the North West. These types of loans are often done alongside other lenders. The Greater Manchester Combined Authority – a contributing employer to the Fund - is also a provider of development debt and has co-invested into several developments with GMPF.

GMPF has a minor holding in the Airport City joint venture, which is developing land adjacent to Manchester Airport for commercial use. The main stakeholder at Airport City, being Manchester Airport Group, was a contributing employer to GMPF until August 2021.

GMPF formed a joint venture with Manchester City Council in 2014, a contributing employer to GMPF, known as Matrix Homes, to develop residential property, for both sale and to rent, at sites across Manchester.

As at 31 March 2023, the GMPF UK Property Portfolio includes a standing investment of office accommodation. Part of this property is leased to Irwell Valley Housing Association who are a contributing employer to GMPF.

20. Contributions received and benefits paid during the year ending 31 March

A number of local authorities brought forward their payment of pension contributions, paying an estimated three years up front, in 2020/21 (total £217 million) to make efficient use of their cash balances. This prepayment had been fully utilised by March 2023 ie nil balance (March 2022 £110 million).

Contributions from employers 2022 £m	Contributions from employees 2022 £m	Benefits paid 2022 £m		Contributions from employers 2023 £m	Contributions from employees 2023 £m	Benefits Paid 2023 £m
(24)	(7)	47	Bolton Borough Council	(26)	(8)	50
(15)	(5)	29	Bury Borough Council	(16)	(5)	31
(2)	(18)	115	Manchester City Council	(11)	(19)	117
0	(6)	38	Oldham Borough Council	(5)	(7)	39
(20)	(6)	38	Rochdale Borough Council	(22)	(7)	41
(22)	(7)	45	Salford City Council	(24)	(8)	46
(1)	(7)	36	Stockport Borough Council	(8)	(8)	39
(1)	(7)	38	Tameside Borough Council (administering authority)	(5)	(7)	40
0	(5)	29	Trafford Borough Council	(4)	(6)	29
(32)	(10)	47	Wigan Borough Council	(35)	(11)	49
(278)	(73)	259	Other scheme employers *	(320)	(84)	277
(66)	(17)	185	Admitted bodies *	(53)	(15)	196
(461)	**(168)**	**906**	**Total**	**(529)**	**(185)**	**954**

** A full list of all scheme and admitted bodies can be found under the Employer contribution rates section of the Annual Report 2022/23*

21. Investment Strategy Statement and Funding Strategy Statement

GMPF has published an Investment Strategy Statement and a Funding Strategy Statement. Both documents can be found on its website **www.gmpf.org.uk**.

22. Actuarial Review of GMPF

GMPF's last Actuarial valuation was undertaken as at 31 March 2022. A copy of the valuation report can be found on the GMPF website.

https://www.gmpf.org.uk/about/policies-reports-and-statements.

The funding policy is set out in the Funding Strategy Statement (FSS). The key funding principles are as follows:

- to ensure the long term solvency of GMPF using a prudent long-term view. This will ensure that sufficient funds are available to meet all members'/dependants' benefits as they fall due for payment;
- to ensure that employer contribution rates are reasonably stable where appropriate;
- to minimise the long term cash contributions which employers need to pay to GMPF, by recognising the link between assets and liabilities and adopting an investment strategy which balances risk and return (this will also minimise the costs borne by Council taxpayers);
- to reflect the different characteristics of different employers in determining contribution rates. This involves GMPF having a clear and transparent funding strategy to demonstrate how each employer can best meet its own liabilities over future years;
- to use reasonable measures to reduce the risk to other employers, and ultimately to the Council taxpayer, from an employer defaulting on its pension obligations.

The valuation revealed that GMPF's assets, which at 31 March 2022 were valued at £29,324 million, were sufficient to meet 104% of the present value of promised retirement benefits earned. The resulting surplus was £1,021 million. The present value of promised retirement benefits at 31 March 2023 can be found in note 25.

The key financial assumptions adopted for the 2022 valuation were:

	31 March 2022	
Financial assumptions	**% p.a. Nominal**	**% p.a. Real**
Discount rate	3.60%	0.70%
Pay increases	3.70%	0.80%
Price inflation / Pension increases	2.90%	

The liabilities were assessed using an accrued benefits method that takes into account pensionable membership up to the valuation date. It also makes an allowance, where applicable, for expected future salary growth revaluation to retirement or expected earlier date of leaving pensionable membership.

23. Stock lending

GMPF's custodian, Northern Trust, is authorised to release stock to third parties under a stock lending agreement. Under the agreement, GMPF does not permit Northern Trust to lend UK or US equities.

At the year end the value of stock on loan was £701.8 million (31 March 2022: £1,086.1 million) in exchange for which the custodian held collateral at fair value of £726.8 million (31 March 2022: £1,129.2 million), which consisted exclusively of government bonds and government guaranteed bonds.

24. AVC investments

GMPF provides an additional voluntary contributions (AVC) scheme for its contributors, the assets of which are invested separately from GMPF. Therefore, these amounts are not included in the GMPF accounts in accordance with regulation 4(2)(c) of the Local Government Pension Scheme (Management and Investment of Funds) Regulations 2009 (SI 2009 No 3093).

GMPF's main AVC provider is Prudential where the sums saved are used to secure additional benefits on a money purchase basis for those contributors electing to pay additional voluntary contributions. The funds are invested in a range of investment products from which each member can select.

The figures for the year to March 2023 are shown in the table below.

Contributions paid 22/23		£9,325,440
Units purchased 22/23	6,570,622	
Units sold 22/23	(5,037,904)	
Fair value as at 31 March 2023		**£72,433,920**
Fair value as at 31 March 2022		**£74,076,034**

25. Actuarial present value of promised retirement benefits

CIPFA's Code of Practice on Local Authority Accounting 2022/23 requires administering authorities of LGPS funds to disclose the actuarial present value of promised retirement benefits in accordance with IAS26 Accounting and Reporting by Retirement Benefit Plans.

Allowance has been made for the Government's decision to make full indexation, relating to the ruling on the equalisation of Guaranteed Minimum Pensions (GMPs) between men and women, the permanent solution for public service pension schemes including the LGPS.

Allowance has been made for the McCloud ruling ie an estimate of the potential in case in past service benefits arising from the findings of the Court of Appeal in relation to claims of age discrimination in the Firefighters' and Judges' pension schemes case affecting public service pension schemes.

This value has been calculated by GMPF's Actuary, Hymans Robertson LLP, using the assumptions below.

Assumptions used

The assumptions used are those adopted for the administering authority's IAS19 Employee Benefits report at each year end as required by the CIPFA Code of Practice on Local Authority Accounting 2022/23.

Financial assumptions

31 March 2022 % p.a.	Year ended:	31 March 2023 % p.a.
3.20%	Inflation/pension increase rate	2.95%
3.98%	Salary increase rate	3.75%
2.70%	Discount rate	4.75%

Mortality

Life expectancy is based on GMPF's VitaCurves with improvements in line with the CMI 2021 model, and will converge to a long-term rate of 1.5% p.a. Other demographic assumptions are unchanged. Based on these assumptions, the average future life expectancies at age 65 are summarised below:

31 March 2022			31 March 2023	
Males	Females		Males	Females
20.3 years	23.2 years	Current pensioners	20.2 years	23.5 years
21.6 years	25.1 years	Future pensioners*	21.4 years	25.1 years

** future pensioners are assumed to be currently aged 45*

Commutation

An allowance is included for future retirements to elect to take 55% of the maximum additional tax-free cash up to HMRC limits for pre-April 2008 service and 60% of the maximum tax-free cash for post-April 2008 service. This applies to both the current and prior years.

Value of promised retirement liabilities

31 March 2022 £m		31 March 2023 £m
29,325	Value of net assets per NAS	29,426
(35,144)	Present value of promised retirement benefits	(24,694)
(5,819)	IAS26 surplus/(deficit) in the Fund	**4,732**

Liabilities have been projected using a roll forward approximation from the latest formal funding valuation as at 31 March 2022.

In June 2023, the High Court ruled in the case of Virgin Media v NTL Pension Trustees. The ruling was that certain defined benefit pension scheme amendments were invalid as they were not accompanied by the correct actuarial certification. This ruling was appealed and on the 25th of July 2024, the Court of Appeal upheld the decision of the High Court.

At the time of the signing of the financial statements HM Treasury and the Government Actuaries Department are currently investigating whether certificates exist for the prior scheme amendments made to the LGPS.

As the impact of the ruling of the Virgin media case on the validity of LGPS amendments is not known, there have been no adjustments, to reflect the impact of the ruling, made to the value of promised retirement liabilities.

Management will continue to monitor the developments and will consider the impact on the value of promised retirement liabilities should any further information become available.

Sensitivity analysis

The sensitivities regarding the principal assumptions used to measure the scheme liabilities are set out below.

31 March 2022			31 March 2023	
Approximate % increase to promised retirement benefits	Approximate monetary amount (£m)	Change in assumptions at year ended 31 March	Approximate % increase to promised retirement benefits	Approximate monetary amount (£m)
2%	636	0.1% increase in the Pension Increase Rate	2%	404
0%	69	0.1% increase in the Salary Increase Rate	0%	51
4%	1,418	1 year increase in member life expectancy	4%	988
2%	710	0.1% decrease in Real Discount Rate	2%	448

It should be noted that the above figures are only appropriate for the preparation of the accounts of GMPF. They should not be used for any other purpose.

26. Post balance sheet events

There are no events after the reporting period to be disclosed.

GMPF Statement of Accounts
2023

Annual Report 2023

Actuarial Statement for 2022/23

Greater Manchester Pension Fund | Hymans Robertson LLP

Pension Fund Accounts Reporting Requirement

Introduction

CIPFA's Code of Practice on Local Authority Accounting 2022/23 requires Administering Authorities of LGPS funds that prepare pension fund accounts to disclose what IAS26 refers to as the actuarial present value of promised retirement benefits. I have been instructed by the Administering Authority to provide the necessary information for the Greater Manchester Pension Fund (“the Fund”).

The actuarial present value of promised retirement benefits is to be calculated similarly to the Defined Benefit Obligation under IAS19. There are three options for its disclosure in the pension fund accounts:

- showing the figure in the Net Assets Statement, in which case it requires the statement to disclose the resulting surplus or deficit;
- as a note to the accounts; or
- by reference to this information in an accompanying actuarial report.

If an actuarial valuation has not been prepared at the date of the financial statements, IAS26 requires the most recent valuation to be used as a base and the date of the valuation disclosed. The valuation should be carried out using assumptions in line with IAS19 and not the Fund’s funding assumptions.

Present value of promised retirement benefits

Year ended	31 March 2023	31 March 2022
Active members (£m)	8,659	13,754
Deferred members (£m)	4,617	7,574
Pensioners (£m)	11,418	13,816
Total (£m)	**24,694**	**35,144**

The promised retirement benefits at 31 March 2023 have been projected using a roll forward approximation from the latest formal funding valuation as at 31 March 2022. The approximation involved in the roll forward model means that the split of benefits between the three classes of member may not be reliable. However, I am satisfied that the total figure is a reasonable estimate of the actuarial present value of benefit promises.

The figures include both vested and non-vested benefits, although the latter is assumed to have a negligible value. Further, I have not made any allowance for unfunded benefits.

It should be noted the above figures are appropriate for the Administering Authority only for preparation of the pension fund accounts. They should not be used for any other purpose (i.e. comparing against liability measures on a funding basis or a cessation basis).

Assumptions

The assumptions used are those adopted for the Administering Authority’s IAS19 report and are different as at 31 March 2023 and 31 March 2022. I estimate that the impact of the change in financial assumptions to 31 March 2023 is to decrease the actuarial present value by £13,344m. I estimate that the impact of the change in demographic assumptions is to decrease the actuarial present value by £232m.

Financial assumptions

Year ended	31 March 2023	31 March 2022
	% p.a.	% p.a.
Pension Increase Rate (CPI)	2.95%	3.20%
Salary Increase Rate	3.75%	3.98%
Discount Rate	4.75%	2.70%

Demographic assumptions

The longevity assumptions have changed since the previous IAS26 disclosure for the Fund.

Life expectancy is based on the Fund's VitaCurves with improvements in line with the CMI 2021 model, with a 10% weighting of 2021 (and 2020) data, standard smoothing (Sk7), initial adjustment of 0.25% and a long term rate of improvement of 1.5% p.a.. Based on these assumptions, the average future life expectancies at age 65 are summarised below:

	Males	Females
Current pensioners	20.2 years	23.5 years
Future pensioners (assumed to be aged 45 at the latest valuation date)	21.4 years	25.1 years

All other demographic assumptions are unchanged from last year and as per the latest funding valuation of the Fund.

Sensitivity Analysis

CIPFA guidance requires the disclosure of the sensitivity of the results to the methods and assumptions used. The sensitivities regarding the principal assumptions used to measure the obligations are set out below:

Change in assumption at 31 March 2023	Approximate % increase to promised retirement benefits	Approximate monetary amount (£m)
0.1% p.a. decrease in the Discount Rate	2%	448
1 year increase in member life expectancy	4%	988
0.1% p.a. increase in the Salary Increase Rate	0%	51
0.1% p.a. increase in the Pension Increase Rate (CPI)	2%	404

Professional notes

This paper accompanies the 'Accounting Covering Report – 31 March 2023' which identifies the appropriate reliances and limitations for the use of the figures in this paper, together with further details regarding the professional requirements and assumptions.

Prepared by:-

Steven Law FFA

30 June 2023

For and on behalf of Hymans Robertson LLP

Annual Report

Scheme Administration

2023

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Background to GMPF and LGPS

Greater Manchester Pension Fund (GMPF) is the largest fund in the statutory Local Government Pension Scheme (LGPS) for England and Wales, Scotland, and Northern Ireland. Tameside Metropolitan Borough Council (TMBC) is the administering authority for GMPF.

Employees of all local and joint authorities in the Greater Manchester area and many other public bodies have automatic access to the LGPS (unless they are eligible to be a member of another public service pension scheme, such as the teachers, police officers, firefighters, Civil Service or NHS pension schemes). Employees of a wide range of other bodies that provide a public service can also join the LGPS if they are covered by a relevant resolution or by an admission agreement.

GMPF also provides the pension service for those employed by the National Probation Service and for former probation employees in England and Wales. This includes those who were employed by the former Probation Trusts, plus those who were transferred to a community rehabilitation company. There are also some councillors who are GMPF members, although due to a change in the LGPS Regulations they have all now stopped contributing to the Scheme.

A list of employers who contribute to GMPF can be found later in this report.

The LGPS is a defined benefit scheme. Benefits up to 31 March 2014 are worked out on a final salary basis, whereby membership up to that date and pay on or near retirement is used to work out members' pension benefits.

Benefits from 1 April 2014 are worked out on a career average basis (sometimes known as a pension build up). Members who have chosen to be in the main section of the career average scheme build up a pension of 1/49 of their pay each year. These benefits are then rolled forward each year and adjusted in line with consumer price inflation. Alternatively, members can opt for the 50/50 section of the career average scheme, whereby they pay 50 per cent of the standard contribution and in return build up 50 per cent of the standard pension for themselves.

Statutory regulations define the benefits to be paid to members. Benefits are not affected by GMPF's investment performance or market conditions. A summary of the LGPS rules can be found later in this report.

Standard employee contributions vary according to levels of pay, ranging from 5.5% to 12.5% of pensionable pay. Employers meet the balance of the cost of the LGPS through variable employer contributions. The employer contribution rates are set by GMPF's actuary every three years following a valuation.

Employer contribution rates can rise or fall depending on the funding position of GMPF and the estimated cost of providing benefits for future membership. The employer contribution rates for 2022/23 are shown later in this report. These were determined for the three years from 1 April 2020 by the valuation that took place as of 31 March 2019. The LGPS is registered with His Majesty's Revenue and Customs, giving rise to various tax benefits, including tax relief on employee contributions.

GMPF pension administration is carried out by an in-house team, reporting primarily to the Administration and Employer Funding Viability Working Group.

Our vision and quality standards

Our aim is to administer GMPF successfully, in a cost effective way, while meeting member expectations and ensuring our statutory duties are met.

We believe that by delivering this aim we will provide a service that is value for money for all pension fund stakeholders.

Our quality standards are:

1. Lawful – meeting our statutory duties and obligations.
2. Cost effective – ensuring we deliver value for money.
3. Customer service – meeting our members' expectations.
4. Efficient – minimising waste, effort, and expense.

Lawful - Meeting our statutory duties and obligations

We constantly strive to meet all the duties that are required of us as set out in the LGPS regulations and other statutory legislation. Some of the ways in which we do this include:

- being aware of our requirements and any anticipated changes by subscribing to industry news updates, having representation on national boards, attending peer user groups and by taking part in consultation processes
- having regularly audited compliance and checking procedures in place
- following the Pension Regulator's Code of Practice and ensuring our procedures highlight any potential breaches of the law
- taking part in National Fraud Initiative checks and by carrying out mortality screening.

We manage and monitor our costs by:

- setting an expected expenditure plan each year in line with setting business plans
- regularly monitoring spending and reporting details of this to the appropriate Working Group
- benchmarking our costs by taking part in national and global (CEM) benchmarking exercises
- reviewing other cost and benchmarking data and making comparisons to identify learning opportunities.

Customer service - Meeting our members' expectations

We aim to put our members at the centre of everything we do. We look to meet member expectations by:

- having clear and achievable targets for all the administrative tasks and projects that we undertake
- regularly reviewing what we do and asking for feedback to help us to make continual improvements
- ensuring we review all complaints, compliments, disputes, and all other feedback to ensure any learning points are identified
- carrying out research, benchmarking, and peer review programmes to ensure we are adopting policies and processes that are best practice within our industry.

Efficient – Minimising waste, effort, and expense

We look to be efficient in several different ways, including:

- having clear and measurable business plans in place
- using project management tools and techniques and squad working methodology when undertaking

projects and improvement tasks

- regularly reviewing resource, workloads, and planning for the impact of future changes
- holding regular service update meetings for all teams and managers
- submitting comprehensive reports and information to the appropriate Working Groups and the Local Pension Board to enable effective scrutiny to take place
- taking part in peer user groups
- analysing our performance by using benchmarking exercises and measuring against the Pension Regulator's Code of Practice
- outlining expected service standards between GMPF and GMPF employers in the Pensions Administration Strategy
- monitoring the performance of GMPF's employers against service standards, particularly the timeliness of data submissions.

Below are some examples of how we measure our success.

Internal audit work

A comprehensive risk based Internal Audit Plan is agreed annually. It covers the main administration, finance, and investment systems on a cyclical basis. The Internal Audit Plan also makes provision for an element of advice and support to assist GMPF with specific projects, process improvements and the implementation of new systems.

The table below summarises the levels of assurance given for the Internal Audit reports finalised in 2022/23 relating to the GMPF administration function, including the employer audits carried out. Each report is given a level of assurance being High, Medium, or Low. Consultancy reviews are undertaken on request and the scope and objectives agreed with GMPF. For these audits an assurance level is not given. Recommendations for improvements are made and a post audit review is carried out six months after the issue of the final report if a high or medium level of assurance is given. If the assurance level is low, a post audit review will be carried out after three months.

GMPF Administration Audits	
Audit Title	**Level of Assurance**
Employer data transfer (iConnect)	Medium
Pension Fund debtors	Medium
Data collection system	Medium
IT applications	Medium
IT supplier management	High
AVC arrangements	Consultancy review
BACS payment arrangements	Consultancy review
Employer Audits	
Trafford Council	Medium
LTE Group	Medium
Chief Constable of GM	Low
Manchester Metropolitan University	Medium
Bolton MBC	Medium

Data quality

The table below shows the quality of the member data held by GMPF. The Pensions Regulator sets a target of 100% accuracy for new common data received after June 2010.

Forename	100.00%
Surname	100.00%
Membership status	100.00%
Date of birth	100.00%
NI number	100.00%
Postcode	99.03%
Address	97.46%

Work continues to be undertaken to improve address data and this work will continue over the next 12 months and beyond.

Compliance checks

GMPF carries out checks every month to ensure that it is paying the correct benefits to the right people. This includes conducting a monthly mortality screening check and an annual existence check for all pensioners that live overseas.

Between April 2022 and March 2023, our monthly mortality screening provider identified over four thousand deaths for us to investigate, with 733 cases being deaths that we had not yet been notified of, either by the deceased member's family or through Tell Us Once. We also carried out existence checks for all pensioners living overseas and were notified of 19 deaths that we were previously unaware of.

Mortality screening checks	4,579 checks – 733 cases
Overseas existence checks	2,234 checks – 19 cases

Complaints, compliments, feedback and formal disputes received

The table below shows a summary of the data collected from GMPF's online feedback zone and associated procedures over the last 12 months, together with the number of formal disputes received where a member is appealing against a decision made by the administering authority during the year.

Compliments received	55
Formal recorded complaints received	52
General feedback, suggestions and comments	23
Formal disputes received	9

Administration cost per member

GMPF total administration cost	£16.91 per year
CEM adjusted peer average cost	£26.82 per year

These figures are taken from the CEM benchmarking reports for 2022.

The number of people working in GMPF Administration

Total number and full time equivalent (fte)	138 / 130.18 (fte)
Employee to GMPF fund member ratio	1:3,028 / 1:3,210 (fte)

Our commitment to enhancing the level of value for money provided

We believe the level of service we provide for the cost gives all our stakeholders excellent value for money.

However, we are committed to looking at ways to further enhance service delivery and to ensure we review and reduce costs wherever this is viable.

This year, GMPF took part in administration benchmarking with CEM Benchmarking Inc. for the fourth year running. CEM has carried out administration benchmarking for other non LGPS UK pension funds for several years, with eight LGPS administering authorities supplying data. GMPF's peer group comprised of 14 pension funds in total. The CEM benchmarking report compares both costs and member service, with 'cost per member' and 'member service score' being the two key indicators of comparison.

CEM's analysis shows that GMPF is a high service, low cost provider relative to its peers. GMPF's total cost per member was £16.91. This was £9.91 below the peer average of £26.82. The member service score was 71, which was 3 points above the peer median of 68. GMPF scored well for service in several areas, particularly around holding events for members, the functionality of our website and our service to members who need extra support.

Work currently being undertaken by GMPF's administration section on business plan objectives and key projects should lead to future improvements in the service score. Officers will be using the analysis within the CEM report to identify other areas where changes could be made to the way services are provided that might enhance member experience.

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Key activities carried out during the year

The Administration section continued to deliver its services to members effectively. Our main priority over the last 12 months was to ensure members could interact with us as easily as possible while also ensuring the health, safety, and wellbeing of all our colleagues.

Some of the key projects and areas of work undertaken during the year include the following:

Reviewing our service structure

One significant task was to review our service structure and make changes, so that we are better placed to meet current and future expected demands. Several new posts have been established alongside changes to the existing team structures.

Enhancing the functionality in My Pension

We have continued to expand the number of processes that members can access through their online My Pension account. We have also implemented new functionality within My Pension that is improving the online retirement process for members with benefits on hold.

Improving support for our employers

We have continued to expand our online training programme for employers this year, offering a comprehensive range of training and support on a wide range of topics. We have worked with our larger employers to develop an annual 'year in review' report, to provide feedback to them on how we think they are meeting their responsibilities as an LGPS employer.

Development of our IT systems and cyber security

We have developed and updated our IT infrastructure and our approach to cyber security, to ensure we are meeting industry standards and the Pensions Regulator's expectations. We have conducted regular testing and considered how we could enhance our processes.

Actuarial triennial valuation of the Fund

We completed the actuarial valuation, ensuring all employers received their contributions rates for the next three years by 31 March 2023.

Our performance data

The pension administration section uses several performance standards to assess whether it is meeting its statutory duties. Indicators are also used to identify changes in key workloads and highlight performance.

The table in the next section provides information regarding some of the key indicators used and performance against these during the year, in line with CIPFA guidance.

Our membership

The overall number of member accounts we administer continues to grow. Figures at the end of March 2023 and those for the two previous years are as follows:

	March 2021	March 2022	March 2023
Employees	113,937	117,823	121,543
Deferreds (all types)	142,928	147,338	153,135
Pensioners (all types)	135,617	139,771	143,283
Totals	**392,482**	**404,932**	**417,961**

The current membership figures broken down according to benefit type are:

Contributors	121,543
Undecided leavers / Leaver awaiting notification	9,423
Deferred pensioners	118,009
Pensioner	122,990
Spouse / dependant	20,293
Frozen refund	25,661
Pensioner deferred benefit	42

The grounds for retirement of new pensioners with a retirement date during the year were:

Retirement Types	Contributors retiring	Deferred benefits into payment	Total
Voluntary early	1,475	2,822	4,297
Late (after normal retirement date)	678	76	754
Redundancy	145	n/r	145
Ill health	287	50	337
Flexible	303	n/r	303
Efficiency	37	n/r	37
Normal (at normal retirement date)	79	437	516
Total	**3,004**	**3,385**	**6,389**

Our employers

The number of employers contributing to GMPF continues to grow. The number of employers with members who have contributed during the year as at the end of March 2023 and for the two previous years are:

	March 2021	March 2022	March 2023
Employers with contributing members	601	605	642

There are two main types of employers. There are those who in general are required to enrol all new employees into the LGPS, such as Local Authorities. These are generally known as 'Scheme employers'. Some employers can ask to join to admit some or all employees into the LGPS. These are generally known as 'Admission bodies'.

A summary of the number of employers with current contributors in GMPF analysed by these categories is below. In addition, GMPF has 473 employers who have no current contributors but who have members with benefits on hold and / or pensioner members. These are usually referred to as retained liabilities.

	With current contributors
Scheme bodies	376
Admission bodies	266

How we deliver our service

All GMPF administration is carried out in house. We work with several partners who help us to deliver our service, including a print and mailing house, overseas pensions payment service and several additional voluntary contribution (AVC) providers.

Teams within the GMPF administration section are split into four service units, as follows:

Member Services

Teams within this service focus on delivering tasks for all contributing, leaving and pensioner members of GMPF. This includes work such as calculating retirement benefits and making payments.

Employer Services

Our Employer Services teams assist GMPF employers and ensure all monthly data returns are processed. This includes work such as admitting new employers into GMPF and facilitating training for those staff at employers who deal with LGPS pensions.

Communications & Engagement

Our Customer Services team is the first port of call for all stakeholders and leads on all areas of engagement. This includes our member Helpline, website, and face to face events such as pre-retirement presentations and My Pension drop-in sessions. Communications focus on all written communications, such as leaflets, newsletters, and bulletins.

Developments & Technologies

Teams within this service focus on ensuring the systems and technology that we currently use is being used as effectively and efficiently as possible. They review and appraise potential new technologies or systems that could be adopted, bring in new technology and are also responsible for ensuring all existing systems are maintained and are compliant.

Governance and effective decision-making

The GMPF administration section reports directly to the Administration and Employer Funding Viability Working Group and the Pension Fund Management Panel, who take key decisions on how pension administration is delivered.

The Local Pensions Board provides support and guidance to officers and carries out an effective scrutiny role. This includes reviewing how decisions are taken and ensuring that the requirements of the Pensions Regulator are met.

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Achieving our objectives

Business planning

Several business plan objectives are set each year. These are reviewed by the administration leadership team each month and progress against them is recorded. Quarterly updates are provided to the Working Group and Local Pension Board.

Several business plan objectives were set for 2022/23, which were either completed or were started during the year and will be carried forward into the next year.

Communications

We communicate with our members in a variety of different ways. In addition to all the information provided for members on GMPF's website, members can access information about their own pension through the My Pension secure portal. The enhancement of this service for members will remain a focus for GMPF going forward.

The Customer Service team continues to provide a high quality helpline service for all our members. The team also deliver a popular Events programme, currently consisting of online presentations, drop-in sessions and pension surgeries.

Data Management

We continue to take steps to ensure that the data that we hold remains confidential. All GMPF colleagues have undertaken mandatory data protection training and procedures are in place to ensure that any confidential data that we are required to send or receive is done so securely.

Any near miss data breaches are reported and investigated immediately to identify whether any procedural reviews are required or whether any additional training is needed.

How stakeholders can contact us or find out more

There are several ways to get in touch with us and to find out more.

You can visit our website at **www.gmpf.org.uk**. Information about what we do, our feedback zone, how to call our Helpline and what engagement events are currently planned is all available.

You can also find out more by reading our Communications Policy.

Scheme Administration –
Key Performance Information

Key Indicators (as specified within CIPFA guidance)

Process	Total number of cases	GMPF's target	% completed within target
Deaths – Initial letter acknowledgement	4,429	10 days	92.7%
Deaths – Letter notifying amount of dependant's benefit	1,593	10 days	98.6%
Retirements – Letter notifying estimate of retirement benefits (contributing members)	3,056	10 days	98.5%
Retirements – Letter notifying estimate of retirement benefits when requested by the member (benefit on hold members)	5,510	10 days	54.1%
Retirements – Letter notifying actual retirement benefits (contributing members)	2,183	10 days	96.8%
Retirements – Letter notifying actual retirement benefits (benefit on hold members)	4,025	10 days	98.6%
Retirements – Processed and lump sum retirement grant paid (contributing and benefit on hold members)	8,923	5 days	91.6%
Deferment – Calculate and notify benefits on hold	11,181	10 days	72.8%
Transfers in – Letter detailing transfer in quote	113	10 days	96.5%
Transfers in – Letter detailing transfer in	68	10 days	98.5%
Transfers out – Letter detailing transfer out quote	1,254	10 days	99.3%
Transfers out – Letter detailing transfer out	198	10 days	95.5%
Refund – Processed and paid	1,144	10 days	96.7%
Divorce quote – Letter detailing cash equivalent value and other benefits	250	10 days	99.2%
Divorce settlement – Letter detailing implementation of cash equivalent value and application of pension sharing order	68	10 days	98.5%
Member estimates / projections	Members perform their own estimates using My Pension		
Joiners – Notification of joining	29,042	10 days	100.0%
Aggregation – Notification of aggregation options	8,022	10 days	41.22%

Annual Report
Employer Contributions Rates

2022/2023

Scheme employers	Contribution rate	
	2021/22 %	2022/23 %
Academies pool		
Great Academies Education Trust	18.6	18.6
Oasis Community Learning (MediaCityUK Academy)	18.6	18.6
Essa Foundation Academies Trust	18.6	18.6
Tame River Educational Trust (Droylsden Academy)	18.6	18.6
The Bishop Fraser Trust (Bolton St Catherine's Academy)	18.6	18.6
Northern Education Trust (Kearsley Academy)	18.6	18.6
St Bede C of E Primary Academy	18.6	18.6
Audenshaw School Academy Trust	18.6	18.6
Urmston Grammar	18.6	18.6
Park Road Academy Primary School	18.6	18.6
Lever Edge Primary Academy	18.6	18.6
Wellacre Technology Academy Trust	18.6	18.6
Wellington School	18.6	18.6
The Hamblin Education Trust (Altrincham Grammar School Boys)	18.6	18.6
Sale Grammar School	18.6	18.6
Fairfield High School for Girls	18.6	18.6
Yesoiday Hatorah MAT	18.6	18.6
Orian Solutions Limited - Fairfield HS For Girls [to 31.07.22]	18.6	18.6
Cranmer Education Trust (St Anne's Academy)	18.6	18.6
Cucina Restaurants - Ex St Anne's Academy Cranmer Educ Trust [from 01.09.21]	18.6	18.6
Orian Solutions - Fairfield HS for Girls (2) [to 28.11.21]	18.6	18.6
AQA Pool		
AQA Education [to 28.02.23]	20.5 + £714K	20.5 + £714K
Archbishop Temple CE Multi Academy Trust Pool		
Archbishop Temple C of E Multi Academy Trust (Bishop Bridgeman) [formerly Bolton & Farnworth C of E Primary MAT (Bishop Bridgeman)]	27.8	26.8
Archbishop Temple C of E Multi Academy Trust (St James Primary) [formerly Bolton & Farnworth C of E Primary MAT (St James C of E Primary)]	27.8	26.8
Archbishop Temple C of E Multi Academy Trust (St Maxentius) [formerly Bolton & Farnworth C of E Primary MAT (St Maxentius Primary)]	27.8	26.8

Scheme employers	Contribution rate	
	2021/22 %	2022/23 %
Ashton Pioneer Homes Pool		
Ashton Pioneer Homes Ltd [Trfd Staff] [to 29.10.2021]	23.00	n/a
Ashton Pioneer Homes Ltd [New Staff]	23.00	23.00
Bamford Academy Pool		
Bamford Academy [to 28.02.23]	18.4	18.4
Base Academy Trust Pool		
BASE Academy Trust (Red Lane Primary)	28.2	27.2
BASE Academy Trust (Masefield Primary)	28.2	27.2
Better Choices Pool		
Employment & Regeneration Partnership Ltd	20.9	20.9
Big Life Schools Pool		
Big Life Schools (Longsight Community Primary)	17.2	17.2
Big Life Schools (Unity Community Primary)	17.2	17.2
Bishop Fraser Trust Pool		
The Bishop Fraser Trust (St James's C of E High School)	20.8	20.8
The Bishop Fraser Trust (Canon Slade C of E School)	20.8	20.8
The Bishop Fraser Trust (Bury C of E High School) [from 01.01.22]	20.8	20.8
The Bishop Fraser Trust (St Catherine's C of E Primary) [from 01.01.23]	n/a	20.8
Bolton at Home Pool Ltd		
Bolton at Home Ltd [Trfd Staff]	18.3	18.3
Bolton at Home Ltd [New Staff]	18.3	18.3
Bolton College Limited		
Bolton College Limited	22.6	22.6
Bolton MBC Pool		
Bolton MBC	20.8	20.8
Bolton Community Leisure Limited	20.8	20.8
Monument Café Limited (Bolton) [to 31.7.22]	20.8	20.8
The Bolton Multi Academy Trust (Smithills School) [formerly Concerted Academies Trust]	20.8	20.8
Agilisys Limited (Ex Bolton)	20.8	20.8
Bolton Cares (A) Ltd	20.8	20.8
Dolce Ltd - Westhoughton High School [from 01.06.22]	n/a	20.8

Scheme employers	Contribution rate	
	2021/22 %	2022/23 %
Bolton Sixth Form College Pool		
Bolton Sixth Form College	23.4	23.4
Borough Care Pool		
Borough Care Ltd	29.0	29.0
Bright Futures Educational Trust Pool		
Bright Futures Educational Trust (Altrincham Grammar School)	19.8	19.8
Bright Futures Educational Trust (Cedar Mount Academy)	19.8	19.8
Bright Futures Educational Trust (Rushbrook Primary Academy) [formerly Gorton Mount Primary Academy]	19.8	19.8
Bright Futures Educational Trust (Melland High School)	19.8	19.8
Bright Futures Educational Trust (Stanley Grove Primary Academy)	19.8	19.8
Sodexo - AGGS (to 31.08.22)	19.8	19.8
Bulloughs Cleaning Services Ltd - BFET [to 31.08.22]	19.8	19.8
Taylor Shaw (BFET) [to 23.10.22]	19.8	19.8
Bright Futures Educational Trust (Elmridge Primary School)	22.2	22.2
Bright Futures Educational Trust (Acre Hall Primary School)	22.2	22.2
Bright Futures Educational Trust (Lime Tree Primary Academy)	22.2	22.2
Bright Futures Educational Trust (The Orchards)	22.2	22.2
Bright Futures Educational Trust (Barton Clough Primary School)	22.2	22.2
Tenon FM Ltd - Ex Dunham Trust (BFET) [from 16.11.20]	19.8	19.8
Bury College Education Trust Pool		
Bury College Education Trust (Radcliffe Primary School)	20.6	20.6
Bury College Education Trust (Elton Community Primary School)	20.6	20.6
Bury College Pool		
Bury College	22.2	22.2
Bury MBC Pool		
Bury MBC	20.5	20.5
Six Town Housing Limited	20.5	20.5
Persona Care and Support Ltd	20.5	20.5
Mellors Catering Services Ltd - Millwood PS (Ex Bury) [to 31.08.21]	20.5	n/a
Mellors Catering Services Ltd - St Gabriels [to 31.7.22]	20.5	20.5

Scheme employers	Contribution rate	
	2021/22 %	2022/23 %
Christ Church CofE MAT Pool		
Christ Church C of E Multi Academy Trust	18.3	18.3
Christ Church C of E Multi Academy Trust (St John's Primary)	18.3	18.3
Christ Church C of E Multi Academy Trust (Radcliffe Hall Methodist Primary)	18.3	18.3
Connexions Cumbria Pool		
Inspira Cumbria Limited [to 12.01.23]	24.1 + £156k	24.1 + £156k
CQC Pool		
Care Quality Commission	28.6 + £515k	28.6 + £515k
CRC Pool		
Northumbria CRC [to 25.06.2021]	16.0	n/a
Durham Tees Valley CRC [to 25.06.2021]	16.0	n/a
Humberside, Lincolnshire and North Yorkshire CRC [to 25.06.2021]	16.0	n/a
West Yorkshire CRC [to 25.06.2021]	16.0	n/a
Cheshire and Greater Manchester CRC [to 25.06.2021]	16.0	n/a
Merseyside CRC [to 25.06.2021]	16.0	n/a
South Yorkshire CRC [to 25.06.2021]	16.0	n/a
Staffordshire and West Midlands CRC [to 25.06.2021]	16.0	n/a
Derbyshire, Leicestershire, Nottinghamshire and Rutland CRC [to 25.06.2021]	16.0	n/a
Warwickshire and West Mercia CRC [to 25.06.2021]	16.0	n/a
Hampshire and Isle of Wight CRC [to 25.06.2021]	16.0	n/a
Thames Valley CRC [to 25.06.2021]	16.0	n/a
Bedfordshire, Northamptonshire, Cambridgeshire and Hertfordshire CRC [to 25.06.2021]	16.0	n/a
Norfolk and Suffolk CRC [to 25.06.2021]	16.0	n/a
Essex CRC [to 25.06.2021]	16.0	n/a
London CRC [to 25.06.2021]	16.0	n/a
Kent, Surrey and Sussex CRC [to 25.06.2021]	16.0	n/a
Cumbria and Lancashire CRC [to 25.06.2021]	16.0	n/a
Third Sector Consortia Management LLP (Trading As 3SC) [to 25.06.2021]	16.0	n/a
The Dean Trust Pool		
The Dean Trust Wigan	18.0	18.0

Scheme employers	Contribution rate 2021/22 %	Contribution rate 2022/23 %
The Dean Trust (Ashton On Mersey School)	18.0	18.0
The Dean Trust (Broadoak School)	18.0	18.0
The Dean Trust (Forest Gate Academy)	18.0	18.0
The Dean Trust (Rose Bridge Academy)	18.0	18.0
The Dean Trust (Ardwick)	18.0	18.0
The Dean Trust (Partington Central Academy)	18.0	18.0
Mellors Catering Services Ltd - The Dean Trust (Ex Trafford) [from 25.10.21]	18.0	18.0
Denton West End Primary School Pool		
Denton West End Primary School	19.4	20.8
Mellors Catering Services Ltd (Ex Denton West End)	19.4	20.8
Dynamic Framework Employers Pool		
Ingeus UK Ltd (DF ETE South Central) [from 25.06.21]	18.0	18.0
Ingeus UK Ltd (DF ETE East Midlands) [from 25.06.21]	18.0	18.0
Maximus UK Services Ltd (DF ETE London) [from 25.06.21]	18.0	18.0
Maximus UK Services Ltd (DF ETE West Midlands) [from 25.06.21 to 28.4.22]	18.0	18.0
Nacro (DF Acc East Midlands) [from 25.06.21]	18.0	18.0
Nacro - (DF Acc West Midlands) [from 25.06.21 to 21.09.21]	18.0	n/a
The Nelson Trust (DF Women's Avon & Somerset) [from 25.06.21]	18.0	18.0
Catch 22 Ltd (DF PW Avon & Somerset) [from 25.06.21]	18.0	18.0
Catch 22 Ltd (DF PW Wiltshire) [from 25.06.21]	18.0	18.0
Seetec Business Technology Centre Ltd (DF Acc East England) [from 25.06.21]	18.0	18.0
Seetec Business Technology Centre Ltd (DF ETE East England) [from 25.06.21]	18.0	18.0
Seetec Business Technology Centre Ltd (DF ETE KSS) [from 25.06.21]	18.0	18.0
Seetec Business Technology Centre Ltd (DF PW Kent) [from 25.06.21]	18.0	18.0
E ACT Royton and Crompton Pool		
E ACT (Royton & Crompton School)	20.6	20.6
Aspens Services Ltd (E ACT Royton & Crompton Academy) [from 1.8.21]	20.6	20.6
Education Learning Trust Pool		
Education Learning Trust (Gatley Primary School)	21.4	21.4
Education Learning Trust (Bredbury Green Primary School)	21.4	21.4
Education Learning Trust (Meadowbank Primary School)	21.4	21.4

Scheme employers	Contribution rate	
	2021/22 %	2022/23 %
Education Learning Trust (The Kingsway School)	26.0	26.0
Education Learning Trust (Werneth School)	21.4	21.4
Cater Link Ltd - Kingsway School (Ex Education Lrng Tst)	26.0	26.0
Education Partnership Trust Pool		
Education Partnership Trust (Atherton High School)	19.8	19.8
Enquire Learning Trust Pool		
The Enquire Learning Trust (Manchester Road Primary Academy)	24.3	24.3
The Enquire Learning Trust (Linden Road Primary Academy)	24.3	24.3
The Enquire Learning Trust (Moorside Primary School)	24.3	24.3
The Enquire Learning Trust (Godley Primary)	24.3	24.3
The Enquire Learning Trust (Oakfield Primary School)	24.3	24.3
The Enquire Learning Trust (Flowery Field Primary)	24.3	24.3
The Enquire Learning Trust (Bradley Green Primary Academy)	24.3	24.3
The Enquire Learning Trust (Dowson Primary Academy)	24.3	24.3
The Enquire Learning Trust (Endeavour Primary Academy)	24.3	24.3
First Choice Homes Pool		
FCHO Ltd (I & P) [Trfd Staff]	27.0	27.0
FCHO Ltd (I & P) [New Staff]	27.0	27.0
First Group Pool		
First Manchester Ltd	43.3	43.3
First West Yorkshire Ltd	43.3	43.3
First South Yorkshire Ltd	43.3	43.3
Greater Manchester Combined Authority Pool		
Greater Manchester Combined Authority	21.2	21.2
Healthy Learning Trust (Flixton Girls School)		
Healthy Learning Trust (Flixton Girls School) [to 31.08.22]	22.0	22.0
Floorbrite Group Ltd [from 17.02.20]	22.0	22.0
SS Simon & Jude Multi Academy Trust (Flixton Girls School) [from 01.09.22]	n/a	22.0
Inspiring Learners Multi Academy Trust Pool		
Inspiring Learners MAT (Tyntesfield Primary School)	21.3	21.3
Inspiring Learners MAT (Bollin Primary School)	21.3	21.3
The Laurus Trust Pool		

Scheme employers	Contribution rate	
	2021/22 %	2022/23 %
The Laurus Trust	19.6	19.6
Aspens Services Limited - The Laurus Trust [to 31.08.22]	19.6	19.6
Leverhulme Academy C of E & Community Trust Pool		
Leverhulme Academy C of E & Community Trust (Rivington & Blackrod High School)	20.8	20.8
Leverhulme Academy C of E & Community Trust (Harper Green)	20.8	20.8
Loreto Grammar School Pool		
Loreto Grammar School (Academy)	19.0	19.0
Manchester Airport Pool		
Manchester Airport plc [to 09.08.21]	22.2 + £1.646m	n/a
Manchester Airport Aviation Services Ltd [to 31.07.21]	22.2	n/a
Manchester City Council Pool		
Manchester City Council	#18.5	#18.5
Manchester Active Ltd	18.5	18.5
One Manchester Limited (Eastlands Homes [Tfrd Staff]) [formerly Eastlands Homes Partnership Ltd [Trfd Staff]]	18.5	18.5
Amey Highways Limited	18.5	18.5
Manchester Working Limited [to 25.11.22]	18.5	18.5
Jigsaw Homes North [formerly Adactus Housing Association Limited]	18.5	18.5
SPIE FS Northern UK Limited (Wright Robinson)	18.5	18.5
Mosscare St. Vincent's Housing Group Limited [formerly Mosscare Housing Limited]	18.5	18.5
Community Integrated Care [to 12.10.21]	18.5	n/a
Manchester Health Academy [to 31.12.21]	18.5	n/a
The Cooperative Academies Trust (North Manchester) [formerly MCMA]	18.5	18.5
Greater Manchester Education Trust (East Manchester Academy) [formerly Education & Leadership Trust]	18.5	18.5
Greater Manchester Academies Trust (MCA)	18.5	18.5
The Cooperative Academies Trust (CAM)	18.5	18.5
Greater Manchester Mental Health NHS Foundation Trust [formerly Manchester Mental Health and Social Care Trust]	18.5	18.5
One Education Limited	18.5	18.5
The King David High School	18.5	18.5

Scheme employers	Contribution rate	
	2021/22 %	2022/23 %
Cheetham C of E Community Academy	18.5	18.5
Trinity C of E High School	18.5	18.5
Greater Manchester Arts Centre Limited	18.5	18.5
SS Simon & Jude C of E Multi Academy Trust (St Barnabas) [formerly St Barnabas C of E Primary Academy Trust]	18.5	18.5
Wise Owl Trust (Briscoe Lane Academy)	18.5	18.5
E-ACT (Blackley Academy)	18.5	18.5
Wise Owl Trust (Seymour Road Academy)	18.5	18.5
Prospere Learning Trust (Chorlton High School)	18.5	18.5
Corpus Christi Catholic Academy Trust (St Anthony's) [formerly Wythenshawe Catholic Academy Trust]	18.5	18.5
Children of Success Schools Trust (Haveley Hey)	18.5	18.5
Children of Success Schools Trust (The Willows)	18.5	18.5
Webster Primary School	18.5	18.5
Corpus Christi Catholic Academy Trust (St Paul's) [formerly Wythenshawe Catholic Academy Trust]	18.5	18.5
Oasis Community Learning (Harpur Mount)	18.5	18.5
Corpus Christi Catholic Academy Trust (St John Fisher) [formerly Wythenshawe Catholic Academy Trust]	18.5	18.5
The King David Primary School	18.5	18.5
Oasis Community Learning (Academy Aspinal)	18.5	18.5
Kingsway Community Trust (Green End Primary School)	18.5	18.5
Kingsway Community Trust (Ladybarn Primary School)	18.5	18.5
M20 Learning Trust (Beaver Road Primary School) [formerly Beaver Road Academy Trust]	18.5	18.5
Corpus Christi Catholic Academy Trust (St Elizabeth's Primary) [formerly Wythenshawe Catholic Academy Trust]	18.5	18.5
Burnage Academy for Boys	18.5	18.5
Crossacres Primary Academy	18.5	18.5
Greater Manchester Education Trust (Levenshulme High School) [formerly Education & Leadership Trust]	18.5	18.5
Greater Manchester Education Trust (Whalley Range High School) [formerly Education & Leadership Trust]	18.5	18.5
Prospere Learning Trust (Piper Hill Special Support School)	18.5	18.5
Greater Manchester Academies Trust (MCPA)	18.5	18.5

Scheme employers	Contribution rate	
	2021/22 %	2022/23 %
Taylor Shaw - Cavendish Primary [to 31.8.22]	18.5	18.5
SS Simon and Jude C of E Multi Academy Trust (St James C of E Primary)	18.5	18.5
Prospere Learning Trust (Newall Green High School) [to 31.08.21]	18.5	n/a
St James & Emmanuel Academy Trust (Didsbury C of E Primary)	18.5	18.5
St James & Emmanuel Academy Trust (West Didsbury C of E Primary)	18.5	18.5
The Cherry Tree Trust (Newall Green Primary School)	18.5	18.5
Biffa Municipal Ltd.	18.5	18.5
Wise Owl Trust (Old Hall Drive Academy)	18.5	18.5
St James & Emmanuel Academy Trust (St Wilfrid's C of E Primary)	18.5	18.5
Essential Hygiene Ltd - Cavendish School [to 04.11.21]	18.5	n/a
Taylor Shaw - St Aidan's Primary School	18.5	18.5
Prospere Learning Trust (Pioneer House High School)	18.5	18.5
Sodexo (Harpur Mount)	18.5	18.5
Greater Manchester Learning Trust (Parrs Wood High School) [to 31.08.22]	18.5	18.5
CLIC Educational Trust (Chorlton Park Primary School)	18.5	18.5
CLIC Educational Trust (Old Moat Primary School)	18.5	18.5
Link Learning Trust (Barlow Hall Primary School)	18.5	18.5
Link Learning Trust (Brookburn Primary School)	18.5	18.5
CLIC Educational Trust (Rolls Crescent Primary School)	18.5	18.5
Integral - Plymouth Grove (Ex MCC) [to 24.06.22]	18.5	18.5
Mears Group Plc (Northwards Housing MCC) [to 02.04.21]	18.5	n/a
Bulloughs Cleaning Services Ltd - Barlow RC (Ex MCC)	18.5	18.5
Dolce Ltd - St Bernards (Ex MCC)	18.5	18.5
Caterlink Ltd - Heald Place (Ex MCC) [to 01.03.22]	18.5	18.5
Oasis Community Learning (Temple Primary School)	18.5	18.5
Jacobs UK Ltd	18.5	18.5
T(N)S Catering Management Ltd – Brooklands Academy [formerly Mcr Health Academy (Ex MCC)]	18.5	18.5
Prospere Learning Trust (CHS South)	18.5	18.5
SS Simon & Jude C of E Multi Academy Trust (Gorton Primary)	18.5	18.5
Bulloughs Cleaning Services - Levenshulme High School	18.5	18.5
The Cooperative Academies Trust (Broadhurst Primary School)	18.5	18.5

Scheme employers	Contribution rate	
	2021/22 %	2022/23 %
Dolce Ltd - Ashgate Specialist Support School (Ex MCC) [to 28.05.21]	18.5	n/a
Essential Hygiene - Holy Name RC Primary School	18.5	18.5
Flagship Learning Trust (Wright Robinson College)	18.5	18.5
Manchester Creative Digital Assets Ltd (Ex MCC)	18.5	18.5
Atalian Servest Managed Services Ltd – St Andrew's (Ex MCC) [to 31.08.21]	18.5	n/a
Prospere Learning Trust (Grange School)	18.5	18.5
Essential Hygiene Ltd - Our Lady's (Ex MCC)	18.5	18.5
Greenwich Leisure Ltd (GLL) (Ex Manchester CC)	18.5	18.5
Totally Local Company Ltd - Birchfield School (Ex MCC)	18.5	18.5
Aspens Services Ltd (Ex MCC Cheetham Comm Ac)	18.5	18.5
Churchill Contract Services Ltd - Co-op Academies [to 31.03.23]	18.5	18.5
Mellors Catering Svs Ltd - MEA [to 25.06.21]	18.5	n/a
Bulloughs Cleaning Services - MEA [to 31.08.21]	18.5	n/a
Kingdom Services Group Ltd - Oswald Road Primary [to 02.09.22]	18.5	18.5
Sports & Leisure Management Ltd	18.5	18.5
Onward Homes Ltd	18.5	18.5
Aspens Services Ltd (Pike Fold Primary School)	18.5	18.5
Equans Services Ltd (Manchester Working Ltd)	18.5	18.5
Caterlink Ltd (Cravenwood Primary School) [to 06.04.21]	18.5	n/a
Mellors Catering Services Ltd (Benchill Primary School)	18.5	18.5
Career Connect	18.5	18.5
Prospere Learning Trust (Manchester Enterprise Academy)	18.5	18.5
Prospere Learning Trust (Manchester Enterprise Academy Central)	18.5	18.5
Prospere Learning Trust (Prospect House Primary SSS)	18.5	18.5
Caterlink Ltd - Abbey Hey Primary (Ex ULT/MCC)	18.5	18.5
Mitie Security Ltd (Ex MCC)	18.5	18.5
Emmaus Catholic Academy Trust (St Chad's RC Primary School)	18.5	18.5
Mellors Catering Services Ltd - St Matthew's RC HS (Ex MCC)	18.5	18.5
ABM Catering Ltd - Newall Green Primary (Ex MCC) [to 31.12.22]	18.5	18.5
Emmaus Catholic Academy Trust - St Matthew's RC High School	18.5	18.5
Onward Homes Ltd (Ex Contour Homes) [from 01.04.21]	18.5	18.5
The Cooperative Academies Trust (Belle Vue) [from 01.09.21}	18.5	18.5

Scheme employers	Contribution rate	
	2021/22 %	2022/23 %
Equans Regeneration Ltd - Northwards Housing Ltd [from 03.04.21]	18.5	18.5
Emmaus Catholic Academy Trust (Mount Carmel RC Primary) [from 01.12.21]	18.5	18.5
Dolce Ltd - Broad Oak Primary [from 01.09.21]	18.5	18.5
Dolce Ltd - St Catherine's [from 01.09.21]	18.5	18.5
Dolce Ltd - St Chad's Primary School [from 01.09.21]	18.5	18.5
Dolce Ltd - St Peter's Primary School [from 01.09.21]	18.5	18.5
Dolce Ltd - Varna Community School [from 01.09.21]	18.5	18.5
Mellors Catering Services Ltd - Ashbury Meadow [from 07.06.21]	18.5	18.5
Mellors Catering Services Ltd - Bowker Vale School [from 01.09.21]	18.5	18.5
Mellors Catering Services Ltd - Chapel Street [from 01.04.21]	18.5	18.5
Mellors Catering Services Ltd - Park View [from 1.9.2021]	18.5	18.5
Mellors Ctrg Svs Ltd - Ravensbury Comm School [from 01.09.21]	18.5	18.5
Mellors Catering Services Ltd - St Agnes [from 01.04.21]	18.5	18.5
Midshire Signature Services Ltd - Barlow RC High School [from 01.09.21]	18.5	18.5
Orian Solutions Ltd - Button Lane Primary School [from 01.04.21]	18.5	18.5
Orian Solutions Ltd (All Saints) [from 01.09.21]	18.5	18.5
Orian Solutions Ltd (School of Resurrection) [from 01.09.21]	18.5	18.5
Orian Solutions Ltd (Didsbury C of E Primary School) [from 01.09.21]	18.5	18.5
Orian Solutions Ltd (Higher Openshaw Community School) [from 01.09.21]	18.5	18.5
Orian Solutions Ltd (Mauldeth Road Primary School) [from 01.09.21]	18.5	18.5
Orian Solutions Ltd (Northenden CS) [from 01.09.21]	18.5	18.5
Orian Solutions Ltd - St James C of E Primary School) [from 01.09.21 to 31.12.21]	18.5	n/a
Orian Solutions Ltd - St Margaret's C of E Primary [from 01.09.21]	18.5	18.5
Orian Solutions Ltd - St Mary's C of E Primary [from 01.09.21]	18.5	18.5
Orian Solutions Ltd - St Wilfrid's C of E Primary School) [from 01.09.21]	18.5	18.5
Orian Solutions Ltd - West Didsbury C of E Primary [from 01.09.21 to 31.12.22]	18.5	18.5
Taylor Shaw Ltd - Wise Owl Trust (Ex MCC Fayre) [from 01.09.21]	18.5	18.5
Totally Local Company Ltd - Crowcroft Primary School [from 01.09.21]	18.5	18.5
Totally Local Company Ltd - Holy Name RC Primary School [from 01.09.21]	18.5	18.5
Totally Local Company Ltd - Our Lady's RC Primary School [from 01.09.21]	18.5	18.5

Scheme employers	Contribution rate	
	2021/22 %	2022/23 %
Totally Local Company Ltd - St Mary's C of E Primary School [from 01.09.21]	18.5	18.5
Unify Management Solutions Ltd	18.5	18.5
Sodexo Limited (Oasis Temple) [from 01.09.21]	18.5	18.5
Mellors Catering Services Ltd - Irk Valley School (Ex MCC) [from 01.09.20]	18.5	18.5
Bulloughs Cleaning Services Ltd - St Matthew's RCHS (ex MCC) [from 01.04.22 to 31.12.22]	n/a	18.5
Greater Manchester Learning Trust (Parrs Wood High School) [from 01.09.22]	n/a	18.5
Essential Hygiene Ltd - Cavendish School [from 25.10.21]	18.5	18.5
Orian Solutions Ltd - St Andrews C of E Primary [from 01.09.21]	18.5	18.5
Apcoa Parking UK Ltd (Ex MCC) [from 01.01.22]	18.5	18.5
Mellors Catering Services Ltd - Burnage Academy [from 07.06.21]	18.5	18.5
Bulloughs Cleaning Services Ltd - Prospere Learning Trust [from 01.09.21]	18.5	18.5
SMC Premier Cleaning Ltd - Leo Kelly School [from 01.01.22]	18.5	18.5
Park Homes (UK) Ltd (Ex CIC Inspirit-MCC) [from 11.10.21]	18.5	18.5
Cater Link Ltd - Loreto High School [from 21.02.22]	18.5	18.5
Emmaus Catholic Academy Trust (St Kentigern's RC Primary) [from 01.12.22]	n/a	18.5
Aspens Services Ltd - Cavendish Primary [from 01.09.22]	n/a	18.5
Dolce Ltd - West Didsbury [from 01.01.23]	n/a	18.5
CLIC (Lily Lane Primary School) [from 01.03.23]	n/a	18.5
The Manchester College		
LTE Group (formerly The Manchester College)	18.1	18.1
Museum of Science and Industry Pool		
National Museum of Science and Industry	22.3 + £153k	22.3 + £153k
Northern Education Trust Pool		
Northern Education Trust (The Ferns)	20.3	20.3
Compass Contract Svs (NET - The Ferns) [to 23.02.22]	20.3	n/a
NPS Pool		
National Probation Service	29.6	29.6
Sodexo Ltd (Ex MOJ)	29.6	29.6
OCS Group Ltd (Ex MOJ)	29.6	29.6

Scheme employers	Contribution rate	
	2021/22 %	2022/23 %
Oak Learning Partnership		
Oak Learning Partnership (Hazel Wood High School) [formerly Broad Oak Sports College]	20.5	20.5
Oak Learning Partnership (Unsworth Primary)	20.5	20.5
Oak Learning Partnersip (Elms Bank)	20.5	20.5
Oasis Community Learning Pool		
Oasis Community Learning (Broadoak Primary School)	19.4	19.4
Sodexo - Broadoak (Oasis Community Learning)	19.4	19.4
Oldham MBC Pool		
Oldham MBC	#20.6	#20.6
Oldham Community Leisure Limited	20.6	20.6
Housing & Care 21	20.6	20.6
Kier Facilities Services Limited	20.6	20.6
The Unity Partnership Limited [to 31.03.22]	20.6	n/a
Bullough Cleaning Services Limited [to 31.01.23]	20.6	20.6
Oasis Community Learning (Oldham Academy)	20.6	20.6
E-ACT (The Oldham Academy North)	20.6	20.6
NSL Limited	20.6	20.6
The Pinnacle Learning Trust (The Hathershaw College)	20.6	20.6
Crompton House CE Multi Academy Trust [formerly Crompton House C of E School]	20.6	20.6
Sodexo Limited (Oasis Oldham)	20.6	20.6
Cranmer Education Trust (The Blue Coat School)	20.6	20.6
Oasis Community Learning (Limeside Academy)	20.6	20.6
Wates Construction Limited	20.6	20.6
Great Places Housing Association	20.6	20.6
Taylor Shaw Limited (Kier)	20.6	20.6
Sodexo Limited (Limeside Academy)	20.6	20.6
New Bridge Multi Academy Trust (New Bridge School)	20.6	20.6
Oldham Care and Support Limited	20.6	20.6
Focus Academy Trust (UK) Ltd (Roundthorn Primary Academy)	20.6	20.6
Focus Academy Trust (UK) Ltd (Coppice Primary Academy)	20.6	20.6
Sola Fide C of E Trust (St Chad's C of E Primary School) [to 31.08.22]	20.6	20.6

Scheme employers	Contribution rate	
	2021/22 %	2022/23 %
The Harmony Trust Ltd (Greenhill Academy)	20.6	20.6
The Pinnacle Learning Trust (Werneth Primary) [formerly Bright Tribe Trust (Werneth Primary)]	20.6	20.6
The Oak Trust (North Chadderton School)	20.6	20.6
The Harmony Trust Ltd (Alt Academy)	20.6	20.6
The Harmony Trust Ltd (Westwood Academy)	20.6	20.6
The Harmony Trust Ltd (Richmond Academy)	20.6	20.6
Equans Services Limited	20.6	20.6
Focus Academy Trust (UK) Ltd (Freehold Community Primary)	20.6	20.6
Cranmer Education Trust (East Crompton St George C of E Primary)	20.6	20.6
New Bridge Multi Academy Trust (Hollinwood)	20.6	20.6
Wolseley UK Ltd	20.6	20.6
Cranmer Education Trust (Mayfield Primary School)	20.6	20.6
SMC Premier Cleaning Ltd (Broadfield Primary) [to 08.08.22]	20.6	20.6
Bulloughs Cleaning Services Ltd [to 31.08.22]	20.6	20.6
The Harmony Trust (Northmoor Academy)	20.6	20.6
Kingfisher Learning Trust	20.6	20.6
New Bridge Multi Academy Trust (Springbrook)	20.6	20.6
Focus Academy Trust (UK) Ltd (Lyndhurst Primary School)	20.6	20.6
Sola Fide C of E Trust (St Anne's C of E Lydgate Primary School) [to 31.08.22]	20.6	20.6
The Cooperative Academies Trust (Failsworth School)	20.6	20.6
Servest Food Co Ltd (Ex Royton & Crompton) [to 31.07.21]	20.6	n/a
Sola Fide C of E Trust (St John's C of E Primary School) [to 31.08.22]	20.6	20.6
Oasis Community Learning (Clarksfield Primary School)	20.6	20.6
The Oak Trust (Fir Bank Primary School)	20.6	20.6
The Oak Trust (Thorp Primary School)	20.6	20.6
New Bridge Horizons Limited	20.6	20.6
Aspens Services Ltd (Ex E-Act Oldham)	20.6	20.6
Crompton House CE MAT - Beal Vale Primary School	20.6	20.6
Age UK Oldham Ltd	20.6	20.6
Kingfisher Learning Trust (Medlock Valley Community School)	20.6	20.6
Future Finders Employability College - Newbridge (Ex OMBC)	20.6	20.6

Scheme employers	Contribution rate	
	2021/22 %	2022/23 %
Sodexo Limited - (Clarksfield, Oasis Community Learning)	20.6	20.6
New Bridge Multi Academy Trust - The Springboard Project	20.6	20.6
Early Break (Ex Oldham MBC) [from 01.04.21]	20.6	20.6
Kingfisher Learning Trust (Littlemoor Primary School) [from 01.01.22]	20.6	20.6
Midshire Signature Svs Ltd - The Harmony Trust [from 1.6.21]	20.6	20.6
Essential Hygiene Ltd - South Failsworth PS	20.6	20.6
Cranmer Education Trust (The Brian Clarke C of E Academy) [from 01.09.22]	n/a	20.6
Essential Hygiene Ltd - Limehurst Primary School [from 01.04.22]	n/a	20.6
Essential Hygiene Ltd - St Mary's RC Primary School [from 01.04.22]	n/a	20.6
Emmaus Catholic Academy Trust (Holy Family RC Primary) [from 01.12.22]	n/a	20.6
One Manchester Pool [formerly City South Manchester Pool]		
One Manchester Limited (City South Housing [Trfd Staff]) [formerly City South Manchester Housing Trust Limited [Trfd Staff]]	18.9	17.9
One Manchester Limited (City South Housing [New Staff]) [formerly City South Manchester Housing Trust Limited [New Staff]]	18.9	17.9
One Manchester Limited (Eastlands Homes [2009 Trfs]) [formerly Eastlands Homes Partnership Ltd [2009 Trfd]]	18.9	17.9
Other Local Authorities Pool		
Saddleworth Parish Council	20.0	20.0
Manchester Port Health Authority	20.0	20.0
Horwich Town Council	20.0	20.0
Shevington Parish Council	20.0	20.0
Prestolee MAT Pool		
Prestolee Multi Academy Trust (Prestolee Primary School)	24.3	24.3
Prestolee Multi Academy Trust (Bowness Primary School)	24.3	24.3
Prestolee Multi Academy Trust (Waterloo Primary School)	24.3	24.3
Prestolee Multi Academy Trust (Barton Moss Primary School)	24.3	24.3
Prestolee Multi Academy Trust (Tottington Primary School)	24.3	24.3
Prestolee Multi Academy Trust (Springside Primary) [from 01.06.22]	n/a	24.3
Rochdale Boroughwide Housing Pool		
Rochdale Boroughwide Housing Limited (I & P) [Trfd Staff]	18.0	18.0
Rochdale Boroughwide Housing Limited (I & P) [New Staff]	18.0	18.0

Scheme employers	Contribution rate	
	2021/22 %	2022/23 %
Rochdale MBC Pool		
Rochdale MBC	#20.5	#20.5
Crossgates School	20.5	20.5
Smithy Bridge Foundation Primary School	20.5	20.5
Rochdale Development Agency	20.5	20.5
Healey Primary School	20.5	20.5
Rochdale Boroughwide Cultural Trust	20.5	20.5
Alternative Futures Group Limited	20.5	20.5
E.ON UK plc	20.5	20.5
Grosvenor Facilities Management Limited	20.5	20.5
Great Academies Education Trust (Middleton Tech School)	20.5	20.5
Hollingworth Learning Trust	20.5	20.5
Rochdale Boroughwide Housing [to 31.03.22]	20.5	n/a
PossAbilities CIC	20.5	20.5
Future Directions	20.5	20.5
Balfour Beatty Living Places Ltd [to 31.03.22]	20.5	n/a
The Pennine Acute Hospitals NHS Trust [to 01.10.21]	20.5	n/a
St Teresa of Calcutta Catholic Academy Trust (St Patrick's)	20.5	20.5
St Teresa of Calcutta Catholic Academy Trust (Alice Ingham)	20.5	20.5
N Compass Northwest Ltd (Ex RMBC)	20.5	20.5
The Big Life Company Ltd	20.5	20.5
Mellors Catering Services Ltd - St Thomas Moore (Ex RMBC)	20.5	20.5
Taylor Shaw Ltd - Elm Wood Primary School	20.5	20.5
Hollingworth Learning Trust (Newhouse Academy)	20.5	20.5
Equans Services Ltd - Falinge Park High School	20.5	20.5
Equans Services Ltd - Wardle Academy	20.5	20.5
St Teresa of Calcutta Catholic MAT - Our Lady + St Paul's	20.5	20.5
Northern Care Alliance NHS Foundation Trust (RMBC) [from 01.10.21]	20.5	20.5
Roch Valley CE Multi Academy Trust Pool		
Roch Valley C of E Multi Academy Trust (Holy Trinity Primary)	20.5	20.5
Roch Valley C of E Multi Academy Trust (St Thomas Primary)	20.5	20.5

Scheme employers	Contribution rate 2021/22 %	Contribution rate 2022/23 %
St Ambrose Academy Trust Pool		
St Ambrose College Edmund Rice Academy Trust [formerly St Ambrose College Academy Trust]	17.6	17.6
St John Rigby College Pool		
St John Rigby College	20.0	20.0
Aramark Ltd	20.0	20.0
St Teresa of Calcutta CMAT Pool		
St Teresa of Calcutta Catholic Academy Trust (St Gregory's)	22.7	22.7
St Teresa of Calcutta Catholic MAT (St Monica's RC High)	22.7	22.7
St Teresa of Calcutta Catholic Academy Trust (St Gabriel's)	22.7	22.7
Salford City College Pool		
Salford City College	20.7	20.7
Salford City Council Pool		
Salford City Council	#19.7	#19.7
St Ambrose Barlow RC High School	19.7	19.7
The Salfordian Trust Company Limited	19.7	19.7
Salford Community Leisure Limited	19.7	19.7
The Working Class Movement Library	19.7	19.7
Mitie PFI Limited [to 01.04.21]	19.7	19.7
Compass Contract Services (UK) Limited	19.7	19.7
SPIE FS Northern UK Ltd (Salford)	19.7	19.7
ForHousing Ltd (Ex CWHT) [formerly City West Housing Trust Limited]	19.7	19.7
Community Integrated Care (Inspirit – Ex Salford) [formerly Inspirit Care Limited] [to 11.10.21]	19.7	n/a
RM Education plc [to 31.08.22)	19.7	19.7
SPIE FS Northern UK Limited (Salford 2) [to 11.04.23]	19.7	19.7
The Landing at MediaCityUK Limited [to 29.04.21]	19.7	n/a
Together Housing Association Limited [formerly Chevin Housing Association Limited]	19.7	19.7
Salix Homes Limited	19.7	19.7
Career Connect	19.7	19.7
SPIE FS Northern UK Ltd (St Ambrose & St Patrick)	19.7	19.7
SPIE FS Northern UK Ltd (Moorside)	19.7	19.7

Scheme employers	Contribution rate	
	2021/22 %	2022/23 %
Northern Care Alliance NHS Foundation Trust (ASC Contract) [formerly Salford Royal NHS Foundation Trust (ASC Contract)]	19.7	19.7
Northern Care Alliance NHS Foundation Trust (Equipment) [formerly Salford Royal NHS Foundation Trust (Equipment Contract)]	19.7	19.7
Aspens Services Ltd	19.7	19.7
Aspire For Intelligent Care & Support (CIC) (2)	19.7	19.7
Northern Care Alliance NHS Foundation Trust (The Limes) [formerly Salford Royal NHS Foundation Trust - The Limes]	19.7	19.7
SPIE Ltd - Absolute Catering	19.7	19.7
Premiserv Ltd - St Gilberts [to 30.06.22]	19.7	19.7
Park Homes UK Ltd (Ex CIC Inspirit-Salford) [from 11.10.21]	19.7	19.7
Salford University Pool		
Salford University	20.6 + £236k	20.6 + £236k
Shaw Education Trust Pool		
The Shaw Education Trust (Unsworth Academy) [formerly Castlebrook High School]	20.5	20.5
The Shaw Education Trust (The Westleigh School)	20.5	20.5
The Shaw Education Trust (Tottington High School)	20.5	20.5
The Shaw Education Trust (Woodhey High School)	20.5	20.5
Cater Link Ltd - Shaw Education Tst (Tottington & Unsworth)	20.5	20.5
Accuro FM Ltd [from 01.11.20]	20.5	20.5
Small Admitted Bodies Pool		
National Museum of Labour History	25.1	25.4
Wigan Metropolitan Development Co (Inv) Ltd	25.1	25.4
Groundwork Greater Manchester (Ex Oldham & Rochdale)	25.1	25.4
APSE	25.1	25.4
Greater Manchester Immig Aid Unit	25.1	25.4
Birtenshaw Hall School	25.1	25.4
North West Local Auth Empl Orgn	25.1	25.4
Rochdale CAB	25.1	25.4
Chethams School Of Music	25.1	25.4
Oldham CAB	25.1	25.4
Manchester CAB [to 31.03.23]	25.1	25.4

Scheme employers	Contribution rate	
	2021/22 %	2022/23 %
Centre For Local Economic Strategies Ltd (CLES) [to 16.07.21]	25.1	n/a
UNIAC	25.1	25.4
Marketing Manchester	25.1	25.4
Mechanics Centre Ltd	25.1	25.4
Midas Limited	25.1	25.4
Greater Manchester Sports Partnership	25.1	25.4
Metro Rochdale Employees Credit Union Limited	25.1	25.4
Cash Box Credit Union Ltd	25.1	25.4
Groundwork Greater Manchester(ex MCC) [formerly Groundwork MSSTT Ex-Manchester]	25.1	25.4
Caritas Diocese Of Salford [to 30.09.22]	25.1	25.4
South Pennine Academies Pool		
South Pennine Academies (Waterhead Academy)	20.6	20.6
South Pennine Academies (Willowpark Primary Academy)	20.6	20.6
South Pennine Academies (Woodlands Primary Academy)	20.6	20.6
South Pennine Academies (Greenacres Primary Academy)	20.6	20.6
Southway Housing Trust Pool		
Southway Housing Trust (Manchester) Limited [Trfd Staff]	22.2	22.2
Southway Housing Trust (Manchester) Limited [New Staff]	22.2	22.2
The Sovereign Trust Pool		
The Sovereign Trust MAT (Formerly Pictor Academy & Manor Academy)	20.6	20.6
The Sovereign Trust MAT (New Park School)	20.6	20.6
The Sovereign Trust (Longford Park School)	20.6	20.6
Stagecoach Manchester Pool		
Greater Manchester Buses South Ltd	39.3	39.3
Stagecoach Services Limited	39.3	39.3
Stamford Park Trust [Ashton Under Lyne Sixth Form College Pool]		
Stamford Park Trust (Ashton-Under-Lyne 6th Form College)	17.0	17.0
BaxterStorey Ltd	17.0	17.0
Stockport MBC Pool		
Stockport MBC	#19.8	#19.8
Life Leisure [to 31.03.22]	19.8	n/a

Scheme employers	Contribution rate	
	2021/22 %	2022/23 %
Pure Innovations Ltd	19.8	19.8
Stockport Homes Ltd	19.8	19.8
Totally Local Company Limited [formerly Solutions SK Limited]	19.8	19.8
Essential Hygiene Ltd - Werneth High School	19.8	19.8
Taylor Shaw - Werneth High School	19.8	19.8
Three Sixty SHG Ltd [from 01.04.21]	19.8	19.8
SMC Premier Cleaning Ltd (St Josephs) [to 30.06.22]	19.8	19.8
Vertas Group Ltd - Arden Primary School [from 01.03.21]	19.8	19.8
Three Sixty SHG Ltd [from 01.04.22]	n/a	19.8
Stockport Active CIC [from 01.04.22]	n/a	19.8
Pure Insight 1628 [from 01.09.22]	n/a	19.8
Tameside College Pool		
Tameside College	18.8	18.8
Tameside MBC Pool		
Tameside MBC	#21.0	#21.0
Active Tameside (formerly Tameside Sports Trust)	21.0	21.0
Mellors Catering Svs Ltd - Poplar St	21.0	21.0
Robertson Facilities Management Ltd - Project CO1	21.0	21.0
Robertson Facilities Management Ltd - Project CO2	21.0	21.0
Robertson Facilities Management Ltd - Corporate Estates	21.0	21.0
The Harmony Trust Ltd (Greenfield Primary Academy)	21.0	21.0
Midshire Signature Services - The Harmony Trust (Greenfield) [from 01.09.21]	21.0	21.0
New Bridge Multi Academy Trust (Samuel Laycock School) [from 01.04.22]	n/a	21.0
Mellors Catering Services Ltd - Millbrook Primary School [to 22.04.22]	21.0	21.0
Taylor Shaw - Audenshaw Primary (Ex TMBC) [from 01.09.18]	21.0	21.0
Taylor Shaw - Corrie Primary (Ex TMBC) [from 01.09.18]	21.0	21.0
Taylor Shaw - Greswell Primary (Ex TMBC) [from 01.09.18]	21.0	21.0
Taylor Shaw - Lyndhurst Primary (Ex TMBC) [from 01.09.18 to 24.08.21]	21.0	n/a
Orian Solutions Ltd - Fairfield Road Primary [from 01.08.22]	n/a	21.0
Trafford College Pool		
Trafford College	23.8	23.8

Scheme employers	Contribution rate	
	2021/22 %	2022/23 %
Cater Link Ltd (Trafford College) [to 30.06.22]	23.8	23.8
Bulloughs Cleaning Services Ltd [from 01.08.22]	n/a	23.8
Trafford MBC Pool		
Trafford MBC	#20.4	#20.4
Sale High School	20.4	20.4
Blessed Thomas Holford Catholic College	20.4	20.4
Market Operations	20.4	20.4
Amey LG Ltd	20.4	20.4
Trafford Leisure Community Interest Company	20.4	20.4
Floorbrite Cleaning Contractors Ltd (Springfield Primary)	20.4	20.4
RM Education Ltd (Ex Sale High School) [from 15.06.20]	20.4	20.4
Mellors Catering Services Ltd [from 01.09.19 to 27.08.21]	20.4	n/a
Transport for Greater Manchester Pool		
Transport for Greater Manchester	20.4	20.4
United Learning Trust Pool		
United Learning Trust (Manchester Academy)	18.2	18.2
United Learning Trust (Salford Academy)	18.2	18.2
United Learning Trust (Stockport Academy)	18.2	18.2
United Learning Trust (William Hulme's Grammar School)	18.2	18.2
United Learning Trust (Albion High School)	18.2	18.2
United Learning Trust (Dukesgate Primary School)	18.2	18.2
United Learning Trust (Marlborough Road Primary School)	18.2	18.2
United Learning Trust (Abbey Hey Primary)	18.2	18.2
United Learning Trust (Cravenwood Community Primary)	18.2	18.2
Caterlink (Ex United Learning Trust Stockport Academy) [to 10.12.21]	18.2	n/a
United Learning Trust (Irlam and Cadishead College)	18.2	18.2
United Learning Trust (The Lowry Academy formerly Harrop Fold School)	18.2	18.2
Cater Link Ltd - Dukesgate Primary School [from 04.04.20 to 30.06.22]	18.2	18.2
Cater Link Ltd - Manchester Academy [from 01.09.19]	18.2	18.2
Cater Link Ltd - Marlborough Road Primary School [from 01.04.20]	18.2	18.2
Cater Link Ltd - The Albion Academy [from 17.02.20]	18.2	18.2

Scheme employers	Contribution rate	
	2021/22 %	2022/23 %
The University of Manchester Pool		
The University of Manchester	22.9 + £729k	22.9 + £729k
Victorious Academies Pool		
Victorious Academies Trust (Inspire Academy)	19.9	19.9
Victorious Academies Trust (Discovery Academy)	19.9	19.9
Victorious Academies Trust (Poplar Street Primary School)	19.9	19.9
Victorious Academies Trust (Greenside Primary School)	19.9	19.9
Victorious Academies Trust (Yew Tree Primary School)	19.9	19.9
Victorious Academies Trust (Wild Bank Primary School)	19.9	19.9
Victorious Academies Trust (Buckton Vale Primary) [from 01.10.22]	n/a	19.9
Mellors Catering Services Ltd - Greenside PS (Victorious) [from 01.09.18]	19.9	19.9
Mellors Catering Services Ltd - Yew Tree PS (Victorious) [from 29.07.19]	19.9	19.9
Vision MAT Pool		
Vision Multi Academy Trust (Higher Lane Primary)	20.5	20.5
Vision Multi Academy Trust (East Ward Primary)	20.5	20.5
Vision Multi Academy Trust (Sunny Bank Primary)	20.5	20.5
Vision Multi Academy Trust (Peel Brow School) [from 01.03.22]	20.5	20.5
The Waste Pool		
Suez Recycling & Recovery UK Ltd - Lot 1	20.0	20.0
Suez Recycling & Recovery UK Ltd - Lot 2	20.0	20.0
Watergrove Trust Pool (previously Wardle Academy Trust Pool)		
Watergrove Trust (Wardle Academy)	21.4	21.4
Watergrove Trust (Kentmere Primary School)	21.4	21.4
Watergrove Trust (St Andrews C of E Primary School)	21.4	21.4
Watergrove Trust (St James C of E Primary School)	21.4	21.4
Watergrove Trust (Matthew Moss High School)	21.4	21.4
Watergrove Trust (Moorhouse Academy) [from 01.04.21]	21.4	21.4
Watergrove Trust (Sandbrook Community Primary School) [from 01.03.23]	n/a	21.4
West Hill School Pool		
West Hill School	17.0	17.0
Orian Solutions Ltd [from 21.02.22]	17.0	17.0

Scheme employers	Contribution rate	
	2021/22 %	2022/23 %
Wigan MBC Pool		
Wigan MBC	19.6	19.6
Wigan Leisure & Culture Trust [to 06.08.21]	19.6	n/a
Leigh Sports Village Ltd	19.6	19.6
Fred Longworth High School [formerly Lateral Academy Trust]	19.6	19.6
Leading Learners MAT (Tyldesley Primary School)	19.6	19.6
The Rowan Learning Trust (Hawkley Hall High School)	19.6	19.6
Wigan and Leigh Carers Centre	19.6	19.6
Makerfield Academy Trust (Byrchall High School)	19.6	19.6
Community First Academy Trust (Platt Bridge)	19.6	19.6
Agilisys Limited	19.6	19.6
Epworth Education Trust [formerly Acorn Trust]	19.6	19.6
The Learning Together Trust	19.6	19.6
Monument Café [to 05.06.21]	19.6	n/a
The Keys Federation	19.6	19.6
The Rowan Learning Trust (3 Towers Alternative Provision)	19.6	19.6
Premier Care Limited [to 01.12.22]	19.6	19.6
The Rowan Learning Trust (Marus Bridge)	19.6	19.6
Greengate Academy Trust (Orrell Holgate)	19.6	19.6
Greengate Academy Trust (Orrell Lamberhead Green)	19.6	19.6
The Wings C of E Trust (Atherton St George's C of E Primary)	19.6	19.6
The Wings C of E Trust (St Mark's)	19.6	19.6
Mosaic Academy Trust (Standish Community High School)	19.6	19.6
The Wings C of E Trust (Leigh C of E Primary)	19.6	19.6
Mosaic Academy Trust (Golborne Community Primary School)	19.6	19.6
Caterlink Ltd	19.6	19.6
ISS Mediclean (Hawkley Hall)	19.6	19.6
Taylor Shaw Ltd (Fred Longworth)	19.6	19.6
Mellors Catering Services Ltd - Cansfield High (Ex Wigan)	19.6	19.6
Midshire Signature Svs Ltd - Standish	19.6	19.6
Mellors Catering Services Ltd - Shevington High, Wigan	19.6	19.6
Cater Link Ltd - St Cuthberts School [to 31.12.22]	19.6	19.6

Scheme employers	Contribution rate	
	2021/22 %	2022/23 %
Compass Contract Svs Ltd (Makersfield AT)	19.6	19.6
Cater Link Ltd - St Marie's Primary School [to 31.12.22]	19.6	19.6
Mellors Catering Services Ltd - Newbridge School [from 01.09.20]	19.6	19.6
Orian Solutions Ltd - Leigh St Peter's (Ex Wigan MBC) [from 01.09.18]	19.6	19.6
Aspens Services Ltd - Bedford High (Wigan) [from 01.04.19]	19.6	19.6
ISS Mediclean Ltd - St Peter's Catholic High School (Wigan) [from 01.09.19]	19.6	19.6
Mellors Catering Services Ltd - Dean Trust Rose Bridge [from 01.09.19]	19.6	19.6
Belong Ltd [from 10.10.22]	n/a	19.6
Wythenshawe Community Housing		
Wythenshawe Community Housing Group Ltd (Willow Trd staff) [formerly Willow Park Housing Trust]	22.1	22.1
Wythenshawe Community Housing Group Ltd (Parkway Trd staff) [formerly Parkway Green Housing Trust [Trfd Staff]]	22.1	22.1
Wythenshawe Community Housing Group Ltd (Parkway New staff) [formerly Parkway Green Housing Trust [New Staff]]	22.1	22.1
Wythenshawe Community Housing Group Ltd (Willow New staff) [formerly Willow Park Housing Trust [2nd Agreement]]	22.1	22.1
Woodbridge Trust Pool		
Woodbridge Trust (Firwood High School)	20.8	20.8
Woodbridge Trust (Ladywood School)	20.8	20.8
Regent Office Care Ltd [from 01.04.22]	n/a	20.8
Individual Employers		
The Chief Constable of Greater Manchester	19.1	19.1
The University of Bolton	23.2	23.2
Manchester Metropolitan University	21.4	21.4
Liverpool Hope University	19.1	19.1
Royal Northern College Of Music	18.9	18.9
Borough Care Services Ltd [to 30.09.22]	34.8 + £154k	34.8 + £154k
Holy Cross College	19.7	19.7
Loreto Sixth Form College	19.6	19.6
Xaverian Sixth Form College	19.0	19.0
Oldham College	16.8	16.8
The Pinnacle Learning Trust (Oldham Sixth Form College)	16.5	16.5

Scheme employers	Contribution rate	
	2021/22 %	2022/23 %
Hopwood Hall College	20.2	20.2
Aquinas College	19.7	19.7
Cheadle & Marple 6th Form College [to 30.04.21]	21.2 + £43k	n/a
Wigan & Leigh College	21.7	21.7
Winstanley College	19.1	19.1
New Charter Group (Jigsaw)	23.3	23.3
Positive Steps Oldham	22.4	22.4
Ace Centre (North)	21.7	21.7
Trafford Housing Trust Limited	31.5 + £357k	31.5 + £357k
Northwards Housing Limited [to 04.07.21]	17.6	n/a
Altus Education Partnership (Rochdale Sixth Form College)	15.4	15.4
The Cooperative Academies Trust (The Swinton High School)	19.9	19.9
Mellor Primary School	21.1	21.1
Broadoak Primary School	21.9	21.9
South Manchester Learning Trust (Reddish Vale Academy Trust)	16.2	16.2
Eagley Infant School	22.2	22.2
Eagley Junior School	24.0	24.0
Harwood Meadows Primary School	24.2	24.2
Kings Academy Trust (Oakwood Academy) [formerly The Oakwood Academy Schools Trust]	21.2	21.2
Broughton Jewish Cassel Fox	18.7	18.7
South Manchester Learning Trust (Altrincham College of Arts)	20.5	20.5
Forward As One Church Of England Multi Academy Trust	22.5	22.5
SS Simon and Jude C of E Multi Academy Trust	18.8	18.8
St Anselms Catholic Multi Academy Trust [to 30.11.22]	24.3	24.3
New Bridge Multi Academy Trust (Hawthorns School)	24.3	24.3
The Olive Tree Primary Bolton Limited	18.7	18.7
The Cooperative Academies Trust (Connell 6th Form College)	20.7	20.7
New Islington Free School [to 30.06.22]	18.2	18.2
Park Road Sale Primary	20.2	20.2
Beis Yaakov Jewish High School	24.0	23.0
Chester Diocesan Academies Trust (St Matthew's C of E Primary)	20.0	20.0

Scheme employers	Contribution rate	
	2021/22 %	2022/23 %
Focus Academy Trust (UK) Ltd (Manor Green Primary Academy)	30.9	29.9
The Kirkstead Education Trust (Hursthead Junior School)	23.7	23.7
Focus Academy Trust (UK) Ltd (Old Trafford Community Primary)	19.7	19.7
Essa Foundation Academies Trust (The Essa Primary)	18.1	18.1
Taylor Shaw Ltd (Moorfield Primary School)	35.5	35.5
Taylor Shaw Ltd (Romiley Primary School)	35.0	35.0
Kingsway Community Trust (Cringle Brook Primary)	18.7	18.7
Focus Academy Trust (UK) Ltd (Deeplish Primary Academy)	24.5	24.5
Ashton West End Primary	26.5	26.5
Sharples School A Multi Academy Trust	27.6	26.6
Lever Academy Trust (Little Lever School)	24.8	24.8
Aldridge Education (UTC At MediaCityUK) [formerly Creative Industries UTC (UTC@MediaCityUK)]	17.2	17.2
Prosper Multi Academy Trust (Bolton Muslim Girls School) [formerly Bolton Muslim Academy Trust]	20.2	20.2
Taylor Shaw (St Simon's Primary)	33.9	33.9
Taylor Shaw (Marple Hall High School)	28.7 + £13k	28.7 + £13k
Taylor Shaw (Fairway)	29.0 + £1k	29.0 + £1k
The Bolton Impact Trust	25.6	25.6
Career Connect (Achieve North West Contract)	30.0	30.0
Chester Diocesan Academies Trust (St Paul's C of E Primary)	22.2	22.2
Taylor Shaw Ltd (Harrytown High School)	29.3	29.3
Consilium Academies (Buile Hill)	24.7	24.7
The Hamblin Education Trust (North Cestrian School)	17.2	17.2
Taylor Shaw (Stockport College) [to 31.12.22]	24.3	24.3
Churchill Contract Services Ltd (Harper Green School)	0.0	0.0
Elite Cleaning & Environmental Services Ltd	24.8	24.8
Chatsworth Multi Academy Trust	18.2	18.2
SS Simon & Jude C of E Multi Academy Trust (St Augustine's)	22.9	22.9
Consilium Academies (Ellesmere Park High School)	20.2	20.2
Mulberry Tree CE Multi Academy Trust (St Catherine's Primary) [to 31.12.22]	20.8	20.8
T(N)S Catering Management Ltd [to 31.03.23]	31.9	31.9
Liverpool Diocesan Schools Trust (St James' C of E Primary)	21.0	21.0

Scheme employers	Contribution rate	
	2021/22 %	2022/23 %
Consilium Academies (Moorside High School)	19.7	19.7
Transport for the North	17.4	17.4
The Aspire Educational Trust (Wilbraham Primary School)	19.1	19.1
Compass Contract Services (Ex NET - Kearsley Academy) [to 23.02.22]	35.4+ £13k	n/a
Oasis Community Learning (Leesbrook Academy)	16.7	16.7
Liverpool Diocesan Schools Trust (St Paul's C of E Primary)	21.0	21.0
Taylor Shaw - St Anne's	33.7	33.7
St Ralph Sherwin Catholic MAT (St Mary's CV Academy)	22.6	22.6
St Bede Church Of England Primary Academy (Tonge Moor PS)	20.8	20.8
Liverpool Diocesan Schools Trust (Highfield St Matthew's C of E)	21.5	21.5
The Cooperative Academies Trust (Walkden High School)	19.7	19.7
The Great Schools Trust - Kings Leadership Academy Bolton	20.8	20.8
St James & Emmanuel Acadmey Trust (St Elizabeth's Primary)	19.8	19.8
CLIC Educational Trust (Dane Bank Primary School)	18.5	18.5
Robertson Facilities Management Ltd	25.9	25.9
SS Simon & Jude C of E Multi Academy Trust (St Hilda's)	20.4	20.4
Chester Diocesan Academies Trust (Bredbury St Mark's)	19.8	19.8
SS Simon & Jude C of E Multi Academy Trust (St Paul's)	19.7	19.7
The Rowan Learning Trust (The Heys School) [formerly Prestwich Arts College]	20.5	20.5
Emmaus Catholic Academy Trust - St Antony's Catholic College	20.4	20.4
QUEST - Bolton University Collegiate School	15.9	15.9
Chester Diocesan Academies Trust - St George's C of E Primary	21.0	21.0
Emmaus Catholic Academy Trust - St Anne’s RC Academy	19.8	19.8
Albany Learning Trust - Chorley New Road Primary Academy	20.8	20.8
Epworth Education Trust - Rosehill Methodist Academy	21.0	21.0
Epworth Education Trust - Wesley Primary School	20.5	20.5
Epworth Education Trust - Summerseat Methodist Primary School	20.5	20.5
Stamford Park Trust - Longdendale High School	20.2	20.2
Stamford Park Trust - Rayner Stephens High School	19.3	19.3
Altus Education Partnership (Edgar Wood Academy) [from 01.09.21]	15.4	15.4
SMCSM Limited (Ex Bolton MBC)	26.7	26.7

Scheme employers	Contribution rate	
	2021/22 %	2022/23 %
Star Academies (Oulder Hill Leadership Academy) [from 01.03.22]	20.5	20.5
Outwood Grange Academies Trust (Outwood Academy Hindley) [from 01.01.22]	19.6	19.6
Dixons Academies Trust (Brooklands Academy) [from 01.01.22}	18.5	18.5
Altus Education Partnership (Kingsway Park High School) [from 01.02.22]	15.4	15.4
Hutchison Catering Ltd - St Josephs (Ex Bolton MBC)	39.7	39.7
The Cooperative Academies Trust (New Islington Free School) [from 01.07.22]	n/a	18.2
Sentrex Service UK Ltd - Birtenshaw School (Ex Bolton MBC) [from 01.09.21]	41.3	41.3
Bulloughs Cleaning Services Ltd [from 01.04.21]	39.1	39.1
St Joseph Catholic Multi Academy Trust (Holy Family Academy) [from 01.09.22]	n/a	19.6
Bulloughs Cleaning Services Ltd - Trafford College [to 31.07.22]	34.0	34.0
Corpus Christi Catholic Academy Trust (All Saints College) [from 01.12.22]	n/a	24.3
Mellors Catering Services Ltd - Sovereign [from 01.09.17 to 05.11.21]	24.1	n/a
Altus Education Partnership (Bamford Academy) [from 01.03.23]	n/a	15.4

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Your LGPS at glance

The information below describes the Local Government Pension Scheme (LGPS) as it was during 2022/2023.

For information as it is now and other general information, please see our website www.gmpf.org.uk

Eligibility for membership

Membership is generally available to employees of participating employers who have contracts of employment of three months or more, are under the age of 75 and who are not eligible for membership of other statutory pension schemes. Membership of the LGPS is therefore not open to police officers, firefighters, civil servants, and others who have their own pension schemes. Employees of admission bodies and designating bodies such as a town or parish council can only join if their employer nominates them for membership of the LGPS.

Employee contributions

The rate of contribution payable by members of the main scheme varies according to pay, ranging from 5.5 per cent to 12.5 per cent. The pay ranges to which each contribution rate applies are adjusted each April in line with changes in the cost of living. Members of the 50/50 option pay half the main scheme contributions and build up half the normal main scheme pension.

Extra benefits

Members can pay additional pension contributions (APCs) to increase their pension. They can also pay money purchase additional voluntary contributions (AVCs) into a scheme operated in conjunction with the Prudential, to provide extra pension, extra lump sum, extra death benefits or a combination of these. Both APCs and AVCs attract tax relief in most cases.

Retirement benefits

For each year of membership in the main scheme, an employee member builds up a pension of 1/49 of the pay received during that year. This pension is then increased each year in line with inflation, to maintain its value in real terms. Someone in the 50/50 option builds up a pension of 1/98 of the pay received during that year, which is again protected against inflation. Ill health pensions can also be awarded, based on one of three tiers, for those that satisfy the Scheme's criteria for permanent incapacity. Those in the 50/50 option have full ill health and death cover. Membership that was built up before 1 April 2014 continues to provide benefits as it did at the time. Membership from 1 April 2008 to 31 March 2014 therefore provides final salary benefits based on 1/60. Membership before that also provides final salary benefits, based on 1/80. Members can normally exchange some annual pension for a larger lump sum at a rate of 1:12, in other words, every £1 of annual pension foregone produces £12 of lump sum. HMRC limits apply.

Generally, a minimum of two years membership is required to give entitlement to retirement benefits.

Age of retirement

Normal pension age is age 65 or State Pension age, whichever is the later, but:

- Pension benefits are payable at any age if awarded due to ill health.
- Members may retire with unreduced benefits from age 55 onwards if their retirement is on the grounds of redundancy or business efficiency.
- Members may retire early at their own choice from 55 onwards and employer approval is not required. But early retirement reductions will generally apply.
- Members who have left employment can request payment of benefits from age 55 onwards, but actuarial reductions will apply where benefits come into payment before normal pension age.
- Members who remain in employment may also ask to retire flexibly from age 55 onwards if they reduce their hours of work or grade. Employer consent is required, and actuarial reductions may apply.
- Payment of benefits may be delayed beyond normal pension age but only up to age 75.

There are also various protections regarding membership that are linked to earlier normal retirement ages that applied in earlier versions of the Scheme.

Benefits on death in service

A lump sum death grant is payable, normally equivalent to three years assumed pay. The administering authority has absolute discretion over the distribution of this lump sum among the deceased's relatives, dependants, personal representatives, or nominees. Pensions may also be payable to the member's spouse, civil partner, eligible cohabiting partner and eligible dependent children.

Benefits on death after retirement

A death grant is payable if less than ten years pension has been paid and the pensioner is under age 75 at the date of death, in which case the balance of ten years pension is paid as a lump sum. Pensions are also normally payable to the member's spouse, civil partner, eligible cohabiting partner and any eligible dependent children.

Cost of living increases

Career average pensions that are being built up or are on hold are adjusted each year in line with the Consumer Prices Index (CPI). This is to protect them from inflation, but they can go down as well as up. Final salary benefits on hold and all pensions in payment are also adjusted each year in line with CPI but are protected meaning they will not reduce when CPI is negative.

Annual Report

Glossary

50/50 scheme

In the Local Government Pension Scheme (LGPS), contributing members are given the option of earning half of the standard LGPS benefits and paying half the standard member contribution rates.

Actuarial valuation

An investigation by an actuary into the ability of a pension fund to meet its liabilities. At the actuarial valuation, Greater Manchester Pension Fund's (GMPF) actuary will assess the funding level of each participating employer and agree contribution rates with the administering authority to fund the cost of new benefits and make good any existing deficits.

Ad valorem

A payment or rate which is calculated according to the price of a product or service, rather than at a fixed rate. External asset managers usually have an ad valorem component as part of their fees.

Administering authority

A body listed in Part 1 of Schedule 3 of the LGPS Regulations who maintains a fund within the LGPS. Administering authorities are typically councils based in England and Wales. GMPF's administering authority is Tameside Metropolitan Borough Council (TMBC).

Admission body

An admission body is an employer admitted to the LGPS by way of an admission agreement. Admission bodies must primarily work in areas related to local government to be admitted.

Additional voluntary contributions (AVCs)

Additional voluntary contributions are additional contributions made on top of the main LGPS member contributions with the aim of building up an additional pension separate to the main LGPS benefits.

Benchmark

A measure against which fund performance is to be judged.

Bonds

Loans made to an issuer (often a government or a company) which promises to repay the loan at an agreed later date. The term refers generically to corporate bonds or government bonds (gilts).

Career average revalued earnings (CARE) scheme

With effect from 1 April 2014, benefits accrued by members in the LGPS take the form of CARE benefits. Every year members will accrue a pension benefit equivalent to 1/49 of their pensionable pay in that year. Each annual pension accrued receives inflationary increases (in line with the annual change in the consumer prices index) over the period to retirement.

Consumer prices index (CPI)

CPI is a measure of inflation with a basket of goods that is assessed on an annual basis. Pension increases in the LGPS are linked to the annual change in CPI.

Deficit

A fund has a deficit when its actuary calculates that it does not currently have enough assets to pay all future commitments. Deficits are typically corrected over periods of time by the payment of additional contributions by employers.

Discount rate

The rate of interest used to estimate the amount of money needed to be held now to meet a benefit payment occurring in the future.

Employer covenant

The degree to which an employer participating in the LGPS can meet the funding requirements of the Scheme

Employer's future service contribution rate (primary rate)

The contribution rate payable by an employer, expressed as a percentage of pensionable pay, as being sufficient to meet the cost of new benefits being accrued by contributing members in the future. The cost will be net of employee contributions and will include an allowance for the expected level of administrative expenses.

Environmental, social and governance (ESG)

ESG criteria are a set of standards for a company's operations that socially conscious investors use to understand their environmental, social and governance facets. GMPF has a Working Group which monitors the ESG issues of GMPF's investments.

Funding level

The ratio of a fund's assets to the estimated value of its past service liabilities. This is expressed as a percentage. If a fund has a funding level of 110% it owns 10% more assets than it currently requires to meet its liabilities.

Funding Strategy Statement

This is a key governance document that outlines how the administering authority will determine employers' contributions to GMPF and manage its funding risks.

Funding target

An assessment of the assets required to be held now in order to meet the benefits to be paid in the future. The desired funding target is to achieve a funding level of a 100% ie assets equal to the past service liabilities assessed using appropriate actuarial assumptions.

Government Actuary's Department (GAD)

The GAD is responsible for providing actuarial advice to public sector clients. GAD is a non-ministerial department but works closely with HM Treasury.

Investment Strategy

The long term distribution of assets among various asset classes; it takes into account GMPF's objectives and attitude to risk.

Local Government Pension Scheme (LGPS)

An occupational pension scheme for Local Government workers and other related workers made up of 87 individual funds located across England and Wales. GMPF is 1 of the 87 individual funds. GMPF administers the LGPS on behalf of the ten Greater Manchester councils and their related public sector bodies.

Northern Local Government Pension Scheme Pool (NLGPS)

An investment pool comprising of the Greater Manchester Pension Fund, Merseyside Pension Fund and West Yorkshire Pension Fund. NLGPS is one of eight LGPS investment pools in England and Wales. LGPS investment pools aim to increase pension fund investment efficiency and make it easier to access more asset classes.

Past service liabilities

This is the total amount of benefits that the fund is required to pay to its members in the future. The actuary places a value on this at the actuarial valuation.

Private equity

Private equity is the ownership of companies that are not listed on a public stock exchange.

Public equity

Public equity is an asset class where individuals and/or organisations can buy ownership in the shares of companies that are recorded on a public market such as the London Stock Exchange.

Prudent assumption

An assumption where the outcome has a greater than 50% chance of being achieved. Legislation requires the assumptions (when considered collectively) adopted for an actuarial valuation to be prudent.

Real return or real discount rate

A rate of return or discount rate net of inflation.

Scheme employer

A Scheme employer is an employer that is legally obliged to take part in the LGPS by virtue of the LGPS Regulations. This includes councils of all types, academy schools and certain public sector bodies.

Section 13 Valuation

Section 13 of the Public Service Pensions Act 2013 requires that all public service pension schemes, like the LGPS, undertake an actuarial valuation that ensures their solvency and their long term cost efficiency.

Task Force on Climate-related Financial Disclosures (TCFD)

TCFD provide climate-related financial disclosure recommendations designed to help companies and pension funds provide clear, comparable and consistent information about the risks and opportunities presented by climate change to their operations. GMPF is a signatory of TCFD.

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Policy Statements

- **Funding Strategy Statement**
- **Governance Policy and Compliance Statement**
- **Core Belief Statement**
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Funding Strategy Statement

December 2022

Contents

1. Introduction

This is the Funding Strategy Statement (FSS) of the Greater Manchester Pension Fund (GMPF), which is administered by Tameside MBC (the Administering Authority). It has been prepared by the Administering Authority in collaboration with the GMPF Actuary, Hymans Robertson LLP, and after consultation with GMPF's employers and investment advisors.

1.1 Regulatory Framework

Members' accrued benefits are guaranteed by statute and defined by the LGPS Regulations. Members' contributions are fixed in the Regulations at a level which covers only part of the cost of accruing benefits. Employers pay the balance of the cost of funding the benefits. The FSS focuses on how employer liabilities are measured, the pace at which these liabilities are funded and, insofar as is practical, the measures to ensure that employers or pools of employers pay for their own liabilities.

The FSS forms part of a framework which includes:

- the Local Government Pension Scheme Regulations 2013 and other LGPS Regulations.
- the Rates and Adjustments Certificate, which can be found appended to GMPF's most recent Actuarial Valuation report.
- actuarial factors for valuing early retirement costs and the cost of buying extra service.
- GMPF's policy on employer admissions and exits.
- the Investment Strategy Statement.

Operating within this framework, the Actuary carries out periodic valuations to set employers' contributions and provides recommendations to the Administering Authority when other funding decisions are required, for example when employers join or leave GMPF. The FSS applies to all employers participating in GMPF and any employers that have entered into a deferred debt agreement.

The key requirements relating to the FSS are that:

- After consultation with all relevant interested parties, the Administering Authority will prepare and publish its funding strategy.
- In preparing the FSS, the Administering Authority must have regard to:
    - FSS guidance produced by CIPFA and/or the LGPS Scheme Advisory Board;

      and
    - Its Investment Strategy Statement.
- The FSS must be revised and published whenever there is a material change in either the policy on the matters set out in the FSS, or the Investment Strategy Statement.
- The revised FSS should be completed and approved by the Management Panel prior to the completion of each valuation.
- The actuary must have regard to the FSS as part of the fund valuation process and when making any subsequent amendments to the Rates and Adjustments Certificate in respect of individual employers who join the Fund, request an interim valuation, exit the Fund or are considering the cessation of future accrual by active members.

1.2 Reviews of FSS

The FSS has historically been reviewed in detail at least every three years in line with triennial valuations being carried out. However, changes to the valuation cycle (which have been subject to consultation) may occur in order to move the LGPS valuation cycle into line with those of the unfunded public service schemes at some point in the future.

GMPF will continue its approach of reviewing the FSS as part of the actuarial valuation process or whenever there is a material change in policy.

The FSS is a summary of GMPF's approach to funding liabilities. It is not an exhaustive statement of policy on all issues. If you have any queries please contact the GMPF Employers team in the first instance at employersupport@gmpf.org.uk.

2. Purpose

2.1 Purpose of FSS

The statutory requirement to have an FSS was introduced in 2004. The then Office of the Deputy Prime Minister stated that the purpose of the FSS is:

- to support the regulatory framework to maintain **as nearly constant employer contribution rates as possible and to set contributions so as to ensure the solvency and long term cost efficiency of LGPS funds are met.**
- to establish a **clear and transparent fund-specific strategy** which will identify how employers' pension liabilities are best met going forward and reflect the different characteristics of different employers in determining contribution rates; and to take a **prudent longer-term view** of funding those liabilities.
- These objectives are desirable individually, but may be mutually conflicting.

This statement sets out how the Administering Authority has balanced the conflicting aims of affordability of contributions, transparency of processes, stability of employers' contributions, and prudence in the approach to funding the liabilities across the range of employers participating in GMPF.

2.2 Purpose of GMPF

GMPF is a vehicle by which LGPS benefits are delivered. GMPF:

- receives and invests contributions, transfer payments and investment income; and
- pays scheme benefits, transfer values and administration costs.

One of the objectives of a funded scheme is to reduce the variability of pension costs over time for employers compared with an unfunded (pay-as-you-go) alternative.

The roles and responsibilities of the key parties involved in the management of the LGPS are summarised in the Annex.

2.3 Aims of the funding policy

The objectives of GMPF's funding policy include the following:

- to ensure the long term solvency of GMPF as a whole and the solvency of each of the notional sub-funds allocated to individual employers.
- to ensure that sufficient funds are available to meet all benefits as they fall due for payment.
- to ensure that employers are aware of the risks and potential returns of the
- investment strategy.
- to help employers recognise and manage pension liabilities as they accrue, with consideration as to the effect on the operation of their business where the Administering Authority considers this to be appropriate.
- to try to maintain stability of employer contributions.

- to use reasonable measures to reduce the risk to other employers and ultimately to the Council Tax payer from an employer defaulting on its pension obligations.
- to address the different characteristics of the disparate employers or groups of employers to the extent that this is practical and cost-effective.
- to maintain the affordability of GMPF to employers as far as is reasonable over the longer term.

3. Target funding and calculation of contribution rates

3.1 Target funding levels

GMPF's funding target for most ongoing employers is a 'funding level' of 100 per cent at the end of an appropriate time horizon, calculated using the Actuary's ongoing funding basis (see section 3.2 below). The funding level is the ratio of the value of assets compared to the present value of the expected cost of meeting the accrued benefits.

3.2 Ongoing funding basis

3.2.1 Demographic assumptions

The demographic assumptions are intended to be best estimates of future outcomes within GMPF as advised by the Actuary, based on past experience of GMPF and other pension funds. It is acknowledged that future life expectancy and, in particular, the allowance for future improvements in longevity, is uncertain, particularly in the aftermath of the Covid-19 pandemic. Employers should be aware that their contributions are likely to increase in future if longevity exceeds the funding assumptions.

The approach taken is considered reasonable in light of the long term nature of GMPF and the statutory guarantee underpinning members' benefits. The demographic assumptions vary according to individual member characteristics and so reflect the different member profiles of employers.

3.2.2 Financial assumptions

The key financial assumption for setting the funding target is the anticipated return on GMPF's investments. Given the long term nature of the liabilities, a long term view of prospective returns from growth seeking assets is taken. In setting this assumption, the Actuary has modelled the annual returns over the next 20 years on GMPF's investment portfolio under 5,000 different economic scenarios. The investment return assumption has then been set such that at least 75 per cent of the scenarios produce a return in excess of the investment return assumption. There is, however, no guarantee that GMPF's assets will out-perform the investment return assumption. The risk of under performance is greater when measured over short periods such as the time between formal actuarial valuations, when the actual returns and assumed returns can deviate sharply.

For the 2022 valuation, the assumption is that GMPF's investments will deliver an average return of 1.8 per cent a year in excess of the yield available on fixed interest UK Government Bonds.

Pensions in payment, deferment and the pensions of active members accrued since 1 April 2014 increase in line with the Pensions Increase Order, as set out in the Pensions (Increase) Act 1971, which is currently pegged to the Consumer Price Index (CPI). The assumption for future increases in CPI is set using the Bank of England's inflation curve, with adjustments made to reflect the expected differences in the Retail Prices Index (RPI) and CPI in future.

Salary growth is generally becoming a less material assumption due to the move to a career-average benefit structure in the LGPS from 1 April 2014, however, the McCloud judgement has effectively extended accessibility to final salary benefits to 2022 for a subset of the members. For the 2022 valuation, long term salary growth is assumed to be consistent across all employers and equal to the future increases in CPI plus 1.0 per cent p.a.

The same assumptions are adopted in the calculation of the funding target for the majority of employers. The anticipated future return on investments and CPI assumption may vary from those set out above for employers who no longer admit new entrants to GMPF, employers planning to exit the Fund or employers who follow different investment strategies.

3.3 Funding targets for non-typical employers

For admission agreements that are closed to new entrants (and in particular those with no guarantor), or for employers planning to exit the Fund, liabilities may be valued on a more prudent basis (ie using a lower investment return assumption). The target in setting contributions for any employer in these circumstances is to achieve full funding on an appropriate basis by the time the agreement terminates or the last active member leaves active service in order to protect other GMPF employers. This policy will typically increase regular contributions and reduce, but not entirely eliminate, the possibility of a final deficit payment being required when a cessation valuation is carried out.

Please refer to Section 4 for the treatment of exiting employers.

GMPF may also adopt the above approach in respect of admission bodies with no guarantor but where there is no immediate expectation that the admission agreement will cease. The Actuary agrees the financial and demographic assumptions to be used for each such employer with the Administering Authority.

3.4 Asset share calculations for individual employers

The Administering Authority does not formally account for each employer's assets separately. However, with effect from 31 March 2013, GMPF has operated a system of 'unitisation' where GMPF's assets are apportioned between employers on a monthly basis using contribution and benefit expenditure figures for each employer. This process also adjusts for transfers of members' assets and liabilities between employers participating in GMPF. The methodology adopted means that there will still be some differences between the asset shares calculated for individual employers and those that would have resulted had they participated in their own ring-fenced section of GMPF. However, this is greatly reduced compared to the 'analysis of surplus'method that was used previously.

As part of previous valuation processes, the Administering Authority's internal audit function has provided assurance on the operation of the unitisation system.

3.5 Derivation of employer contributions

Under the Regulations in force the Actuary is required to prepare a rates and adjustment certificate specifying:

a. the primary rate of the employer's contribution.

b. the secondary rate of the employer's contribution.

For each year of the period of three years beginning with the 1 April in the year following that in which the valuation date falls (ie 1 April 2023 to 31 March 2026 in the case of the 2022 actuarial valuation).

The primary rate of an employer's contribution is equivalent to the cost of future benefits being accrued. The primary rate is calculated separately for all employers participating in GMPF. This is expressed as a percentage of the pay of their employees who are active members of GMPF.

The secondary rate of an employer's contributions is any percentage or amount by which,in the Actuary's opinion, contributions at the primary rate should be increased or reduced by reason of any circumstances specific to that employer, for example any additional contributions required to recover a deficit. The sorts of specific factors which are considered are discussed in Section 3.6.

Employers (other than those employers that have entered into deferred debt agreements and do not have a primary rate) are required to pay the total of the primary rate and the secondary rate. This is referred to as the 'total employer contribution rate'.

In calculating the total employer contribution rate the Actuary must have regard to:

a. The existing and prospective liabilities arising from circumstances common to all those employers.

b. The desirability of maintaining as nearly constant a common rate as possible.

c. The current version of the Administering Authority's Funding Strategy Statement.

d. The requirement to secure the solvency of the pension fund and long term cost efficiency.

It is noted that securing solvency and long term cost efficiency is a regulatory requirement whereas a constant contribution rate remains only a desirable outcome.

For some employers it may be agreed by all relevant parties to pool contributions (see section 3.9.5.)

3.6 Risk-based contribution rates

The Actuary will need to assess the risk associated with the proposed contribution rate. Risk in this context means the likelihood that the employer will not achieve their funding target by the end of an appropriate time horizon with regard to the characteristics of the employer.

The GMPF Actuary will be using a 'risk-based' approach, which allows for thousands of possible future economic scenarios, when assessing the likelihood of contributions being sufficient to meet both the accrued and future liabilities over a given time horizon for each employer.

Setting contribution rates using a risk-based approach requires GMPF and the Actuary to consider for each employer:

a. The employer's funding target (see sections 3.1-3.3 above).

b. How long the employer has to reach the funding target (the 'time-horizon' – see Section 3.9.2 below).

c. An appropriate likelihood of meeting the funding target by the end of the time horizon (likelihood of success) eg 75 per cent.

Setting an appropriate likelihood for each employer requires an analysis of the risk posed to GMPF. Factors considered include:

- Individual employer liability profile including funding level, net cashflow (ie contributions received less benefits paid) and whether new members are being admitted;
- Individual employer security provided to GMPF in the form of a guarantee or an additional asset.
- The sector in which the employer operates and/or the financial strength of the employer, which may influence an employer's ability to make good any deficit which may arise in future.

More detail on the calculation of contribution rates is provided in the Actuary's report on the valuation.

Contribution rates will include expenses of administration to the extent that they are borne by GMPF.

3.7 Presentation of employer contribution rates

Contribution rates are expressed as a per cent of pensionable salary for most employers. The Administering Authority may choose to specify that part of the contributions are payable as periodic lump sum cash amounts. This approach is generally applied for employers where the workforce/payroll is expected to decline in order to ensure sufficient contributions are made towards repaying any deficit.

Employers' contributions are expressed as a minima, with employers able to pay additional contributions should they wish to do so. In addition, some employers may be permitted to pay contributions in advance of the date on which they would otherwise be due (see Section 4.7). Employers should discuss with the Administering Authority before electing to make one-off capital payments.

3.8 Allowance for early retirements

Under the LGPS Regulations 2013, section 35, an LGPS member whose employment is terminated on the grounds of ill health, or infirmity of mind or body, before that member reaches normal pension age, is entitled to, and must take, early payment of a retirement pension if that member satisfies the necessary conditions.

These 'ill health retirements' can give rise to significant unexpected additional costs. The trend in recent years has been for the relative frequency of these occurrences to decrease, but where they do occur, the costs have increased.

Therefore, to protect employers from incurring potentially unaffordable costs, GMPF has an internal 'insurance-type' arrangement to meet the cost of ill health retirements. This internal insurance arrangement has been in operation since 1 April 2020 for certain participating employers. Any ill health retirement costs that occur are funded through the insurance, with these costs split amongst participating employers via a charge to asset shares (see Section 3.4) on a monthly basis.

Unless otherwise agreed with the Administering Authority, for employers that do not participate in the ill health insurance arrangement, the cost of all ill health early retirements are met by separate lump-sum employer contributions.

Other forms of early retirements, such as retirements on the grounds of redundancy as per section 30(7) of the LGPS Regulations, are met by lump sum payments. Larger employers may request to have an allowance for early retirements built into their contribution rates.

Costs in excess of the allowances are required to be met immediately by separate lumpsum employer contributions. Any unspent allowances are reflected within each employer's asset-share.

3.9 Solvency and long term cost efficiency

3.9.1 Solvency issues and target funding levels

Under Section 13(4)(c) of the Public Service Pensions Act 2013, The Government Actuary's Department (GAD) (as the person appointed by the responsible authority) must, following an actuarial valuation, report on whether the rate of employer contributions to the pension fund is set at an appropriate level to ensure the solvency of the pension fund and long term cost efficiency. The definitions of these terms in the CIPFA guidance are provided in Section 7.

In developing the funding strategy, and in particular, the level of solvency being targeted for each employer, the Administering Authority has had regard to the potential outcomes of the subsequent review under Section 13(4)(c) and has considered the implications for its Key Performance Indicators as determined by the Scheme Advisory Board in England and Wales.

A key challenge for the Administering Authority is to balance the need for stable, affordable employer contributions with the requirement to take a prudent, longer-term view of funding and ensure the solvency of the GMPF. With this in mind, there are a number of strategies that the Administering Authority may deploy in order to maintain employer contribution rates at as nearly a constant rate as possible. These include:

- Use of extended time horizons (see section 3.9.2).
- Phasing in of contribution increases / decreases (see section 3.9.3– 3.9.4).
- The pooling of contributions amongst employers with similar characteristics and/or a community of interest (see section 3.9.5).

In addition to these strategies for improving the stability of employer contributions, the Administering Authority may, at its absolute discretion, permit greater 'flexibility'around the employer's contributions provided that the employer has provided additional 'security' to the satisfaction of the Administering Authority. Such greater 'flexibility' may include setting contribution rates assuming a reduced likelihood of meeting the target funding position and/or an extended time horizon, or permission to join a pool with other employers. Additional 'security' may include, but is not limited to, provision of a suitable financial bond, a legally-binding guarantee from an appropriate third party, or security over an employer owned asset of sufficient value.

The degree of greater 'flexibility' extended to a particular employer is likely to consider factors such as:

- the funding position of that employer's section of GMPF
- the amount and quality of the security offered

- the employer's financial security and business plan
- whether the admission agreement is likely to be open or closed to new entrants.

Including investment income, GMPF currently has positive net cash flow. Therefore, GMPF can take a medium to long term view on determining employer contribution rates to meet future liabilities through operating an investment strategy that reflects this long term view. This allows short term investment markets volatility to be managed in order to reduce volatility in employer contribution rates.

3.9.2 Appropriate time horizons

Following discussion with the Administering Authority, the actuary adopts specific time horizons for employers to achieve their funding target when calculating their contributions.

The Government Actuary's Department monitors compliance with Section 13 of the Public Service Pensions Act 2013 on behalf of the Department for Levelling Up, Housing and Communities and has placed some restraints on the ability of the Administering Authority and actuary to set time horizons under certain circumstances. In particular, the Government Actuary's Department has set an expectation that employer contributions should not reduce unless time horizons are also reducing.

The time horizon starts at the commencement of the revised contribution rate (1 April 2023 for the 2022 valuation). For employers that continue to admit new entrants, the Administering Authority would normally expect to follow the principles set out by the Government Actuary's Department, but reserve the right to propose alternative periods, for example to improve the stability of contributions.

Type of employer	Maximum length of time horizon
Employers listed under Part 1 or Part 2 of Schedule 2 to the 2013 LGPS Regulations (generally Statutory Bodies with tax raising powers and other Government 'supported' employers)	a period not exceeding 20 years
Admission Bodies with funding guarantees, subject to the approval of the Administering Authority or agreement of the guarantor	a period not exceeding 20 years
Admission Bodies with time limited contracts	the period from the start of the revised contributions to the end of the employer's contract or as otherwise determined by the Administering Authority in consultation with the awarding authority letting the contract or the guarantor (if different)
All other types of employer	a period equivalent to the expected future working lifetime of the remaining scheme members or such other period approved by the Administering Authority.

3.9.3 Phasing in of contribution rises and reductions

The Administering Authority may elect to phase in any material changes to contribution rates. Phasing in periods will be influenced by the perceived credit worthiness of the employer.

3.9.4 The effect of opting for longer spreading or phasing in

Employers in deficit that are permitted to use a longer time horizon, or to phase-in contribution changes, will be assumed to incur a greater loss of investment returns due to the fact that their assets will build up at a slower rate by opting to defer repayment. Thus, deferring the payment of contributions is expected to lead to higher contributions in the long term (depending on the actual performance of GMPF relative to valuation assumptions).

3.9.5 Pooled contributions

The Administering Authority has historically allowed employers to agree to pool their contributions as a way of sharing experience and smoothing out the impact of experience on contribution rates.

Each of the ten Greater Manchester local authorities are the major employers in pools containing certain related employers. In addition, separate pools are operated for employers providing probation services, some academy schools, colleges, town and parish councils and for smaller admission bodies. Upon a new employer joining GMPF, consideration is given by the Administering Authority and the relevant local authority on the appropriateness of joining a local authority pool.

For clarity, unless otherwise agreed, pooling operates on the following basis:

- Schedule 2 Part 3 [1d (i)] employers (formerly referred to as Transferee Admission Bodies) are pooled with their awarding authority.
- For all other Schedule 2 Part 3 [1] employers (formerly referred to as Community Admission Bodies) pooling is determined via discussion between the Administering Authority, the new employer and the ceding employer.
- For new academy schools or schools moving between multi-academy trusts, pooling is determined via discussion between the Administering Authority and the multi-academy trust.

Those employers that have been pooled are identified in the Rates and Adjustments Certificate which is detailed in the 31 March 2022 Actuarial Valuation report (finalised in March 2023).

Employers are not generally permitted to discontinue participation in a pooling arrangement. A possible exception is academy schools which move to a new or existing multi-academy trust or where the Administering Authority agrees to allow a multi-academy trust to consolidate its participations inside or outside one or more pools. Any other employers who do not wish to continue with current/historic pooling arrangements should contact the Administering Authority to discuss the circumstances of their request. Where an employer discontinues participation in a pooling arrangement, all liabilities attributed to their active, deferred and pensioner members are assumed to transfer to their new arrangement.

3.10 Proposed approach to valuation to reflect cost management process and McCloud judgement

Explanations and information about the Cost Management process and the McCloud case can be found on the Scheme Advisory Board website (on the links below):

https://lgpsboard.org/index.php/projects/cost-management

https://lgpsboard.org/index.php/structure-reform/mccloud-page

To remedy the issues arising from the McCloud case Government introduced the Public Service Pensions and Judicial Offices Act 2022. The 2022 Act has, as of writing, not been harmonised with the LGPS Regulations. As a temporary measure DLUHC has advised all English and Welsh Administering Authorities to value members' benefits as required by the various Regulations in force as at 31 March 2022 except with respect to the following assumptions:

- It should be assumed that the current underpin (which only applies to those members within ten years of their NPA at 31 March 2012) will be revised and apply to all members who were active in the scheme on or before 31 March 2012 and who join the post 1 April 2014 scheme without a disqualifying service gap.
- The period of protection will apply from 1 April 2014 to 31 March 2022 but will cease when a member leaves active service or reaches their final salary scheme normal retirement age (whichever is sooner).
- Where a member remains in active service beyond 31 March 2022 the comparison of their benefits will be based on their final salary when they leave the LGPS or when they reach their final salary scheme normal retirement age (again whichever is sooner).
- Underpin protection will apply to qualifying members who leave active membership of the LGPS with an immediate or deferred entitlement to a pension.
- The underpin will consider when members take their benefit so they can be assured they are getting

the higher benefit.

The Administering Authority will utilise these assumptions as advised by DLUHC. However, given that changes to the cost management process and McCloud are not settled and could change after publication of this FSS, GMPF may elect to reassess whether any of the above measures were sufficient and may review rates as necessary prior to the publication of the Actuary's report on the 2022 valuation or under such statutory guidance or provision in regulation as may be available at that time (please see section 4.7 - Interim Valuations).

4. Other aspects of Funding Strategy

4.1 Background

In addition to the collection of regular contributions from employers, GMPF will seek additional contributions from employers in certain circumstances in order to maintain the solvency of GMPF and protect the interests of other employers.

Moreover, following recent amendments to the LGPS Regulations, GMPF may pay an exit credit to employers in certain circumstances. The circumstances in which an exit credit may be paid and the determination process are set out in Appendix 1 of the Funding Strategy Statement.

The Local Government Pension Scheme: Changes to the Local Valuation Cycle and the Management of Employer Risk consultation was released on 8 May 2019. The consultation asked Administering Authorities about amending valuation cycles and introducing a series of new Administering Authority powers. The aforementioned consultation paved the way for the introduction of three new employer flexibilities: interim valuations to allow for the adjustment of employer contribution rates, the ability to spread exit payments and the ability to enter into deferred debt agreements.

Further detail on the employer flexibilities is contained in Appendix 2 of the Funding Strategy Statement. The appended policy clarifies how and when the Administering Authority will utilise its powers to conduct interim valuations, spread exit payments and enter into deferred debt agreements.

4.2 Exiting employers

4.2.1 Admission bodies

Under the LGPS Regulations currently in force, an admission body is assumed to become an 'exiting employer' under Regulation 64 of the 2013 LGPS Regulations on the termination of its admission agreement.

Admission agreements are assumed to terminate for any of the following reasons unless otherwise agreed by the Administering Authority:

- The end of the contract (outsourced contractors only).
- Last active member ceasing active membership in GMPF.
- The insolvency, winding up or liquidation of the admission body.
- Any breach by the admission body of any of its obligations under the agreement that they have failed to remedy to the satisfaction of the Administering Authority.
- A failure by the admission body to pay any sums due to GMPF within the period required by the Administering Authority.
- The failure by the admission body to renew or adjust the level of the bond or indemnity or to confirm an appropriate alternative guarantor as required by GMPF.

In addition, either party can voluntarily terminate the admission agreement by giving the appropriate period of notice as set out in the admission agreement to the other party (and the guarantor to the admission agreement where relevant).

4.2.2 Other employers

An employer that is not an admission body may also become an exiting employer, for example as a result of the employer's last active member ceasing active membership in GMPF. However, the Administering

Authority has the discretion to suspend the requirement for an exit payment (see 4.2.3. below) in specific circumstances where the relevant employer is likely to subsequently employ an active member within a period of no more than three years. A deferred debt agreement may also be entered into at the discretion of the Administering Authority (see Appendix 2).

4.2.3 Exit payments

If an employer becomes an exiting employer under Regulation 64 of the 2013 LGPS Regulations, the Administering Authority must instruct the Actuary to carry out a special valuation to determine whether an exit payment is required from the employer or an exit credit may be due to the employer.

The Administering Authority must look to protect the interests of other ongoing employers and will adopt valuation assumptions which, to the extent reasonably practicable, protect the other employers from the likelihood of any material loss emerging in future.

In order to protect other employers in the Fund, the cessation liabilities will be calculated using a 'gilts cessation basis' with no allowance for potential future investment outperformance. Additional allowances may be made relative to the funding basis for other areas of material uncertainty, including, but not limited to, inflation, longevity, exceptional market volatility around the cessation date and future benefit changes. This approach results in a higher value being placed on the liabilities than would be the case under a valuation on the ongoing funding basis and could give rise to significant payments being required.

Where there is a guarantor to the exiting employer's admission agreement, it is possible that any deficit could be transferred to the guarantor. In some cases, particularly for Admission Bodies providing services under contract, the admission agreement may specify that all of the assets and liabilities in the admission body's sub-fund within GMPF will return to the sub-fund of the guarantor without needing to crystallise any deficit or surplus.

In other cases, the admission agreement may require the Administering Authority to seek repayment of the termination deficit from the exiting employer (or from any security that was in place) with any unpaid amounts then falling due on the guarantor. In such cases, a discussion may be held with the guarantor prior to the Administering Authority determining the most appropriate basis and timing of any deficit payments.

In all cases, GMPF's default position is that any termination deficit would be levied on the exiting employer as an immediate capital payment. GMPF may enter into a deferred debt agreement or offer spread exit payments as an alternative to a full immediate capital payment in line with the terms and conditions established in Appendix 2.

In the event that GMPF is not able to recover the required payment in full directly from the exiting employer or from any bond, indemnity or guarantor, then:

a. In the case of Admission Bodies providing services under a contract the awarding authority will be liable. At its absolute discretion, the Administering Authority may agree to recover any outstanding amounts via an increase in the awarding authority's contribution rate over an agreed period;

b. In the case of employers that are not providing services under contract and have no guarantor, the unpaid amounts fall to be shared amongst all of the employers in the Fund. This will normally be reflected in contribution rates set at the formal valuation following the cessation date.

Until the outcomes of the Cost Management process/McCloud (see section 3.10) are known the GMPF actuary will include an estimate of the potential impact when calculating exit payments or credits.

4.2.4 Exit credits

If an employer becomes an exiting employer under Regulation 64 of the 2013 LGPS Regulations (as amended) whilst its sub-fund in GMPF is in surplus, as identified in the cessation valuation, it may be entitled to receive an exit credit.

Appendix 1 - GMPF's 'Policy and process for exit credit payments' outlines in detail the Administering Authority's approach to exit credits.

4.3 Employers with no remaining active members and no further obligation to contribute

In most circumstances, an employer exiting GMPF due to the departure of the last active member, will make an exit payment (or receive an exit credit) on an appropriate basis and consequently have no further obligation to GMPF. In addition, some employers may make an exit payment following the expiry of a deferred debt agreement. Thereafter it is expected that one of two situations will eventually arise:

a. The employer's asset share runs out before all its ex-employees' benefits have been paid. In this situation the remaining liability would be apportioned pro-rata by the Actuary to the other GMPF employers when the last ex-employee or dependent dies.

b. The last ex-employee or dependant dies before the employer's asset share has been fully utilised. In this situation the remaining assets would be apportioned pro-rata by the Actuary to the other GMPF employers.

4.4 Early retirement costs

In the valuation process, it is assumed that active and deferred members' benefits on retirement will be payable from the earliest age that the member could retire without incurring a reduction to their benefits and without requiring their employer's consent to retire. Members receiving their pension unreduced before this age (or enhanced on ill health grounds) are deemed to have retired 'early' and the expected cost of providing that member's benefits will increase.

Any additional lump sum contributions which are required to be made by the employer under Section 3.8 arising from early retirements become due immediately upon the award of an early retirement.

GMPF monitors early retirement experience compared to the allowances described in section 3.8 on an ongoing basis. This information is used to determine any necessary lump-sum employer contributions.

4.5 Policies on bulk transfers

From time to time GMPF makes or receives a bulk transfer of members' accrued benefits from other LGPS funds or other occupational pension schemes ('external' transfer).

GMPF also undertakes 'internal' bulk transfers, where the liabilities in respect of a group of members transfer from one employer to another. For internal transfers, the amount of assets is determined by actuarial factors provided by the Government Actuary's Department (GAD), with the exception of employers that are funded using a more prudent approach. For these employers the Administering Authority and actuary will seek to use an approach consistent with the Funding Strategy as it applies to those employers.

For external transfers, each case will be treated on its own merits, but in general:

- GMPF will seek the most cost effective method of transfer to keep professional and administration costs as low as possible.
- Where only active members transfer and the employer will remain an active participant in the fund, GMPF will usually pay a bulk transfer amount equal to a cash equivalent transfer value based on factors issued by the Government Actuary's Department, adjusted by actual or estimated investment returns from the transfer date to the payment date.
- When only active members transfer, and an exit event is triggered (ie the transferring employer will no longer have any active membership) then the transfer amount may be limited by the need for GMPF to meet the liabilities of any ex-employees of the employer;
- Where the entirety of an employer's membership transfers (as to extinguish their liability in the fund), GMPF will usually pay a bulk transfer amount equal in value to the employer's asset share as at the transfer date, adjusted by actual or estimated investment returns from the transfer date to the payment date. Where the employer participates in a funding pool, the asset share will be capped such that the funding level of the funding pool is unchanged at the transfer date.
- GMPF may permit shortfalls to arise on bulk transfers if the employer has suitable strength of covenant and commits to meeting that shortfall in an appropriate period. This may require the employer's contributions to increase between valuations.

4.6 Pay awards in excess of assumptions made by the Actuary

Some admission agreements state that GMPF reserves the right to seek additional contributions from admission bodies if pay awards have been in excess of the rate assumed by the Actuary at previous actuarial valuations. Prior to seeking any such payment GMPF will consult the relevant guarantor to the admission agreement.

4.7 Advanced payment of employer pension contributions

GMPF allows for larger strategic employers to pay in advance their employer pension contributions in exchange for a discount on their employer contribution rate. Assuming that investment returns are in line with actuarial assumptions over the triennial period, the advanced payment of contributions should generate additional investment returns over and above the returns that would be generated by paying employer contributions monthly.

These advanced payments can be arranged either as a three-year prepayment where employer contributions are paid for the entire triennial period in April 2023 or as oneyear prepayments where employer contributions are paid only one year in advance in April 2023, 2024 and 2025. The greater the advanced payment period the greater the discount to employer contribution rates in line with actuarial assumptions over the triennial period.

The option to pay employer contributions in advance is not without risks and participating employers must be aware of the following risks:

- Investment returns are inherently uncertain and if investment returns underperform actuarial assumptions employers are likely to be worse off paying in advance than paying monthly.
- To allow for advanced payment of employer contributions it is necessary to make assumptions about an employer's pensionable pay over the period of the advanced payment. If an employer's pensionable pay is larger vis-à-vis the assumption made, the employer will need to make an additional payment of employer contributions at the end of the scheme year to make good on the shortfall between the assumed pensionable pay and actual pensionable pay.
- In instances where pensionable pay is lower than the assumption made for the advanced payment period it will not be possible to refund the excess of the advanced payment.
- Employers will still be responsible for collecting monthly employee pension contributions and will be expected to submit monthly data in accordance with the Pensions Administration Strategy.

The Administering Authority offers advanced payments at its absolute discretion and will only be considered for employers with a sizeable number of contributing members.

4.8 Subsumption of assets and liabilities

A participating employer may wish to approach another employer to request that they subsume their share of assets and liabilities. The subsumption of assets and liabilities is usually conducted to clear the way for an employer to cease participation in GMPF. The Administering Authority will only allow an employer to subsume another employer's assets and liabilities at its absolute discretion and only after considering the relevant facts.

The Administering Authority would need to see evidence of the following in order to agree to any subsumption requests:

- Justification as to why assets and liabilities must be subsumed by another employer as opposed to other options for ceasing participation or restructuring arrangements within GMPF.
- Clear and informed consent from all parties involved. Typically, the employer subsuming the liabilities of another employer is the guarantor, where that is not the case the guarantor, if one exists, will need consulting and will have to support the request.
- That the receiving employer is capable of receiving the transferred assets and liabilities, and will be able to meet all future liabilities as they fall due. The Administering Authority will not allow employers to substantially increase their share of assets or liabilities by way of subsumption if it increases the

likelihood that an employer will not be able to meet their ongoing funding obligations.

- The subsumption of assets and liabilities should not be detrimental to other employers. For example, an employer in a pooled arrangement will not be allowed to subsume another employer's assets and liabilities if this will adversely impact other employers in the pool.

In all instances, an employer considering taking on another employer's assets and liabilities via subsumption will need to be aware that the Administering Authority will treat the transferred assets and liabilities as if they were always their own. Any relationship the Administering Authority might have had with the previous employer will cease and the employer who subsumed the assets and liabilities will be held responsible for funding the liabilities thereafter.

5. Links to investment strategy

The funding and investment strategy are inextricably linked. The investment strategy is set by the Administering Authority, after consultation with the employers and after taking investment advice.

5.1 Investment strategy

The investment strategies currently being pursued are described in GMPF's Investment Strategy Statement.

The investment strategy (for the GMPF 'Main Fund') is reviewed annually, to ensure that it remains appropriate to the relevant liability profile and takes account of major movements in market valuations. The Administering Authority has adopted a Main Fund benchmark, which sets the proportion of assets to be invested in key asset classes such as equities, bonds and property. As at 31 March 2022, the proportion to be held in equities and property was broadly 75 per cent of the total Main Fund assets.

The investment strategy of lowest risk would be that which provides cash flows which replicate the expected benefit cash flows (ie the liabilities). This strategy informs policy for part of GMPF where liabilities are mature and employers have agreed such an approach.

The Main Fund's benchmark includes a significant holding in growth-seeking assets such as equities in the pursuit of long term higher returns than from a liability matching strategy. The Administering Authority's strategy recognises the relatively immature liabilities relevant to the Main Fund and the secure nature of most employers' covenants.

The same investment strategy is currently followed for most employers covered by the Main Fund. The Administering Authority can discuss with employers the feasibility of pursuing a more cautious investment strategy than the Main Fund norm. It should be noted there are a small number of employers, with specific characteristics, where lower risk strategies have been put in place.

5.2 Consistency with funding basis

For employers covered by the Main Fund, the funding basis adopts an investment return assumption such that there is at least a 75 per cent likelihood the Main Fund investment strategy will deliver the assumed return over 20 years. As at 31 March 2022, this is assumed to be an average return of 1.8 per cent a year in excess of the yield available on UK Gilts.

The Main fund's current investment strategy is broadly 75 per cent held in real assets and 25 per cent in monetary assets. For employers who have or are closing to new entrants, are planning on exiting the Fund or are pursuing a more cautious investment strategy than the Main Fund, the investment return assumption may be derived using a different approach as appropriate. Both the Actuary and the investment adviser to GMPF consider that the funding basis fulfils the requirement to take a 'prudent longer-term' approach to funding.

The Administering Authority is aware that in the short term – such as the three yearly assessments at formal valuations – the proportion of the assets invested in growth seeking assets brings the possibility of considerable volatility and there is a material chance that in the short term, and even the medium term, asset returns will fall short of the investment return target or benefit increases will be greater than assumed CPI. The stability measures described in Section 3 will reduce the impact, but not remove, the effect on employers' contributions.

GMPF does not hold a contingency reserve to protect it against the volatility of investments. GMPF conducts continual monitoring of investment performance across funds, managers and asset classes to ensure a modicum of protection to GMPF's funding position from investment volatility. Unfortunately, it is not possible to eliminate volatility entirely as there is an inherent risk in investment.

5.3 Balance between risk and reward

Prior to implementing its current investment strategies, the Administering Authority considered the balance between risk and reward by altering the level of investment in potentially higher returning, but more volatile asset classes, like equities. This process was informed by the use of asset-liability techniques to model the range of potential future solvency levels and contribution rates.

Being mindful of the sensitivity of individual employers' contributions to changes in investment returns, the Administering Authority continues to review the feasibility of implementing more bespoke investment strategies for individual employers or groups of employers. Enabling other investment strategies will require an increase in the number of investment mandates and potentially higher ongoing costs which would have to be borne by the employers. The potential benefits of multiple investment strategies need to be assessed against the costs.

5.4 Inter-valuation monitoring of funding position

The Administering Authority monitors investment performance on a quarterly and annual basis. There is also detailed monitoring of additional liabilities arising from early and ill-health retirements, the costs of which are met by employers. In addition, the Actuary routinely assesses the funding position, taking account of elements of actual experience compared to the financial assumptions underlying the valuation.

6. Key risks and controls

6.1 Types of risk

The Administering Authority has an active risk management policy in place that is continually classifying, monitoring and managing risk. The measures that the Administering Authority has in place to control key risks are summarised below under the following headings:

- financial;
- demographic
- regulatory
- governance
- environmental.

6.2 Financial risks

Risk	Summary of control mechanisms
Fund assets fail to deliver returns in line with the anticipated returns underpinning valuation of liabilities over the long term	Only anticipate long term return on a relatively prudent basis to reduce under-performing. Analyse progress at each formal actuarial valuation (for all employers). Use of interim valuations to monitor funding levels.
Inappropriate long term investment strategy	Set GMPF-specific benchmark, informed by asset-liability modelling of liabilities. Examine scope for extending employer- specific investment strategies. Annual review of investment strategy incorporates consideration of alternative approaches.
Active investment manager under-performance relative to benchmark	Short term (quarterly) investment monitoring analyses market performance and active managers relative to their index benchmark. GMPF has a manager monitoring framework. Regular reporting to employers describes Main Fund performance. If appropriate, the Actuary will be asked to evaluate the implications.

Risk	Summary of control mechanisms
Pay and price inflation significantly higher than anticipated	The focus of the actuarial valuation process is on real returns on assets, net of price and pay increases. Inter-valuation monitoring, as above, gives early warning. Some investment in bonds, particularly index-linked bonds, also helps to mitigate this risk. Employers pay for the impact of their own salary awards and are reminded of the geared effect on pension liabilities of any bias in pensionable pay rises towards longer-serving employees.
Effect of possible increase in employer's contribution rate on service delivery and admission/ scheduled bodies	Seek feedback from employers on scope to absorb short term contribution rises. Mitigate impact through time horizons, probabilities of achieving funding targets and phasing in of contribution rises. Consult employers on possibility of paying more (extra administration and higher regular contributions).
Orphaned employers give rise to added costs for the Fund	The Fund seeks an exit payment (or security/guarantor) to minimise the risk of this happening in the future. If it occurs, the Actuary calculates the added cost spread pro-rata among all employers.

6.3 Demographic risks

Risk	Summary of control mechanisms
Longer life expectancy	Set mortality assumptions with some allowance for future increases in life expectancy. Actuary monitors experience of a large sample of pension funds when setting assumptions and makes allowance for the location and lifestyle of GMPF's membership.
Deteriorating patterns of ill health and other early retirements	GMPF has an ill health insurance arrangement whilst other employers have an allowance to meet the strains that arise from ill health early retirement costs. Early retirement experience and its financial impact are measured on an ongoing basis.

6.4 Regulatory risks

Risk	Summary of control mechanisms
Changes to regulations, eg more favourable benefits package, potential new entrants to scheme, eg part time employees	The Administering Authority is alert to the potential creation of additional liabilities and administrative difficulties for employers and itself.

Risk	Summary of control mechanisms
Changes to national pension requirements and/or HM Revenue and Customs rules eg arising from Public Sector Reform	The Administering Authority considers all consultation papers issued by DLUHC/HM Treasury and comments where appropriate. It will consult employers where it considers that it is appropriate. Any changes to member contribution rates or benefit levels will be carefully communicated with members to minimise possible opt-outs or adverse actions. Copies of submissions are available for employers to see at www.gmpf.org.uk The Administering Authority is monitoring the progress on any settlement as a result of the McCloud ruling and its interaction with the Cost Management process and will consider an interim valuation or other appropriate action once more information is known. Explicit allowance has been made in Employer funding plans to help manage the potential effects of McCloud.

6.5 Governance risks

Risk	Summary of control mechanisms
Administering Authority unaware of structural changes in an employer's membership (eg large fall in employee members, number of retirements).	The Administering Authority monitors membership movements on an annual basis, via a report from the administrator to the Pension Fund Management Panel. The Administering Authority and Actuary will be involved in actioning any bulk transfer of members from an employer's sub-fund and will consider any subsequent risks.
Administering Authority not advised of an employer closing to new entrants.	The Actuary may be instructed to consider revising the rates and Adjustments certificate to increase an employer's contributions (under Regulation 64) between triennial valuations. Secondary contributions may be expressed as monetary amounts (see Actuarial Valuation report).
Administering Authority failing to commission the Actuary to carry out a termination valuation for a departing Admission Body and losing the opportunity to call in a debt.	In addition to the Administering Authority monitoring membership movements on an annual basis, it requires employers with Admission Agreements to inform it of forthcoming changes. It also operates a diary system to alert it to the forthcoming termination of Admission Agreements due to the ending of contracts.

Risk	Summary of control mechanisms
An employer ceasing to exist with insufficient funding or adequacy of a bond.	The Administering Authority believes that it would normally be too late to address the position if it was left to the time of departure. The risk is mitigated by: • Seeking a funding guarantee from another scheme employer, or external body, wherever possible. • Alerting the prospective employer to its obligations and encouraging it to take independent actuarial advice. • Vetting prospective employers before admission. • Offering lower risk investment strategies – with higher employer contributions in the short term - to reduce the risk of investment under performance and a significant debt crystallising on termination.

6.6 Demographic risks

Risk	Summary of control mechanisms
Failure to meet climate change transition objectives.	GMPF has set itself the objective for 100% of assets to be compatible with the net zero-emissions ambition by c.2050 in line with the Paris agreement including appropriate interim targets to ensure continual progress. Quarterly ESG reporting to the GMPF Management Panel to ensure progress, alongside annual reporting to Taskforce for Climate Related Financial Disclosure. GMPF has a Responsible Investment policy which sets out GMPF's approach to climate change to ensure that sustainable investing is achieved. Governing Body members are provided training on climate change and other ESG risks which helps guide and inform top level decision making.
Effect of possible asset underperformance as a result of climate change.	Explicitly consider ESG issues when setting the overall funding and investment strategies. Carry out scenario testing on potential Government policy changes when evaluating funding and investment strategies to ensure ESG, and in particular, climate change are considered when taking decisions in respect of GMPF's long term strategies.

Definitions

Solvency

The notes to the Public Service Pensions Act 2013 state that solvency means that the rate of employer contributions should be set at 'such level as to ensure that the scheme's liabilities can be met as they arise'. It is not regarded that this means that the pension fund should be 100 per cent funded at all times. Rather, and for purposes of Section 13 of the Public Service Pensions Act 2013, the rate of employer contributions shall be deemed to have been set at an appropriate level to ensure solvency if:

- the rate of employer contributions is set to target a funding level for the whole fund (assets divided by liabilities) of 100 per cent over an appropriate time period and using appropriate actuarial assumptions; and either
- employers collectively have the financial capacity to increase employer contributions, and/or the fund is able to realise contingent assets should future circumstances require, in order to continue to target a funding level of 100 per cent; or
- there is an appropriate plan in place should there be, or if there is expected in future to be, a limited number of fund employers, or a material reduction in the capacity of fund employers to increase contributions as might be needed.

If the conditions above are met, then it is expected that the fund will be able to pay scheme benefits as they fall due.

Long term cost efficiency

The notes to the Public Service Pensions Act 2013 state that 'Long term cost-efficiency implies that the rate must not be set at a level that gives rise to additional costs. For example, deferring costs to the future would be likely to result in those costs being greater overall than if they were provided for at the time.'

The rate of employer contributions shall be deemed to have been set at an appropriate level to ensure long term cost efficiency if the rate of employer contributions is sufficient to make provision for the cost of current benefit accrual, with an appropriate adjustment to that rate for any surplus or deficit in the fund.

In assessing whether the above condition is met, GAD may have regard to the following considerations.

- The implied average deficit recovery period.
- The investment return required to achieve full funding over different periods eg the recovery period.
- If there is no deficit, the extent to which the amount of contributions payable is likely to lead to a deficit arising in the future.
- The extent to which the required investment return is less than the administering authority's view of the expected future return being targeted by a fund's investment strategy taking into account changes in maturity/strategy as appropriate.

END OF MAIN BODY OF FSS

Annex

The administering authority should:

- operate GMPF as per the LGPS Regulations;
- effectively manage any potential conflicts of interest arising from its dual role as Administering Authority and a GMPF employer;
- collect employer and employee contributions, and investment income and other amounts due;
- ensure that cash is available to meet benefit payments as and when they fall due;
- pay from GMPF the relevant benefits and entitlements that are due;
- invest surplus monies (ie contributions and other income which are not immediately needed to pay benefits) in accordance with GMPF's Investment Strategy Statement) and LGPS Regulations;
- communicate appropriately with employers so that they fully understand their obligations to GMPF;
- take appropriate measures to safeguard GMPF against the consequences of employer default;
- manage the valuation process in consultation with GMPF's actuary;
- prepare and maintain a FSS and an ISS, after consultation;
- notify the Actuary of material changes which could affect funding; and
- monitor all aspects of GMPF's performance and funding and amend the FSS/ISS as necessary and appropriate.

The individual employer should:

- deduct contributions from employees' pay correctly;
- pay all contributions, including their own as determined by the Actuary, promptly by the due date;
- have a discretions policy and exercise discretions within the regulatory framework;
- make additional contributions in accordance with agreements in respect of, for example, augmentation of scheme benefits, early retirement strain;
- notify the Administering Authority promptly of all proposed material changes to membership or legal status which affect future funding; and
- submit all data in accordance with the Pensions Administration Strategy.

The Actuary should:

- prepare valuations, including the setting of employers' contribution rates. This will involve agreeing assumptions with the Administering Authority, having regard to the FSS and LGPS Regulations, and targeting each employer's solvency appropriately;
- provide advice relating to new employers in GMPF, including the level and type of bonds or other forms of security (and the monitoring of these);
- prepare advice and calculations in connection with bulk transfers and individual benefit-related matters;
- assist the Administering Authority in considering possible changes to employer contributions between formal valuations, where circumstances suggest this may be necessary;
- advise on the termination of Admission Bodies' participation in GMPF;
- advise on the usage of employer flexibilities; and
- fully reflect actuarial professional guidance and requirements in the advice given to the Administering Authority.

Other parties:

- investment advisers (either internal or external) may be asked to assist in ensuring that GMPF's ISS remains appropriate, and consistent with this FSS;
- investment managers, Northern Pool, custodians and bankers will typically all play their part in the

effective investment (and dis-investment) of GMPF assets, in line with the ISS;

- auditors will comply with their auditing standards and sign off annual reports and financial statements as appropriate;
- the Local Pensions Board will review the valuation process and funding strategy and ensure they comply with the regulations and relevant guidance.
- The LGPS Scheme Advisory Board and the Government Actuary will also review GMPF's funding strategy as part of their monitoring of the LGPS as a whole.

END OF ANNEX

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Funding Strategy Statement
December 2022

Appendix 1

Greater Manchester Pension Fund (GMPF) policy and process for exit credit payments

December 2022

1. Introduction

The Local Government Pension Scheme (Amendment) Regulations 2020 (Amendment Regulations), which came into force on 20 March 2020, amended regulation 64 of the Local Government Pension Regulations 2013 (2013 Regulations). Pursuant to the 2013 Regulations, GMPF must determine the amount of any exit credit payable to an employer who ceases to participate in the LGPS (an exiting employer).

The Amendment Regulations have effect from 14 May 2018, but do not apply to any exit credits that have been paid on or after 14 May 2018 and before 20 March 2020. Any exit credits arising during this period but which have not yet been paid will be determined in line with the 2013 Regulations, as amended.

GMPF aims to take a consistent approach between employers and this document therefore sets out the process GMPF will follow when exercising its discretion to determine the amount of any exit credit payable.

2. Exit valuation

GMPF will obtain from its actuary the following documents when an employer ceases to employ active members of GMPF and becomes an exiting employer:

a. An actuarial valuation as at the exit date of the liabilities of GMPF in respect of benefits in respect of current and former employees of the exiting employer;

b. A revised rates and adjustment certificate which will show whether there is an excess of assets in the fund relating to an exiting employer over any liabilities as set out in (a) above; and

c. Any other information or confirmation required by GMPF to allow it to make a determination, as set out in paragraph 4 below.

The calculation basis used will be as set out in GMPF's Funding Strategy Statement.

If the revised rates and adjustment certificate shows there is an exit payment due, GMPF will follow its usual process to recover this from the exiting employer.

If it is determined that there is an excess of assets, GMPF will follow the decision process set out below.

3. Notification

GMPF will notify its intention to make a determination on the amount of any exit credit (which may be zero) to the exiting employer and it will also notify any other body that has provided a guarantee to the exiting employer. Where the exiting employer is an admission body (under paragraph (1)(d) of Part 3 of Schedule 2 of the 2013 Regulations), the scheme employer in connection with that body shall also be notified.

GMPF will provide a copy of this policy to any exiting employer or body which is sent a notification under this paragraph.

4. Determining the amount of an exit credit

GMPF will have regard to the following factors when determining the amount of any exit credit, obtaining advice from its professional advisors as required:

- the extent of the excess of assets as set out in the revised rates and adjustment certificate;
- the proportion of this excess of assets which has arisen because of the value of the employer's contributions;
- any representations made to GMPF by the exiting employer and any person who funds, owns or controls the employer and/or provides a guarantee; and
- any other relevant factors.

Having taken into account the above factors, GMPF has discretion to determine that an exit credit is zero, even if there is an excess of assets in respect of an employer.

Representations

GMPF is unable to determine or pay an exit credit without all data and relevant information being provided by an exiting employer. Prior to determining any exit credit, GMPF will therefore provide an opportunity for any representations to be submitted in respect of the exit credit. The exiting employer (or relevant body) shall have a period of one month from the date of the notification referred to in paragraph 3 above to make any representations, unless otherwise agreed by GMPF.

Relevant factors and considerations

GMPF will take into account any relevant factors in relation to each exiting employer, at all times acting in accordance with its public law duties. The decision of GMPF when considering these factors is final. In addition to the matters set out above, these include, but are not limited to, the following:

- the exiting employer's obligations to GMPF, including under the relevant admission agreement, and its exposure to investment and funding risks whilst participating in GMPF. Where GMPF requests evidence from the exiting employer as to these matters, including as to any risk sharing agreements, it will take into account any evidence provided as requested and/or any failure by the exiting employer to do so;
- the methodology used to calculate the exiting employer's funding position when it initially commenced participating in GMPF (assuming this involved a transfer of assets and liabilities from another GMPF employer);
- the funding methodology adopted by GMPF during the exiting employer's participation and any changes in contribution rates during this period;
- the actuarial assumptions used by the Actuary in the exit valuation;
- whether the employer's participation in GMPF has terminated earlier than expected and, if so, the reasons for the early termination (eg if a previously outsourced service is returning in house);
- whether an employer had commenced participating in GMPF prior to the original exit credit regulations start date of 14 May 2018; and
- any outstanding contributions or other payments due to GMPF at the cessation date. GMPF will notify the exiting employer of any such sums and will deduct this from any exit credit if these remain outstanding at the payment date.

Where a situation arises that does not fit within the intended process, as set out in this document, GMPF will seek appropriate advice from its Actuary and/or legal advisors as required, and provide appropriate information to the affected parties as to how it intends to exercise its discretion.

5. Payment

GMPF will pay any exit credit determined in accordance with the process set out above within six months of the exit date, or such longer time as has been agreed between GMPF and the exiting employer.

Where information or data remains outstanding from an exiting employer (and its members) that results in GMPF being unable to determine or pay an exit credit, the exiting employer will be deemed to have agreed to extend this payment date.

6. Disputes

Should any dispute arise in respect of any exit credit determination, an exiting employer or relevant body (as set out within this document) should raise this through GMPF's internal dispute resolution procedure in the first instance.

7. Review

This policy will be reviewed at least every three years as part of the triennial valuation process or following any changes in the 2013 Regulations relating to exit provisions.

Appendix 2

GMPF policy on interim valuations, spreading exit debts and deferred debt agreements

December 2022

1. Overview

1.1 On 23 September 2020 the Local Government Pension Scheme (LGPS) (Amendment No.2) Regulations 2020 came into force. These regulations introduced the following new powers for administering authorities:

- The ability to perform interim valuations under certain circumstances in order to adjust an employer's contribution rate.
- The option to spread employer exit debts instead of requiring the payment of an immediate lump sum exit payment.
- The ability to enter into deferred debt agreements with employers.

1.2 The introduction of the powers was intended to help administering authorities manage their liabilities, ensuring that employer contribution rates are set at an appropriate level and that exit debts are managed, with steps taken to mitigate risks, where appropriate.

1.3 There is no requirement on administering authorities to use any of the powers. The amendments to the LGPS Regulations 2013 made by the 2020 Amendment Regulations require that an authority only use the employer flexibilities where it has set out its policy in its Funding Strategy Statement (FSS). This is to ensure consistency and transparency.

1.4 This policy document, which forms part of Greater Manchester Pension Fund's (GMPF) FSS, sets out how GMPF intends to use each of these new powers. It has been drafted in accordance with the Guidance on preparing and maintaining policies on review of employer contributions, employer exit payments and deferred debt agreements issued by the Department for Levelling Up, Housing and Communities on 2 March 2021 and with regard to the more detailed accompanying guidance issued by the LGPS Scheme Advisory Board.

2. Interim valuation

Background

2.1 Under Regulation 62 of the LGPS Regulations 2013, each LGPS fund must undertake an actuarial valuation of its assets and liabilities every three years and obtain a rates and adjustment certificate, prepared by an actuary, setting out the contributions due from each participating employer.

2.2 Regulation 64 sets out that an interim valuation may be carried out and an adjusted rate set where an administering authority believes there are circumstances which will make it likely an employer will exit the fund. However, during the three year period between formal valuations there are other changes to an employer's circumstances which can result in the contribution rates set out in the rates and adjustment certificate no longer being appropriate to meet expected liabilities. An interim valuation in respect of an employer or group of employers may allow the contribution rates to be adjusted to an appropriate level in these wider circumstances.

2.3 The expansion of the administering authority's power to conduct interim valuations is established in Regulation 64(A) of the 2013 LGPS Regulations:

An administering authority may obtain a revision of the rates and adjustments certificate under Regulation 62 (actuarial valuations of pension funds) showing any resulting changes to the contributions of a Scheme employer or employers where –

a) the funding strategy mentioned in regulation 58 (funding strategy statements) sets out the administering authority's policy on amending contributions between valuations; and

b) one of the following conditions applies –

i) it appears likely to the administering authority that the amount of the liabilities arising or likely to arise has changed significantly since the last valuation;

ii) it appears likely to the administering authority that there has been a significant change in the ability of the Scheme employer or employers to meet the obligations of employers in the Scheme; or

iii) a Scheme employer or employers have requested a review of Scheme employer contributions and have undertaken to meet the costs of that review.

In revising the certificate, an administering authority must -

a) consult the Scheme employer or employers; and

b) have regard to the views of an actuary appointed by the administering authority.

Circumstances in which GMPF may conduct an interim valuation

2.4 An interim valuation may be undertaken if the Administering Authority becomes aware of either of the following scenarios.

A. Significant change to an employer's liabilities

This includes but is not limited to the following scenarios:

a) Significant changes to an employer's membership which will have a material impact on its liabilities, such as:

i) restructuring of an employer

ii) a significant outsourcing or transfer of staff to or from another employer (not necessarily within GMPF)

iii) a bulk transfer into or out of the employer, or a transfer into or out of one of GMPF's funding pools (see Section 3.9.5 of the FSS)

iv) other significant changes to the membership for example due to redundancies, significant salary awards, early retirements or large number of withdrawals.

b) Two or more employers merging including insourcing and transferring of services.

c) The separation of an employer into two or more individual employers.

The Administering Authority will typically only consider undertaking an interim valuation if the change in liabilities is expected to be more than 20% of the total liability value measured at the previous triennial funding valuation.

B. Significant change to an employer's covenant

This includes but is not limited to the following scenarios:

a) Provision of, or removal of, or impairment of, security, bond, guarantee or some other form of indemnity by an employer against its obligations to GMPF.

b) Material change in an employer's immediate financial strength or longer term financial outlook (evidence should be available to justify this) including where an employer ceases to operate or becomes insolvent.

c) GMPF becoming (or ceasing to be) subordinate behind other creditors of the employer such as banks or other pension funds.

d) Where an employer exhibits behaviour that suggests a change in its ability and/or willingness to pay contributions to GMPF (such as persistent late payment of contributions or lack of reasonable engagement with the Administering Authority).

2.5 Whilst in most cases covenant updates requested by the Administering Authority will identify some of these changes, in some circumstances employers may be required to agree to notify the Administering Authority of any material changes. Where this applies, employers will be notified individually with the requirements set out.

2.6 Should the Administering Authority identify that either of these scenarios may have occurred then additional information will be sought from the employer in order to determine whether a contribution review is necessary. This may include annual accounts, budgets, forecasts and any specific details of an employer's restructuring plans. As part of this, the Administering Authority will take advice from the Fund Actuary, covenant, legal and any other specialist adviser.

2.7 The Administering Authority will consult with an employer and, where applicable, any guarantor to that employer's admission agreement within GMPF prior to making a decision on whether to undertake an interim valuation and will set out in writing the reasons why an interim valuation is being considered.

2.8 In addition, an employer may request the Administering Authority to undertake an interim valuation if it feels that either scenario outlined above applies to it. The employer would be required to meet the costs of the interim valuation, which may include, but are not limited to, the Actuary's costs for undertaking the calculations and the costs of any professional advice required by the Administering Authority – an estimate of costs can be provided if required.

2.9 An employer is only permitted to make one such request within a triennial valuation cycle (except in exceptional circumstances and at the absolute discretion of the Administering Authority). In considering requests the Administering Authority will consider the proximity of the triennial valuation and will not typically approve requests shortly in advance of, or during the triennial valuation process.

2.10 Consideration will also be given to the impact that any employer changes may have on the other employers and on GMPF as a whole, when deciding whether to proceed with an interim valuation.

Interim valuation process

2.11 The following matters relating to an interim valuation will be determined by the Administering Authority having sought advice from the Fund Actuary:

- The effective date.
- Whether to use updated membership data or data from the previous triennial valuation.
- Whether to update the employers' asset share to the effective date and use market conditions at the effective date to derive the actuarial assumptions (or to retain those used at the previous triennial valuation).
- The employer's funding target, time horizon and likelihood of success (see section 3.6 of FSS).

2.12 The results of the interim valuation would typically be determined within two months of the date that the employer is notified that an interim valuation is to be undertaken.

2.13 Should an employer's contribution rate be revised then the revised contribution rate would take effect from a date determined by the Administering Authority having sought advice from the Fund Actuary.

Other points to note

2.14 Employers should note the following:

- An interim valuation may result in contributions continuing in line with the existing rates and adjustments certificate, contribution rates increasing or contribution rates decreasing.
- If an interim valuation is conducted then the employer(s), will be bound by the results and cannot elect to maintain existing contribution rates if these are different to the rates currently set out in the rates and adjustments certificate.

3. Spreading of Exit Debt

Background

3.1 Under the LGPS Regulations, when an employer becomes an exiting employer it is necessary to carry out an exit valuation to determine whether payment of an exit debt (an 'exit payment') is required from the employer to meet any outstanding liabilities or whether an exit credit may potentially be due to the employer.

3.2 An exception to this is where there is a reasonable expectation that the exiting employer is likely to have one or more active members contributing to the fund within a period of up to three years. In which case the Administering Authority may seek to issue a Suspension Notice to the exiting employer, suspending that employer's liability to pay its exit debt during the period of the Suspension Notice.

3.3 The September 2020 Amendment Regulations provide administering authorities with the power to:

a) enter into a written agreement with an exiting Scheme employer for that employer to defer their obligation to make an exit payment and continue to make contributions at the secondary rate ('a deferred debt agreement' – See section 4 below), or to;

b) permit the spreading of an employer's exit debt over a period of time instead of requiring an immediate lump sum payment from an exiting employer. This is established in regulation 64(B) of the 2013 LGPS Regulations:

64B. - (1) Where the funding strategy mentioned in regulation 58 (funding strategy statements) sets out the administering authority's policy on spreading exit payments, that administering authority may obtain a revision of the rates and adjustments certificate under regulation 62 (actuarial valuations of pension funds) to show the proportion of the exit payment to be paid by the exiting Scheme employer in each year after the exit date over such period as the administering authority considers reasonable.

64B. - (2) In revising the certificate, an administering authority must -

(a) consult the exiting Scheme employer; and

(b) have regard to the views of an actuary appointed by the administering authority.

Circumstances in which GMPF may permit the spreading of exit debts

3.4 Where a Deferred Debt Agreement (see section 4 below) is not being entered into, or an existing Deferred Debt Agreement is terminating, GMPF's default position is that any exit debt is to be paid immediately in full.

3.5 An employer may request in writing, setting out the reasons for making the request, that the Administering Authority considers spreading payment of its exit debt. In order for the Administering Authority and its advisors to consider any such request the employer may be asked to provide up to date financial information (including management accounts) showing the expected financial progression of the organisation and any other information which may be relevant to the request.

3.6 The decision regarding whether to spread an exit debt is at the absolute discretion of the Administering Authority, who will consult with any other GMPF employer that acts as guarantor to the employer's liabilities in GMPF and obtain such relevant professional advice as it deems appropriate.

3.7 Circumstances in which an exit debt may potentially be spread include, but are not limited to, the following:

- The employer can demonstrate that it is unable to make immediate payment of the full exit debt but can evidence its ability to make sufficient regular payments over a period of time to meet the exit debt (plus interest applied) in full. When considering the ability to meet an exit debt the Administering Authority will require parent companies or related companies in a group structure to provide support.
- Any other GMPF employer which acts as guarantor to the employer's liabilities in GMPF consents to the employer's request and acknowledges that it will be responsible for meeting any shortfall should the exit debt ultimately not be paid in full.
- Where there is no guarantor to the employer's liabilities; there exists a sufficiently strong employer covenant that appears likely to be maintained over the term of the payment schedule. The employer must provide:
    - Evidence of the ability to provide security through charges over assets, the offering of indemnities or bonds, or a guarantor willing to meet outstanding exit payments should the employer default. GMPF and its advisors will assess the relative strength of the security offered as part of reviewing an employer's application for spreading payment of its exit debt.
    - Cash flow modelling and business plans evidencing the employer's ability to make the necessary payments.

3.8 All costs incurred by the Administering Authority in assessing an employer's request (whether it is successful or not) will be immediately recharged to the exiting employer. Costs may include, but are not limited to, the Actuary's costs for undertaking the calculations and the costs of any covenant and legal advice required by the Administering Authority – an estimate of costs can be provided if required.

3.9 The initial process to determine whether an exit debt should be spread is expected to take three to six months from receipt of information from the employer. Any employer seeking for an exit debt to be spread should give as much forewarning as possible to the Administering Authority.

Spreading of exit payments

3.10 Should the Administering Authority agree to offer the spreading of exit payments, the terms of the arrangement will be at the absolute discretion of the Administering Authority, having taken appropriate professional advice and having consulted with the employer and where applicable, any other GMPF employer that acts as guarantor to the employer's liabilities in GMPF. Any offer from the Administering Authority will set out the following:

a) *Length of spreading period*

The Administering Authority will seek to recover the full exit debt over the shortest period which the employer can reasonably afford, unless any other GMPF employer that acts as guarantor to the employer's liabilities in GMPF consents to a longer spreading period being offered. The Administering Authority will normally seek to limit spreading periods to a maximum of three years.

b) *Frequency of payments*

Payments will be required on either a monthly, quarterly or annual basis depending upon the materiality of the payment amounts and the employer's cashflow position. Payment amounts may be non-uniform eg a lump sum up front followed by a series of smaller subsequent payments over the agreed period.

c) *Interest rate*

Spread exit payments will be subject to an interest rate consistent with the discount rate used in the actuary's calculation of the exit debt at the employer's exit date (or termination date of any deferred debt arrangement).

d) *Security required*

Details of any security required to be provided by the employer as a condition of the exit debt being spread will be notified to the employer.

e) *Conditions under which the arrangement may be reviewed*

- The offer will set out the responsibilities of the employer during the spreading period including any requirement for the provision of updated information from the employer and events which would trigger a review of the situation (eg where there has been a significant change in covenant or circumstances).
- Employers may terminate the agreement at any point by making full payment of the outstanding balance.
- Should the employer accept an offer to make spread exit payments then the terms of the arrangement will be formally documented.

Other points to note

GMPF will notify exiting employers of this policy in order to make the employer aware of the circumstances in which payment of exit debts may potentially be spread.

4. Deferred debt agreement

Background

4.1 Under section 64(7A-7G) of the LGPS Regulations 2013, an administering authority may enter into a written agreement with an exiting employer for that employer to defer its obligation to make an exit payment and continue to make contributions at the secondary rate (often referred to as 'deficit contributions'). This is known as a Deferred Debt Agreement (DDA) and any employer who enters into such an agreement becomes a 'Deferred Employer'.

4.2 DDAs allow for an exiting employer to become a Deferred Employer and meet their outstanding liabilities via regular deficit contributions. DDAs are different to the spreading of exit payments in that the employer will continue to be an employer of the fund (albeit without any active members) and will continue to have its funding position calculated and contribution rates set at triennial actuarial valuations alongside all other employers. A Deferred Employer is therefore still exposed to factors which impact the ultimate cost of the benefits, such as fund investment returns and membership experience.

Circumstances in which GMPF may enter into a DDA

4.3 Should an event which would ordinarily result in a participating employer becoming an exiting employer occur (such as the termination of an admission body's admission agreement or the last active member leaving active service), GMPF's default position is that any deficit in respect of the employer's section of GMPF which exists at the exit date is to be paid immediately in full.

4.4 An employer may request in writing, setting out the reasons for making the request, that the Administering Authority considers entering into a DDA with the employer as an alternative to crystallising the full exit debt. In order for the Administering Authority and its advisors to consider any such request the employer may be asked to provide up to date financial information (including management accounts) showing the expected financial progression of the organisation and any other information which may be relevant to the request.

4.5 For admission bodies where another GMPF employer acts as guarantor to the exiting employer's admission agreement, a DDA will only be considered where the guarantor provides its consent and acknowledges that it will be responsible for meeting any shortfall should the employer ultimately be unable to repay any deficit in full.

4.6 For employers that do not have a guarantor, typically a DDA will only be considered if the exiting employer can demonstrate that payment of the full exit debt, either immediately or via spreading exit payments (see Section 3 above) is unaffordable. When considering the ability to meet an exit debt the Administering Authority will require parent companies or related companies in a group structure to provide support.

4.7 The decision regarding whether to enter into a DDA is at the absolute discretion of the Administering Authority, who will obtain such relevant professional advice as it deems appropriate.

4.8 All costs incurred by the Administering Authority in assessing an employer's request (whether it is successful or not) will be met by the exiting employer. Costs may include, but are not limited to, the actuary's costs for undertaking calculations and the costs of any covenant and legal advice required by the Administering Authority – an estimate of costs can be provided if required.

4.9 The initial process to determine whether a DDA can be entered into is expected to take between three and six months from receipt of information from the employer. Any employer seeking to enter into a DDA should give as much forewarning as possible to the Administering Authority that it may potentially trigger an exit event.

Form of DDAs

4.10 If the Administering Authority's confirms that it will consider entering into a DDA, then the Administering Authority will engage in discussions with the employer about the potential format of a DDA. As part of this, the following will be considered:

a) What additional security the employer can offer whilst the employer remains a Deferred Employer. Provision of additional security may result in a longer agreement being offered.

b) Whether a lower risk investment strategy should be implemented in respect of the assets in the employer's section of GMPF.

c) Whether the employer should make an upfront cash payment at outset in order to reduce the risk to other GMPF employers or to any guarantor to the employer's admission agreement.

d) The rate of contributions applicable to the employer up until completion of the next triennial funding valuation.

e) The financial information that the employer will be required to provide to the Administering Authority on a regular basis to allow the Administering Authority to monitor the risks of the DDA.

f) The responsibilities that would apply to the employer while it remains a Deferred Employer in GMPF.

g) The appropriate length of the DDA. This is not expected to be longer than the time horizon used to calculate contribution rates for that employer by the GMPF Actuary at the previous triennial valuation and will not exceed a period of twenty years. It may be possible to enter into subsequent DDAs if deemed appropriate by the Administering Authority.

h) The circumstances that may trigger a variation in the length of the DDA, include a cessation of the arrangement (eg where the ability to pay contributions has weakened materially or is likely to weaken in the next 12 months), the removal of any security or a significant change in covenant assessed as part of the regular monitoring.

i) Under what circumstances the employer may be able to vary the DDA eg make a further cash payment or change to security arrangements underpinning the agreement.

4.11 DDAs will automatically terminate should any of the events set out in Regulation 64(7E) of the 2013 LGPS Regulations occur. In addition, the Administering Authority may terminate the DDA if the Deferred Employer fails to meet its obligations to GMPF, for example by not making deficit contributions by the required dates.

4.12 The terms of any DDA made with an exiting employer will be formally documented using a standard GMPF template based on the specimen provided as an appendix to the LGPS Scheme Advisory Board guidance.

Other points to note

4.13 Contribution requirements for deferred employers will be reviewed as part of each actuarial valuation or in line with the terms of the employer's DDA in the interim if any of the agreed triggers are met. The Administering Authority may adopt a more prudent funding approach for employers that have entered into a DDA and will typically target the deferred employers' liabilities being fully funded using GMPF's exit basis by the expected end date of the DDA.

4.14 The costs (including advisory costs) incurred by the Administering Authority in discussing and/or entering into a DDA will be passed onto the employer and are payable immediately in full unless the Administering Authority advises otherwise.

4.15 GMPF will notify exiting employers of this policy in order to make the employer aware of the circumstances in which the Administering Authority may consider entering into a DDA.

GMPF Policy on Interim Valuations
December 2022

GMPF Governance Policy and Compliance Statement

Version: 2023.2

Effective from: 1 April 2023

The Assistant Director for Pensions Administration owns this policy

External policy document

Contents

1. Introduction

1.1 The purpose of this policy

This policy provides information about Greater Manchester Pension Fund's (GMPF) governance structure, functions, and responsibilities. Its purpose is to demonstrate there are clear responsibilities and appropriate reporting mechanisms in place. In turn, this ensures all parties are accountable and there is transparency.

The Local Government Pension Scheme (LGPS) Regulations 2013 require an administering authority to prepare and publish a written governance compliance statement. This statement is in section 4 of this policy.

1.2 Aims

The main aims of this policy are:

- to demonstrate GMPF's commitment to good governance
- to provide information and be transparent about the governance arrangements in place
- to ensure compliance with the relevant LGPS regulations and statutory guidance.

1.3 The relationship between Tameside MBC and Greater Manchester Pension Fund

Tameside MBC is the administering authority of Greater Manchester Pension Fund, as set out in the LGPS Regulations 2013. An administering authority is responsible for maintaining and managing a fund on behalf of its stakeholders. The LGPS regulations set out its responsibilities, however each administering authority can determine its own governance arrangements.

Tameside MBC is also the Scheme Manager, as defined by Section 4 of the Public Service Pension Act 2013. In its capacity as Scheme Manager, Tameside MBC is authorised to manage GMPF's assets and liabilities and carry out any other specified activities associated with the operation of the Scheme.

1.4 Background information

The LGPS is a statutory public service pension scheme. It has a different legal status to that of trust-based schemes in the private sector. Its governance is part of the local democratic process through local government law and locally elected councillors, who are responsible for its stewardship and management. The Department of Levelling Up, Housing and Communities (DLUHC) is the government department responsible for the LGPS.

GMPF uses the term trustee member in the general sense, to mean a person who is entrusted to make decisions under the LGPS rules. However, GMPF trustee members are subject to a legal framework that derives from public law rather than trust law and so are not trustees in the strict legal sense of that word.

2. Governance structure

2.1 Tameside MBC's constitution and the delegation of its functions

The LGPS regulations state that an administering authority may delegate any function under the regulations, including this power to delegate. Tameside MBC's constitution sets out how it has chosen to exercise its powers of delegation. The constitution is available to view on the Council's website at www.tameside.gov.uk/constitution.

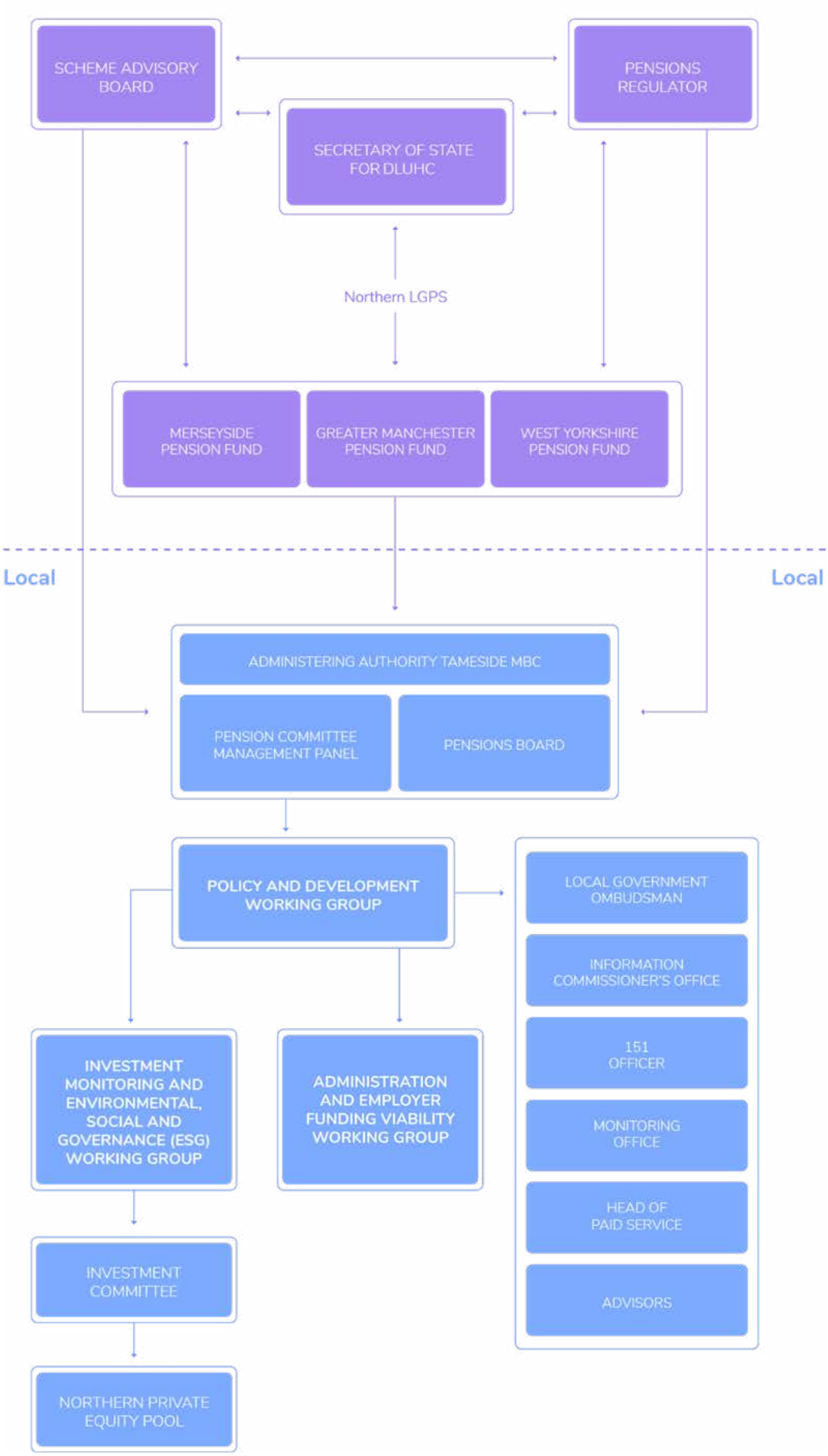
Tameside MBC has delegated its responsibility for managing GMPF to:

- a pension committee, known as the GMPF Management Panel
- an advisory panel, known as the GMPF Advisory Panel
- the Director of Pensions.

The GMPF Management Panel has delegated some of its responsibilities to three sub committees, known as Working Groups, being:

- The Policy and Development Working Group.
- The Investment Monitoring and Environmental, Social and Governance (ESG) Working Group.
- The Administration and Employer Funding Viability Working Group.

2.2 GMPF's Governance structure chart



2.3 GMPF Management Panel

Membership and meetings

The GMPF Management Panel comprises of up to 23 trustee members, of which up to 13 members are Tameside MBC Councillors, one is a representative of the Ministry of Justice, and nine are co-opted by Tameside MBC on recommendation of the nine Districts acting through the Association of Greater Manchester Authorities. All members have voting rights. Members are appointed or reappointed annually each July. The GMPF Management Panel meets quarterly.

Terms of reference

The Management Panel is responsible for exercising all the functions required of it under the Public Service Pensions Act 2013. It must consider statutory guidance and guidance from the Pensions Regulator and the LGPS Scheme Advisory Board when doing so.

There is a detailed terms of reference document that is reviewed regularly by Tameside MBC. In summary, its key responsibilities under these terms of reference are:

- to approve GMPF's business plan and monitor performance against the key objectives
- to approve GMPF's operational budget and receive reports on spending
- to review and adopt all statutory policies of GMPF
- to review risks and receive reports on risk management
- to receive and approve GMPF's annual report and accounts
- to determine the investment strategy and the responsible investment policy
- to monitor investment activity and the performance of GMPF's investments
- to oversee the administration function
- to provide guidance to officers in exercising delegated powers.

2.4 GMPF Advisory Panel

Membership and meetings

The GMPF Advisory Panel comprises of ten elected Members, one appointed by each of the District Councils, plus six employee representatives and two independent observers. All elected members and employee representatives have voting rights. Members are appointed or reappointed annually each July. The GMPF Advisory Panel meets quarterly, with meetings held simultaneously with the Management Panel meetings.

Terms of reference

There is a detailed terms of reference document that is reviewed regularly by Tameside MBC. In summary, its key responsibilities under these terms of reference are:

- to advise the GMPF Management Panel on all matters
- to propose recommendations to the Panel where appropriate
- to consider advice given by the external advisors
- to provide guidance to officers in exercising delegated powers.

2.5 GMPF Working Groups

GMPF has three sub committees, known as Working Groups, being:

- The Policy and Development Working Group.
- The Investment Monitoring and Environmental, Social and Governance (ESG) Working Group.

- The Administration and Employer Funding Viability Working Group.

It uses these groups to consider specific work areas or activities in detail. The Working Groups make recommendations to the GMPF Management Panel and Advisory Panel.

Membership and meetings

Members of both the Management and Advisory Panels sit on one or more of these groups. Each group is chaired by a trustee member who is a Tameside MBC Councillor. Members are appointed or reappointed annually each July. All Working Groups meet quarterly.

Terms of reference

Each Working Group has its own terms of reference. In summary, the key responsibilities of each group are:

- Policy and Development – To consider all significant strategic issues, such as proposed structural changes to the LGPS, proposals for joint working with other bodies, and changes to policy.
- Investment Monitoring and ESG – To monitor the activities of the external fund managers and oversee the approach to ESG issues.
- Administration and Employer Funding Viability – To consider changes to the funding strategy and to oversee budget, administration, and communication matters.

2.6 Local Pension Board

GMPF has a Local Pension Board that has specific duties under the Public Service Pensions Act 2013. It must assist with good governance and ensure GMPF's Management Panel complies with legislation and statutory guidance.

Membership and meetings

A Local Pension Board must have an equal number of employer and member representatives, each of which must have the capacity to represent either employers or members respectively. GMPF's Local Board has five employer representatives and five scheme member representatives. All members have voting rights. The Local Pension Board meets quarterly.

Terms of reference

The Local Pension Board has its own terms of reference. In summary, its key responsibilities are:

- to secure compliance with the regulations, any other legislation relating to the governance and administration of the Scheme, and requirements imposed by the Pensions Regulator in relation to the Scheme
- to ensure the effective and efficient governance and administration of the Scheme.

2.7 Director of Pensions

The Director of Pensions has delegated responsibility for the day-to-day administration and investment management tasks and must carry these out within the policies agreed by the GMPF Management Panel. Key responsibilities include:

- providing advice and proposing recommendations to the appropriate Panel, Working Group or Board
- exercising all delegated powers relating to GMPF as set out in the Council's constitution.

The Director of Pensions may authorise officers within the department to exercise on their behalf any functions delegated to Director. Any decisions taken by those authorised officers will remain the responsibility of the Director of Pensions, and the Director will remain accountable and responsible for them.

2.8 Other key roles and their responsibilities

Section 151 Officer

The Council's Section 151 Officer has a statutory responsibility for the proper financial administration of GMPF.

External advisors

GMPF has several external advisors who assist the GMPF Advisory Panel, particularly regarding investment and funding matters.

Internal and external auditors

Tameside MBC provides internal audit services to GMPF. Auditors may report directly to the relevant Panel, Working Group or Board when appropriate. Tameside MBC, including GMPF, is subject to external audit. The external auditors are appointed by Public Sector Audit Appointments Ltd (formerly the Audit Commission). This helps ensure that public funds are properly safeguarded and accounted for and are used economically, efficiently, and effectively in accordance with the statutory and regulatory requirements. An audit opinion is given separately on GMPF's Annual Report and Accounts.

3. Governance functions and responsibilities

3.1 Accountability and publication of information

The agendas and minutes for the GMPF Management Panel, Working Group and Local Pension Board are published on Tameside Council's website. Meetings of both the GMPF Management Panel and the Local Pension Board are open to the public. However, there may be confidential items on the agenda that are disclosed to trustee members only. GMPF's Annual Report and Accounts is published on GMPF's website.

3.2 Knowledge and skills

GMPF recognises that for any pension fund to operate effectively it is imperative that its decision-making bodies have the necessary level of knowledge and understanding to carry out their roles effectively. GMPF has a Trustee Member Development Policy accompanied by an annual training plan that supports its trustee members to gain the level of knowledge and skills they need to undertake their roles successfully.

3.3 Trustee appointments and conflicts of interest

GMPF has procedures in place for the appointment of trustees to GMPF Management Panel and Local Pension Board, which are set out in the full terms of reference documents for these committees. GMPF also has a conflicts of interest policy and register, and trustees must declare any interests they have.

3.4 Risk management

GMPF recognises that effective risk management is an essential element of good governance. Risk management aims to provide an effective way of identifying, evaluating, and understanding risks so that these can be mitigated and allow GMPF to achieve its objectives. GMPF has a risk management policy and an overarching risk register that both the GMPF Management Panel and Local Pension Board review each quarter.

4. Governance compliance statement

4.1 Regulatory requirement and statutory guidance

Regulation 55 of the Local Government Pension Scheme (LGPS) Regulations 2013 requires an administering authority to prepare and publish a written governance compliance statement. This statement compares GMPF's current governance arrangements with the best practice guidance issued by the Government. The statement provides an explanation where GMPF is not fully compliant.

4.2 GMPF's governance compliance statement

Principle A – Structure

Best practice	Fully compliant
(a) The management of the administration of benefits and strategic management of fund assets clearly rests within the main committee established by the appointing council.	Yes
(b) That representatives of participating LGPS employers, admitted bodies and scheme members (including pensioner and deferred members) are members of either the main or secondary committee established to underpin the work of the main committee.	Partial
(c) That where a secondary committee or panel has been established, the structure ensures effective communication across both levels.	Yes
(d) That where a secondary committee or panel has been established, at least one seat on the main committee is allocated for a member from the secondary committee or panel.	Yes

Principle A(b) – Structure

Reason for non-compliance:

In addition to the ten local authorities within the Greater Manchester area and the National Probation Service (represented by the Ministry of Justice), GMPF has more than 650 non-local authority employers whose activities are diverse. It would be impractical for each, or groups of each of these organisations to be separately represented on the GMPF Management or Advisory Panel.

Instead, GMPF holds meetings with individual or groups of employers as and when it is appropriate to do so. It also consults with all its employers whenever it proposes making significant changes or whenever it feels its employers may wish their views to be considered.

All members of the Local Pension Board are invited to attend the meetings of the GMPF Management Panel and Advisory Panel as observers, to ensure Board members have adequate oversight, and can scrutinise and challenge the decision-making.

Principle B – Representation

Best practice	Fully compliant
(a) That all key stakeholders are afforded the opportunity to be represented within the main or secondary committee structure. These include:	
(i) employing authorities (including non-scheme employers, eg, admitted bodies)	Partial
(ii) scheme members (including deferred and pensioner scheme members)	Yes
(iii) where appropriate, independent professional observers, and	Partial
(iv) expert advisors (on an ad hoc basis).	Yes
b) That where lay members sit on a main or secondary committee, they are treated equally in terms of access to papers and meetings, training and are given full opportunity to contribute to the decision-making process, with or without voting rights.	Yes

Principle B(a) – Representation

Reason for non-compliance:

Principle B(a)(i) – see explanation provided previously for Principle A(b).

Principle B(a)(ii) & (iii) – GMPF considers that the roles envisaged by the Government for an independent professional observer are already adequately catered for within GMPF's current governance arrangements. This is due to firstly the participation in the GMPF Advisory Panel of several expert external advisors from diverse professional backgrounds and secondly the invitation and right of all Local Pension Board members (who include non-scheme employers and pensioner representatives) to attend all meetings to ensure adequate oversight, scrutiny, and challenge.

Principle C – Selection and role of lay members

Best practice	Fully compliant
(a) That committee or panel members are made fully aware of the status, role and function they are required to perform on either a main or secondary committee.	Yes
(b) That at the start of any meeting, committee members are invited to declare any financial or pecuniary interest related to specific matters on the agenda.	Yes
(c) Induction training is provided to new members. All members participate in mandatory training sessions and support is also provided for voluntary additional training. The induction of new members includes a copy of the Annual Report, that sets out the management arrangements and a summary of the responsibilities of the Management and Advisory Panels.	Yes

Principle D – Voting

Best practice	Fully compliant
(a) The policy of individual administering authorities on voting rights is clear and transparent, including the justification for not extending voting rights to each body or group represented on main LGPS committees. All members of the Management and Advisory Panels have voting rights.	Yes

Principle E – Training / facility / time / expenses

Best practice	Fully compliant
(a) That in relation to the way in which statutory and related decisions are taken by the administering authority, there is a clear policy on training, facility time and reimbursement of expenses in respect of members involved in the decision-making process.	Yes
(b) That where such a policy exists, it applies equally to all members of committees, sub-committees, advisory panels, or any other form of secondary forum.	Yes
(c) That the administering authority considers the adoption of annual training plans for committee members and maintains a log of all such training undertaken.	Yes

Principle F – Meetings (frequency / quorum)

Best practice	Fully compliant
(a) That an administering authority's main committee or committees meet at least quarterly.	Yes
(b) That an administering authority's secondary committee or panel meet at least twice a year and is synchronised with the dates when the main committee sits.	Yes
(c) That an administering authority who does not include lay members in their formal governance arrangements, must provide a forum outside of those arrangements by which the interests of key stakeholders can be represented.	Yes

Principle G – Access

Best practice	Fully compliant
(a) That subject to any rules in the council's constitution, all members of main and secondary committees or panels have equal access to committee papers, documents and advice that falls to be considered at meetings of the main committee.	Yes

Principle H – Scope

Best practice	Fully compliant
(a) That administering authorities have taken steps to bring wider scheme issues within the scope of their governance arrangements.	Yes

Principle I – Publicity

Best practice	Fully compliant
(a) That administering authorities have published details of their governance arrangements in such a way that stakeholders with an interest in the way in which the scheme is governed, can express an interest in wanting to be part of those arrangements.	Yes

Review date	Reviewed by	Amendments	Version
2 March 2023	Emma Mayall	New, original version	2023.1
6 July 2023	Emma Mayall	Minor drafting amendments to section 2.3	2023.2

GMPF Governance Policy and Compliance Statement
Version: 2023.2
Effective from: 1 April 2023

Core Belief Statement

2018 to date

Core Belief Statement

This is the Core Belief Statement (*the Statement*) of the Greater Manchester Pension Fund (*GMPF*), which is administered by Tameside MBC (*the Administering Authority*).

It has been prepared by the Administering Authority in collaboration with GMPF's Actuary, Hymans Robertson LLP, and after consultation with GMPF's investment Advisors and Managers.

The objective of the Statement is to set out GMPF's key investment beliefs. Strategic decisions are taken in the context of the relevant GMPF objectives. These beliefs will form the foundation of discussions, and assist decisions, regarding the structure of GMPF, strategic asset allocation and the selection of investment managers.

1. Investment governance

1.1 GMPF has the necessary skills, expertise, diversity and resources to internally manage some assets, such as infrastructure, private equity, local investments and cash.

1.2 Investment consultants, independent advisors and officers are a source of expertise and research to inform Management Panel decisions.

1.3 GMPF has a governance structure that enables it to implement tactical views readily, but acknowledges that market timing is very difficult.

1.4 There can be benefits from collaboration with other like minded pension funds.

2. Long term approach

2.1 The strength of the employers' covenant allows a longer term deficit recovery period and for GMPF to take a long term view of investment strategy.

2.2 The most important aspect of risk is not the volatility of returns but the risk of absolute loss and of not meeting the objective of facilitating low, stable contribution rates for employers and taxpayers alike.

2.3 Illiquidity and volatility are shorter term risks which offer potential sources of additional compensation to the long term investor. Moreover, it is important to avoid being a forced seller in short term markets.

2.4 Participation in economic growth is a major source of long term equity return.

2.5 Over the long term, equities are expected to outperform other liquid assets, particularly government bonds.

2.6 Well governed companies that manage their business in a responsible and sustainable manner will produce higher returns over the long term.

3. Appropriate investments

3.1 Allocations to asset classes other than equities and government bonds (eg corporate bonds, private equity and property) offer GMPF other forms of risk premia (eg additional solvency risk/illiquidity risk).

3.2 Diversification across asset classes and asset types will tend to reduce the volatility of the overall GMPF return.

3.3 In general, allocations to bonds are made to achieve additional diversification. However, for a number of those scheme employers with mature liabilities, a bond allocation may have other benefits such as liability hedging.

4. Management strategies

4.1 Passive management provides low cost exposure to equities and bonds and is especially attractive in highly researched markets.

4.2 Active managers can add value over the long-term, particularly in relatively under researched markets and by following a rigorous approach it is possible to identify managers who are likely to add value.

4.3 The case for value investing is compelling, but it may result in prolonged periods of over and underperformance in comparison to a style neutral approach.

4.4 The fees paid to active managers should be aligned to the interests of GMPF rather than performance of the market, thereby ensuring the delivery of value for money to GMPF.

4.5 Active management performance should be monitored over multi-year rolling cycles and assessed to confirm that the original investment process on appointment is being delivered and that continued appointment is appropriate.

4.6 Employing a range of management styles can reduce the volatility of GMPF's overall returns but can also reduce overall outperformance.

Core Belief Statement
2018 to date

Investment Strategy Statement

Version 1.3

2021

Contents

1. Background

1.1 This Statement has been prepared in accordance with the Local Government Pension Scheme (LGPS) (Management and Investment of Funds) Regulations 2016 (the Regulations). The Regulations require administering authorities to prepare, publish, and when appropriate revise, a written statement recording the investment policy of the pension fund; they also stipulate certain key issues which must be covered in the Statement.

1.2 The terms of appointments of any external investment managers include a provision that the investment manager must take account of, and shall not contravene, this Statement in undertaking its management role. Greater Manchester Pension Fund (GMPF) may terminate the appointment of any external investment manager by not more than one month's notice.

1.3 The Local Government Pension Scheme (the Scheme) was established by statute to provide death and retirement benefits for all eligible employees. The Scheme is a contributory, defined benefit occupational pension scheme.

1.4 Tameside Metropolitan Borough Council (TMBC) became the administering authority of GMPF in 1987 after the abolition of the Greater Manchester County Council in 1986. GMPF covers all ten councils of Greater Manchester, the National Probation Service and numerous other smaller employers.

1.5 The Statement outlines the broad investment principles governing the investment policy of GMPF. In preparing the Statement, TMBC has consulted those persons it considered appropriate.

2. Organisation and management arrangements of GMPF

2.1 The investment powers of TMBC under the Scheme are given in the Regulations. Amongst other matters, the Regulations require TMBC to have regard to both the suitability and diversification of its investments and to take proper advice in making decisions regarding the investment matters of GMPF.

2.2 TMBC has delegated all its functions as administering authority of GMPF to the Pension Fund Management Panel (the Management Panel or the Panel) which routinely meets on a quarterly basis and whose Terms of Reference are detailed in TMBC's Constitution. Amongst other matters, the Panel decides on the investment policy most suitable to meet the liabilities under the Scheme and has ultimate responsibility for the investment strategy.

2.3 The Management Panel has in turn appointed a Pension Fund Advisory Panel and external professional advisors and has dedicated internal officers of GMPF to advise it on the exercise of its delegated powers. There are also a number of Working Groups which report quarterly to the Panel on specialist matters.

2.4 The Director of Pensions exercises certain delegated powers as specified in the Constitution and provides the link between the Panel, the external professional advisors and GMPF's investment managers. Each year a GMPF business plan is submitted by the Director of Pensions to the Management Panel for consideration.

2.5 A primary objective of TMBC is to maintain a low and stable employer contribution rate. This is to be achieved by attempting to maximise the long term investment return whilst not exceeding an acceptable degree of risk.

2.6 The assets of GMPF are separated into two distinct parts – a Main Fund and a Designated Fund. This separation has been made in order to reflect a major difference in liability profiles between most of the employers of GMPF and that of a small number of other employers of GMPF.

2.7 Having taken appropriate advice, the Management Panel has decided that a bespoke benchmark, which is biased towards equity is a suitable investment benchmark for the management of the Main Fund. Detail on the Main Fund's bespoke benchmark is included in GMPF's Annual Report and Accounts. This benchmark will be reviewed annually and when appropriate in response to significant changes in the investment environment. The Designated Fund has a bespoke benchmark which is heavily orientated towards UK index linked stock.

2.8 The Management Panel has delegated the management of the majority of the Main Fund's securities portfolio, and the management of the Main Fund's direct property portfolio, to regulated, external, professional investment managers whose activities are defined and constrained by detailed Investment Management Agreements. The remainder of the Main Fund (including private equity, private debt, infrastructure, local investments, elements of the Special Opportunities Portfolio and UK cash), together with a proportion of the Designated Fund, is managed internally by officers of GMPF. The Treasury Management of UK cash is undertaken by officers of TMBC.

2.9 The Main Fund is largely actively managed but has a significant element, which is passively managed on a pooled basis. One of the appointed external securities managers has been given: an active multi-asset (ex-property) discretionary benchmark reflecting its perceived skills and the relative efficiency of markets. Separately, this Manager, as replicator for GMPF's Factor Based Investment portfolio has been given a single broad equity market benchmark. This is a specialist mandate to replicate a Factor Based Investment portfolio (determined via a specific customised non-market capitalisation index) that provides diversified multi-factor exposure, coupled with reduced carbon intensity and other important risk control design features. The second appointed external securities manager has a single broad equity market benchmark reflecting its specialist mandate. The third appointed external securities manager has an absolute return benchmark reflecting its specialist multi-asset credit mandate. These individual benchmarks are detailed in the Investment Management Agreements and have been chosen to be consistent with the overall bespoke benchmark determined for the Main Fund.

2.10 For the discretionary active mandates, each of the Main Fund's external active securities managers has been set the target of achieving a rolling three year average performance which exceeds the average performance of their individual benchmark by at least 1% per annum. The specialist Factor Based Investment portfolio is expected to outperform its broad (market capitalisation) equity benchmark over the medium to long term. GMPF anticipates that in two years out of three the external active multi-asset securities manager's annual performance will be within 4.5% of the annual performance of its individual benchmark. The equivalent range for the specialist global equity securities manager is +/- 7%, +/- 6% for the specialist multi- asset credit securities manager and +/- 2.5% for the Factor Based Investment portfolio.

2.11 The fees of one of the external active securities managers consist of two elements: an ad-valorem base fee together with a performance element which is capped at a prudent level of outperformance. The fees for the two remaining external active securities managers consist of a fixed base fee with no performance element. The fees of the Main Fund's external passive securities manager and the Factor Based Investment portfolio consists of an ad-valorem base fee with no performance element. The fees of the external property manager comprise of a combination of a fixed and ad-valorem base fee with no performance element.

2.12 The Designated Fund is predominantly passively managed.

2.13 The investment returns of the Main Fund, its underlying component portfolios and the Designated Fund are calculated quarterly by an external, third party professional performance measurement company appointed directly by TMBC.

2.14 The Management Panel monitors the performance of the appointed external investments managers at each of its quarterly meetings. The performance of the specialist portfolios managed internally by officers of GMPF is monitored annually by the Policy and Development Working Group.

3. The types of investments to be held

3.1 The Regulations require TMBC to set out the maximum percentage of the total value of all investments of GMPF money that it will invest in particular investments or classes of investment. These maximum percentage limits are set out in an Appendix to this Statement and are applicable only at the time the investment is made. Depending on market conditions, the allocations to specific investments or classes of investment may stray outside the maximum percentage limits before adjustments are made to rectify the situation. The Regulations also require that not more than 5% of the total value of all investments of GMPF money be invested in entities which are connected with the authority, within the meaning of section 212 of the Local Government and Public Involvement in Health Act 2007.

3.2 In addition to the Regulations, TMBC has decided to further restrict the types of investment which the appointed external securities managers may hold and to restrict the type and extent of investment activity which they are permitted to undertake. These further detailed restrictions are extensive and are documented in a Schedule to each of the Investment Management Agreements.

3.3 GMPF assets currently include a UK and overseas spread of equity, fixed interest bonds (including those issued by Governments, companies and other entities), other debt securities (eg bank loans and securitised debt), index linked bonds, private equity, private debt, infrastructure and property. The Main Fund's external active multi-asset securities manager is permitted limited use of certain derivatives. The Main Fund’s active specialist multi-asset credit manager is permitted use of certain derivatives for hedging, duration and currency management, asset allocation and security selection. The limited use of certain derivatives is permitted in the Factor Based Investment portfolio in order to maintain the desired level of (equity market) risk exposure. GMPF supplements its investment income by participating in a Commission Recapture program.

4. The balance between different types of investments

4.1 The Regulations require TMBC to have regard to the diversification of its investments.

4.2 The overall bespoke benchmark of the Main Fund comprises a mix of different assets which is sufficient to provide adequate diversification for the Main Fund. GMPF's Annual Report and Accounts contains more detail on the overall Main Fund benchmark.

4.3 The strategic balance of investments takes account of the risk/return characteristics of each asset class and in particular the potential for enhanced long term returns from equity and the higher level of short term volatility associated with that asset class. In this context, risk in relation to any asset class is considered 'in the round' rather than being analysed into the specific components of risk (eg liquidity, foreign exchange, interest rate sensitivity etc). Allowance is also made for the benefits of diversification across the asset class mix within the Main Fund. The overall bespoke benchmark provides a reasonable long term balance appropriate to the liabilities relevant to the Main Fund and its funding position.

4.4 For the Main Fund, tactical asset allocation is delegated to the appointed external multi-asset securities manager who must operate within asset class and country restrictions which are documented in a Schedule to the Investment Management Agreement.

4.5 The bespoke benchmark of the Designated Fund has also been specifically chosen in the context of the relevant liabilities and funding position.

5. Risk: measurement and management

5.1 The Management Panel recognises that risk is inherent in any investment activity. The overall approach is to seek to reduce risk to a minimum where it is possible to do so without compromising returns (eg in operational matters), and to limit risk to prudently acceptable levels otherwise (eg in investment matters).

5.2 Operational risk is minimised by:

- having custody of GMPF's financial assets provided by a regulated, external, third party, professional custodian appointed directly by TMBC with control and liability issues thoroughly addressed in a Global Custody Agreement;
- having the deeds of direct property investments held securely by GMPF's Legal Section;
- documenting control and liability issues relating to the relationships with the appointed external investment managers in the Investment Management Agreements;
- having an external, third party, accounting provider independently maintain complete accounting records relating to the investment activity of the appointed external securities managers and to the entitlements (eg income) arising from GMPF's securities portfolios;
- officers of TMBC Internal Audit and of GMPF's Investments Group receiving reports on and reviewing the internal operating procedures of the appointed external custodian/accounting provider and securities managers; and
- subjecting internal investment management activity to close Internal Audit scrutiny.

5.3 Investment risk is constrained by:

- diversifying across investment managers;
- diversifying across types of investment;
- restricting external appointed investment manager activity as documented in a Schedule to or in relevant Clauses of the Investment Management Agreements;
- selecting appropriate investment benchmarks in order to control the risk that the assets will not be sufficient to meet the liabilities whilst also having a strong likelihood of achieving a good return;
- taking appropriate internal and external professional advice on the investment activity of both the externally managed securities portfolios and of the internally managed portfolios;
- quarterly, formal, Management Panel monitoring of asset allocation against the investment benchmarks and asset class restrictions; and
- quarterly, formal, Management Panel monitoring of investment manager and overall Fund activity and performance.

5.4 Some risks lend themselves to being measured (eg using such concepts as ‘Active Risk’ and such techniques as ‘Asset Liability Modelling’) and where this is the case, GMPF employs the relevant approach to measurement. GMPF reviews new approaches to measurement as these continue to be developed.

6. The expected return on investments

6.1 There is a broad expectation that in the longer term the return on equity will be greater than on other assets.

6.2 The overall Main Fund return is expected to be broadly in line with the overall bespoke benchmark. Over the last 20 years this benchmark has averaged a return which is comfortably ahead of both price and earnings inflation over the same period. However, over any shorter period, such as one or five years, actual Main Fund returns may vary significantly from the benchmark and indeed benchmark returns may vary significantly from their long term averages.

6.3 Over the long term appropriate to the liabilities of the Scheme it is expected that the investment returns of both the Main Fund and the Designated Fund will be at least in line with the assumptions underlying the actuarial valuations.

7. The realisation of investments

7.1 General investment principles require that issues of liquidity and marketability be considered in making any investment decision. Over the coming years, pension payments are expected to significantly exceed employer and employee contributions each year. During this period, investment income is anticipated to comfortably generate receipts per year in excess of the expected shortfall to GMPF. Thus, it is not expected that there will be any material need to realise investments in the near future other than to seek higher returns.

7.2 The vast majority of GMPF's assets are readily marketable. However, some investments, such as property, and more so private market assets, are less easy to realise in a timely manner. Such relative illiquidity is not considered to have any significant adverse consequences for GMPF. Officers of GMPF will continue to investigate and assess options for dealing with the deteriorating cash flow position of GMPF.

7.3 TMBC informs the appointed external investment managers of any projected need to withdraw funds in order to enable the investment managers to plan an orderly realisation of assets when this proves necessary.

8. GMPF's approach to pooling investments

8.1 TMBC signed a memorandum of understanding with the administering authorities of the Merseyside Pension Fund and the West Yorkshire Pension Fund to create the Northern LGPS in order to meet the criteria for pooling investments released by Government on 25 November 2015. [Formally, this is achieved through the mechanism of a joint committee established under sections 101 and 102 of the Local Government Act 1972.]

8.2 The three funds submitted a pooling proposal to Government in July 2016 and DCLG (now MHCLG) provided its confirmation in January 2017 that it was content for the funds to proceed with the formation of the Pool as set out in the July 2016 proposal.

8.3 Following the issue of the LGPS (Management and Investment of Funds) Regulations 2016, the plans for the Northern LGPS evolved from the July 2016 proposal.

8.4 The vast majority of the benefits of pooling for the funds in the Northern LGPS are in respect of alternative assets where there is greatest scope to generate further economies of scale and to combine resources to make increasingly direct investments. Following detailed discussions and consideration of professional advice, it was agreed in March 2017 by each of the participating funds that in order to meet the Reduced Costs and Excellent Value for Money criteria set by Government most effectively, the Northern LGPS should focus resource on making collective investments in alternative assets such as private equity and direct infrastructure. The private equity and direct infrastructure investments would initially be made via joint ventures and partnerships to enable pooled investments to be made and start generating material cost savings from an early stage. Such structures would in all cases be compliant with relevant financial services law.

8.5 The Scale and Strong Governance and Decision Making criteria are met by:

i. the joint committee providing monitoring and oversight of the operations of the Northern LGPS with the Joint Committee constituted so as to separate elected members from any manager selection decisions and;

ii. appointing a FCA regulated common custodian for the Pool, which has custody of all the pool's actively managed listed assets (ie internally and externally managed equities and bonds) and act as master record keeper for all pool assets.

8.6 As at 31 March 2015, the total value of assets across the three participating funds was £35.4 billion which is in excess of the £25 billion criterion set by Government. The combined asset value of the Northern LGPS is expected to remain (significantly) above £25 billion over the foreseeable future. Strategic asset allocation will continue to be set by each fund's pension committee with the selection of individual investments and investment managers for external mandates carried out on a pooled basis by appropriately qualified and experienced officers, operating under the legal framework of specialist investment vehicles where appropriate.

8.7 All public-market assets and new commitments to private equity and direct infrastructure will be monitored and overseen by the Northern LGPS Joint Committee with all assets other than day to day cash used for scheme administration purposes being held under the common custody agreement.

Day to day cash is assumed to be 1% of total assets for each fund.

8.8 In accordance with the 2015 pooling criteria and guidance, legacy private market assets (ie those entered into prior to the formation of the Pool) will be run-off on a segregated basis.

8.9 At 31 March 2019, externally managed public-market assets, direct infrastructure and private equity commitments made via the Pool made up 80% of GMPF's total assets. Over time, as private equity commitments continue to be made via the Pool and legacy private-market assets run off it is expected that approximately 90% of GMPF assets will be invested via the Pool structure set out above.

8.10 It is intended that the Northern LGPS will procure the following services as required on behalf of the participating funds:

- External fund management for certain public-market mandates.
- Common custodian for Pool.
- Investment management systems.
- Performance analytics.
- Responsible Investment advisory services.
- Other professional advice.

8.11 The Northern LGPS Joint Committee is created via the approval of an inter-authority agreement between the administering authorities to the participating funds. The role of the Joint Committee is to:

i. provide monitoring and oversight of the Northern LGPS to ensure that the pool is effectively implementing the participating authorities' strategic asset allocation decisions
ii. to oversee reporting to the participating authorities' pension committees
iii. act as a forum for the participating authorities to express the views of their pension committees
iv. ensure segregation of duties in investment decision making between elected members and officers
v. monitor performance of portfolios
vi. monitor the appointment of investment managers.

8.12 Reporting processes of the Northern LGPS include regular written reports on the performance of Northern LGPS investments to the Joint Committee, which are discussed at formal meetings. The Joint Committee will not be undertaking any regulated activities.

8.13 The Northern LGPS governing documentation grants the Joint Committee and each administering authority certain powers regarding the operation of the Northern LGPS, which can be used to ensure the effective performance of Northern LGPS. GMPF's approach to pooling set out above will be reviewed periodically going forwards to ensure this continues to demonstrate value for money, particularly following any changes to funds' strategic asset allocations, pool management arrangements or taxation policy in the UK or internationally. The reviews will take place no less than every three years.

8.14 A report on the progress of asset transfers will be made to the Scheme Advisory Board on at least an annual basis.

9. Socially responsible investment

9.1 GMPF holds a general policy of not interfering in the day to day investment decisions of its investment managers. However, GMPF may choose to actively invest in or disinvest from companies for social, ethical or environmental reasons, so long as that does not risk material financial detriment to GMPF.

9.2 As a responsible investor, GMPF wishes to promote corporate social responsibility, good practice and improved company performance amongst all companies in which it invests.

9.3 GMPF endeavours to be a socially responsible investor wherever possible but does so within the duties placed upon it under statute and under general trust law principles to manage the Scheme in the best financial interests of the Scheme members and beneficiaries.

9.4 GMPF's approach to responsible investment activities is set out in its Responsible Investment Policy. Consequently, from time to time GMPF will pursue certain specific issues direct with investee companies, either individually or, more usually, collectively with other institutional investors via its membership of the 'Local Authority Pension Fund Forum' (LAPFF), its membership of the 'Institutional Investors Group on Climate Change' (IIGCC), as a signatory to the 'UN Principles for Responsible Investment' or by means of other ad hoc groupings.

9.5 The climate emergency is an urgent, financially material social, economic and environmental risk. The Panel recognise that climate-related risks and opportunities will be financially material to the performance of the investment portfolio and will become ever more so over the expected lifetime of GMPF. As such, the Panel will consider climate change issues across GMPF and specifically in areas such as Strategic Asset Allocation, Investment Strategy and Risk Management with the aim of minimising adverse financial impacts and maximising the opportunities for long term economic returns on GMPF's assets.

9.6 GMPF's long term goal is for 100% of assets to be compatible with the net zero emissions ambition by c2050 in line with the Paris Agreement. The decarbonisation goal will be regularly evaluated in line with the latest science and climate risk assessment and GMPF's objective of maintaining long term financial performance. GMPF will continue to measure and report its carbon footprint and will seek to utilise the latest methodologies to ensure accuracy and relevance. GMPF reports annually in line with the recommendations of the Taskforce for Climate Related Financial Disclosures.

9.7 GMPF, via its membership in the Northern LGPS is a signatory to the Paris Aligned Investment Initiative's Net Zero Asset Owner Commitment. GMPF will draw on the IIGCC's Net Zero Investment Framework to reach its decarbonisation goal. This includes the setting of interim targets which GMPF is currently developing and will publish in due course.

9.8 GMPF has undertaken a number of initiatives to enhance its approach to managing this risk. Company engagement is a key element of GMPF's approach to climate change. GMPF wishes to promote and encourage compliance with its own UK Environmental Investment Code. GMPF's appointed external securities managers are encouraged to operate a policy of constructive shareholder engagement with companies. GMPF is a signatory of the UK Stewardship Code.

9.9 By joining forces with over 80 other LGPS funds within LAPFF, GMPF collectively has a very powerful voice in challenging companies to disclose their business models, and the assumptions that underpin their investment decisions, leading to greater capital discipline. This could have the dual success of enhancing shareholder value, whilst also reducing greenhouse gas emissions.

9.10 GMPF is a signatory to the Carbon Disclosure Project (CDP) which seeks information from major corporations worldwide on their Greenhouse Gas Emissions. GMPF is also a signatory to Climate Action 100+ whose aim is to work with companies to ensure that they are minimising and disclosing the risks and maximising the opportunities presented by climate change.

9.11 GMPF is a member of the Institutional Investors Group on Climate Change (IIGCC) which is a forum for collaboration on climate change for European investors. The IIGCC seeks to promote a better understanding of the implications of climate change amongst its members and other institutional investors, and to encourage companies and markets in which its members invest to address any material risks and opportunities to their businesses associated with climate change and a shift to a lower carbon economy.

9.12 GMPF actively invests in low carbon and renewable energy technology and will seek to increase the scale of investment in this sector where suitable opportunities arise, in order to encourage a move toward a lower carbon economy. Within the strategic asset allocation to infrastructure, a key strategy is investments in low carbon and renewable energy opportunities.

9.13 GMPF supports the Investing in a Just Transition initiative which focuses on delivering a transition to a low carbon economy while supporting an inclusive economy with a particular focus on workers and communities across the UK. GMPF understands this needs to be done in a sustainable way that safeguards against communities being left behind during this transition.

9.14 The Panel has approved an allocation to Local Investments, which has the twin aims of generating a commercial return and delivering a positive social impact. GMPF's Annual Report and Accounts contains more detail on the specific investments within this allocation.

9.15 GMPF is able to exercise its responsibilities on wider ESG (Environmental, Social and Governance) issues through its membership of organisations such as the 30% Club, Workforce Disclosure Initiative and the Make My Money Matter initiative. GMPF reports annually on its responsible investment activity through the UN Principles for Responsible Investment’s reporting framework and uses this framework as a basis to report on its responsible investment activity quarterly to GMPF’s Management Panel which is publicly available.

10. The exercise of investment rights

10.1 The exercise of rights which are not voting rights (eg dividend entitlements, rights issues etc) are delegated by TMBC to the investment managers of GMPF as part of their normal investment responsibilities.

10.2 GMPF retains maximum possible authority to exercise the voting rights attached to its investments to promote and support good corporate governance principles. The importance of accountability to beneficiaries is fundamental to GMPF's approach. Therefore, GMPF makes publicly available its voting record. In the case of the GMPF's own voting decisions, it pre-discloses votes on all companies. GMPF will report on its voting activity as part of its Annual Report.

10.3 GMPF implements its voting policy in partnership with a specialist advisor (currently PIRC Ltd) who provides appropriate research and vote execution services that cover the major markets in which shares with voting rights are held.

10.4 GMPF votes in line with the recommendations of its advisor, having judged that the advisor's voting guidelines promote high standards of corporate governance and responsibility and enable GMPF to exert a positive influence as shareholders concerned with value and values.

10.5 The appointed external passive securities manager votes in respect of GMPF at every opportunity in the UK and in respect of companies in the vast majority of overseas markets except where practicalities are a significant obstacle.

10.6 In casting votes in respect of GMPF in the UK, the appointed external passive securities manager normally implements its own Voting Policy. However, the passive securities manager will vote in respect of GMPF according to GMPF's instructions on a case by case basis should GMPF so require.

11. Stocklending

11.1 GMPF itself has participated in a prudently structured Stocklending program via its Custodian since March 2003. However, GMPF suspended its Stocklending program between September 2008 and May 2011 in the wake of the 2008 financial crisis.

11.2 GMPF does not lend UK and US Equities and does not take Cash as collateral. The maximum volumes of stock 'on loan' are set at a prudent level. All loans must be pre-collateralised and be subject to recall upon demand.

11.3 Certain pooled vehicles within which GMPF invests may undertake an amount of Stocklending on behalf of the pooled vehicle investors. Where this occurs, the extent of the activity is disclosed by the pooled vehicle. GMPF considers this aspect of the pooled vehicle when making investment decisions.

Appendix to investment strategy statement

TABLE OF LIMITS ON INVESTMENTS

MAIN FUND

Asset Class	Limit (%)
Total Equities	**30 – 85**
UK Equities	5 – 20
Overseas Equities	10 – 50
Global Equities	2 – 25
Total Bonds	**10 – 50**
Government Fixed Interest Bonds	1 – 12
Corporate Bonds	2 – 17
Government Index Linked Bonds	1 – 12
Multi-Asset Credit	2 – 10
Total Alternatives	**5 – 45**
Private Equity	0 – 10
Private Debt	0 – 7
Infrastructure	0 – 15
Special Opportunities	0 – 7
Local Investments	0 – 7
Property	3 – 15
Total Cash	**0 – 10**

DESIGNATED FUND

Asset Class	Limit (%)
Equities	0 – 100
Government Fixed Interest Bonds	0 – 100
Corporate Bonds	0 – 100
Government Index Linked Bonds	0 – 100

Asset Class	Limit (%)
Other Liability Matching Assets*	0 – 100
Cash	0 – 100

*Other Liability Matching Assets include exposure to derivative instruments (eg interest rate and inflation swaps) used for liability matching purposes and are currently accessed via pooled funds.

There are a small number of employers whose liability profiles are significantly different from most of GMPF's employers. Investments in the Designated Fund reflect the specific liability profiles of these employers. The assets held in the Designated Fund have been specifically chosen in the context of the relevant liabilities and funding position. Given the nature and size of the Designated Fund, it is not considered appropriate to restrict the limits on Asset Classes. The proportion of assets within each asset class will change over time as GMPF develops its framework to meet the diverse needs of its employers.

Investment Strategy Statement
2021

Responsible Investment Policy

2021

Contents

1. Introduction

The combined assets of GMPF now stand at over £27bn. These assets are invested to fund the retirements of hundreds of thousands of beneficiaries who live both within Greater Manchester and beyond. GMPF will always act in accordance the interests of those beneficiaries and we want our Responsible Investment activities to make a positive contribution to our region.

Environmental, social and governance (ESG) issues are important to GMPF for a number of reasons. ESG factors can be financially material and, as such, should be part of the assessment and monitoring of investments in all asset classes. Achieving sustainable, long-term financial returns underpins the ability to pay pensions. A focus on ESG issues helps reduce risks to GMPF and its beneficiaries. These risks might be financial, such as the underperformance or failure of an investee company, or reputational, resulting from poor corporate behaviour.

In addition, our beneficiaries live in a society that is affected by the behaviour of investee companies. Therefore, we expect high standards from those businesses. Consistent with GMPF's fiduciary duty to our beneficiaries we will ensure that the businesses in which we invest are both financially and environmentally sustainable, have high standards of governance and are responsible employers. As far as possible GMPF will seek to invest in a way that is financially and socially beneficial for Greater Manchester.

2. About the Greater Manchester Pension Fund Responsible Investment policy

This policy set outs GMPF's approach to Responsible Investment activities. It provides an overview of themes that will form part of those activities in addition to information on how this policy is implemented and our commitments to reporting and accountability.

Our approach to responsible investment has been informed by a number of important initiatives. GMPF fully supports the aims and objectives of the Stewardship Code and we are signatories of the Code. We are also signatories of the Principles for Responsible Investment (PRI) and as such we aspire to harmonise the six responsible investment principles with how we implement our investment beliefs.

We have also considered guidance from the Law Commission, Department of Work and Pensions and Ministry of Housing, Communities and Local Government in developing this policy.

We consider our approach to Responsible Investment to be rooted in financial materiality and risk management. It will also be informed by our understanding of our beneficiaries' views, and by reference to international standards such as the UN Sustainable Development Goals, the UN guiding principles on business and human rights and IIGCC's Net Zero Investment Framework. Therefore, we have expectations of investee businesses that encompass more than financial considerations alone.

GMPF will seek to apply the RI policy to all asset classes over time. The policy applies to both internally and externally managed assets.

By tilting RI activity toward portfolio companies generating value out of the North of England, GMPF will be in a position to maximise the positive impact good corporate practice can have on the communities and beneficiaries residing in the region. Our industrial heritage underpins our activity on many of the issues facing the North in the 21st Century. A transition to a net-zero economy that does not come at the expense of the region's workforce is a priority, and GMPF will continue to leverage its assets under management to this end.

GMPF has appointed PIRC as its Responsible Investment adviser, to assist in the development and implementation of the RI policy.

3. ESG themes

Over time the GMPF will publish policy positions on specific ESG issues in order to provide greater clarity about our expectations to both investee businesses and other stakeholders. Below we set out ESG themes that will be important areas of focus for our Responsible Investment activities, and our core positions in each area.

Climate change

GMPF considers climate change risk as financially material to the long-term performance of investments. We integrate climate change considerations into our overall investment strategy, with the aim of minimising adverse financial impacts and maximising opportunities for long-term economic returns in all asset classes.

GMPF's long-term goal is for 100% of assets to be compatible with the net zero-emissions ambition by c.2050 in line with the Paris agreement. This decarbonisation goal will be regularly evaluated in line with our objective of maintaining long-term financial performance. As part of the Northern LGPS's Net Zero Asset Owner commitment, GMPF is working with its pooling partners in developing interim decarbonisation objectives and targets.

In implementing our approach, GMPF:

- takes financially material climate change considerations into account as an integral part of its investment strategy and asset allocation;
- reviews a variety of research and analytical materials to encourage the use of scenario analysis to provide estimations of relative performances of asset classes and sectors under different scenarios which will be used where possible in asset allocation decisions;
- monitors and provides feedback to external investment managers in relation to incorporation of climate risk in the investment process;
- engages with companies in order to align their business practices and policies with a low carbon economy;
- liaises with company boards in improving the governance, management and disclosure on climate risk;
- takes company approaches to climate risk and responsiveness to engagement into account in proxy voting;
- supports the filing of relevant climate related shareholder resolutions;
- interacts with policy makers and regulators on investment implications of climate change;
- collaborates with other investors and participates in investor initiatives to leverage outcomes of company and policy engagement;
- and will report on policy objectives and activities regularly.

ZERO EMISSION

GMPF will also align reporting with the recommendations of the Task Force on Climate-Related Financial Disclosures within its annual reports.

GMPF actively supports the objectives of a Just Transition to a low-carbon economy, and will actively engage with the social aspects of responding to climate change. We consider this fits well with our objective of seeking to ensure a regional dimension to our RI activities.

Environmental issues

GMPF considers multiple other environmental factors as financially material to long-term performance of investments. These include but not limited to; deforestation, water scarcity, loss of biodiversity, sustainable agriculture, pollution and plastics. Whilst recognising significant overlap between these issues, and the correlation with climate change, GMPF considers each independently as part of its stewardship activities.

Deforestation, loss of biodiversity and sustainable agriculture

The conversion from arboreal and tree-clad areas to land used for agriculture and pasture are primary drivers of deforestation globally. Key commodities such as soy and beef in south America and palm oil in southeast Asia continue to drive deforestation and with it the loss of biodiversity. Land cleared in this way also significantly reduces the capacity to store carbon and can contribute, in a material way, to climate change. The IPCC Special Report on Climate Change and Land (2019) identifies that 23% of GHG emissions globally stem from the use of land, with commodity-driven tropical deforestation alone accounting for 5% of total emissions.

GMPF recognises the transition risks connected with companies failing to address supply chainwide deforestation, including changes in regulation, consumer trends and damage to brand equity as the shift to a low carbon economy takes pace. GMPF also recognises the potential physical risks to companies that fail to eliminate deforestation from the supply chain. These include crop and livestock productivity, and ultimately, profitability.

Sustainable Development Goal 15 focuses on protecting, restoring and promoting sustainable use of ecosystems, managing forests in a sustainable way, and reversing land degradation and biodiversity loss. Through its stewardship activity, GMPF is committed to supporting the SDGs, including goal 15, and will work towards the removal of unsustainable deforestation from the companies in which it invests.

GMPF actively encourages investee companies to adopt effective deforestation policies and practices. GMPF expects portfolio companies to be able to maintain robust procurement processes that enable good visibility and traceability of the relevant supply chains. Companies should also set science-based GHG reduction targets which include segregated disclosure of emissions arising from land use change across the value chain. These targets should comply with the requirements of industry standards and align with the recommendations of the Taskforce on Climate-Related Financial Disclosure. GMPF also expects companies to be able to demonstrate expertise on land use change issues at the board level.

Water Stewardship

The supply and availability of fresh water underpins virtually every transaction on earth, financial or otherwise. As the global demand for fresh and dependable sources of water increases, driven largely by population growth, preserving the supply of reliable freshwater becomes ever more challenging.

There are significant physical and transitional risks facing companies in future scenarios of high water stress. The World Economic Forum has consistently identified water crises as one of the top risks to economic prosperity. For water-dependent sectors, including agribusiness and mining, water stress, pollution and flooding significantly undermine continuity and productivity. With water currently priced significantly below its innate value, and potential requirements to internalise the associated costs, the risks facing companies failing to be proactive on water stewardship are material.

GMPF actively encourages investee companies to adopt effective water stewardship practices. GMPF expects portfolio companies to be able to demonstrate expertise on water issues at the board level, mitigate water risks through the adoption of effective internal water-management processes and disclose water-related business risks and impacts via disclosure platforms such as

CDP Water, GRI, and SASB. For investee companies that are highly dependent or derive significant value from natural water sources, regular mapping of the operational impact on ground and surface-water resources should be undertaken. GMPF also encourages companies to align the businesses' values with internationally recognised water standards and norms such as Sustainable Development Goal 6, 'clean water and sanitation for all'.

People

GMPF puts significant emphasis on respect for human and labour rights within in its RI policy and stewardship activity. Ensuring that investee companies treat employees and other stakeholders with fairness and respect and adhere to and go beyond legal requirements is one of the most positive impacts we can have as investors.

We are also mindful of our history and our membership. The assets of GMPF represent the combined savings of generations of public sector workers, without whom the pension fund would not exist. Therefore, we have a responsibility to act in the best interests of those workers, and we actively promote decent work.

Employment standards and human capital management

We consider effective management of people is a source of both value creation and competitive advantage. We actively support initiatives to improve corporate reporting and investor understanding in relation to employment practices and human capital management.

We expect all businesses in which GMPF invests to treat their workforce with respect and to employ and reward them fairly. Companies should offer secure, direct employment where possible, and should not interfere with the right of their workforce to seek representation through a trade union. We will consider whether the actions of investee businesses are in accordance with ILO Core Conventions both in relation to their directly employed workforce and in their supply chain.

We expect companies to work with employees and their representatives to adopt stringent occupational health and safety preventative measures and reporting processes. Disclosures should include frequency, severity and lost-time due to injuries, as well as fatalities and reporting should encompass both directly and indirectly employed members of the workforce.

GMPF looks favourably on opportunities to invest in ways that aid the creation of good jobs, and have other social benefits, particularly within Greater Manchester. We will also consider the potential impact of our investments on public service provision and public sector employment practices.

Human Rights

Societal expectations of companies with regard to human rights are increasing, as are legal and regulatory obligations. As investors we consider that we have a responsibility to actively contribute to improving company practices, and that this is an area where we can have a positive impact.

Embedded within GMPF's approach to investment lies its responsibility to respect human rights as outlined in in the UN Guiding Principles on Business and Human Rights (UNGPs). These principles underpin expectations GMPF applies to all investee companies. Our assessment of company practice in relation to human rights is also informed by sources such as the Corporate Human Rights Benchmark and OECD Watch.

Stewardship activity around human rights is pursued both through our membership of the Local Authority Pension Fund Forum (LAPFF) and our own direct engagement. We also seek to participate in collaborative investor initiatives relating to human rights.

Specifically, GMPF expects portfolio companies to have effective due diligence, grievance and access to remedy policies and processes in place. We encourage companies to increase the granularity of their reporting in these areas. Our objective in encouraging greater corporate transparency is for this to drive real-world improvements in practice.

Public Health

We are mindful of the socio-economic divide in relation to health outcomes in the UK and around the world. Therefore we also seek to support initiatives for improving nutrition, ensuring healthy lives and promoting well-being in line with SDGs 2 and 3. As Greater Manchester looks to drive economic development building out of the pandemic, a focus on developing and maintaining a healthy population is essential.

There is a clear link between public health and nutrition. The food and drink companies in which we invest bear the risks associated with failing to adequately address these concerns within their business activities. GMPF recognises that in order to protect value, companies involved in the development, production and sale of food and drink should work to mitigate risks posed by government regulation and the modelled shifts in consumer demand for healthier food. We will engage with portfolio companies on the issues of health and nutrition as we consider that this has the potential to achieve both financially and socially beneficial outcomes.

Corporate governance and financial reporting

GMPF considers good corporate governance practices continue to provide protection to shareholders and to our beneficiaries. A full list of positions that GMPF takes is provided in the shareholder voting guidelines that we have adopted.

Division of responsibilities and board independence are fundamental principles of good governance. We seek separation of chair and chief executive positions and independent representation on boards in all markets. We fully support board diversity in its widest sense. Diversity is desirable not only in its own right, but also because there is evidence that diverse boards make better decisions. In addition to supporting the 30% Club and recommendations of the Parker and Hampton-Alexander Reviews[1] , we actively encourage employee representation at board level. We also consider that diversity and equal pay is important throughout organisations, not simply at board level.

In relation to remuneration it is our view that executives must be appropriately rewarded for their contribution to the success of the businesses that they steward. Where performance- related reward is used this should be focused on long-term performance and take account of ESG factors. The reputational risk of overly generous pay including the comparison to average employee pay should be taken into consideration in remuneration packages. We also consider that excessive executive reward contributes to wealth and income inequality.

Beneficiaries' interests are well served by ensuring the highest standards in financial reporting and related issues. We take a robust position on audit quality and auditor independence as we view this as the first line of defence for shareholder interests. We encourage auditors not to undertake non-audit work for the same company and support mandatory rotation of the audit firm. We also advocate reform of accounting standards.

Tax

We consider certain corporate tax arrangements, whilst potentially beneficial to shareholders in the short term, can be a source of regulatory, financial and reputational risk to companies and their investors. Aggressive corporate tax avoidance may have a negative effect on public finances and by extension on public service provision. Therefore, we seek to monitor the behaviour of investee companies in respect of tax planning and challenge where necessary.

[1] https://www.gov.uk/government/publications/ethnic-diversity-of-uk-boards-the-parker-review

4. Application of the policy

Investment decisions

GMPF employs a mixture of in-house and external asset managers. Where management is undertaken in-house, ESG factors will be considered as part of the assessment process both before and after investment decisions are made. This integration applies to both equity and other asset classes.

We seek to use our influence as investors actively to address issues of concern. We recognise that our ability to act as effective stewards, and our responsibility to do so, is greater where our holdings are greater or more concentrated. Therefore, we monitor sizeable investments closely and engagewhere necessary. In addition, we are involved in impact investing. Whilst this is not synonymous with 'Responsible Investment' this is an area where the policy may have significant practical application.

Where external managers are appointed, we envisage analysis of their competence in relation to Responsible Investment to form part of the appointment process. Expectations in relation to incorporation of ESG factors are part of the manager agreement, and managers are monitored in relation to performance on these factors. Appointed managers are also expected to report back to GMPF on their activities.

Voting and engagement

Voting and engagement is a cornerstone of our RI activities. We take the legal right to vote seriously and exercise it in a way consistent with our publicly disclosed objectives and policy positions. How we vote is one way of providing investee companies with an indication of our views as shareholders, as well as to the wider market.

Therefore, in line with our commitment to transparency and democratic accountability, we ensure that our voting aligns with our engagement. For example, if we have informed a company we do not support a certain director, or consider the remuneration policy is inappropriate, we will not vote in favour.

GMPF retains the maximum possible authority to direct voting, rather than delegating authority to asset managers. We have dedicated voting guidelines that inform how our votes are cast. This combination of retained authority and a clear framework ensures both a consistent approach is taken across equity holdings and provides clarity to the businesses in which we invest about our expectations.

We are long-standing and active participants within LAPFF. Most engagement activity is undertaken through the Forum and representatives of GMPF frequently take part in company engagements.

GMPF, as a member of the Northern LGPS also undertakes its own engagement, either on specific companies or sectors, and we envisage that this will increase particularly in relation to major and unique investments, such as in infrastructure assets.

Where boards of investee businesses are resistant to dialogue or change, GMPF will escalate issues by, for example, voting against the re-election of the Chair of the board. Ultimately, in such cases, GMPF will consider adjusting its investments as appropriate to the risks, in accordance with its Responsible Investment policy and its fiduciary responsibilities.

Shareholder resolutions

GMPF also considers shareholder resolutions a useful tool to proactively raise issues of concern either where boards of investee businesses are resistant to dialogue or change, or to amplify the shareholder voice where engagement with boards has been positive. We have co-filed resolutions at different companies in recent years on issues ranging from climate change to employment practices.

GMPF will consider filing or co-filing resolutions in cases where engagement has not resulted in the achievement of change or as part of systemic engagement on issues such as climate change, employment standards and corporate political spending.

Collaboration and partnerships

GMPF often has a significant ownership of particular businesses or other assets and therefore can be an influential voice. There are also many instances where it is advantageous to work in collaboration with other investors and investor initiatives. In addition to participating in existing investor groups, GMPF seeks to initiate collaboration where it believes it can play a useful role.

As well as being a LAPFF member, we participate in, or are a member or signatory of, the following initiatives:

- The Stewardship Code
- The Principles for Responsible Investment
- The Institutional Investor Group on Climate Change
- Paris Aligned Investment Initiative: Net Zero Asset Owner Commitment
- The Carbon Disclosure Project
- The Transition Pathway Initiative
- the 2021 Global Investor Statement to Governments on Climate Change
- Climate Action 100+
- Say on Climate
- Pensions For Purpose
- The Workforce Disclosure Initiative
- The Human Capital Management Coalition
- Make My Money Matter

Other collaborations will be reviewed in due course, following consideration of our interests in participation.

Securities litigation

Given the focus on cost reduction, GMPF will be an active participant in securities litigation. Where there has been corporate wrongdoing that has resulted in a financial loss to GMPF as shareholders, we seek to recoup these losses where practical.

Securities Lending

Instances in which GMPF has securities on loan, rights are retained to recall shares to exercise voting rights. We monitor lending activity and maintain guidance on the recall of shares.

Public policy advocacy

We recognise that regulatory intervention is sometimes necessary to address issues such as corporate disclosure requirements and shareholder rights. Where appropriate GMPF will participate in public policy consultations and engagement. This may be through LAPFF and other collaborative investor initiatives or by GMPF or the Northern LGPS on its own.

Costs and charges

We recognise the growing interest in costs and charges incurred as part of local authorities’ investment activities. GMPF supports the Transparency Code and expects all external managers to become signatories. We consider reducing unnecessary costs is part of our fiduciary duty and is one of the core objectives of GMPF. We will closely monitor all investment costs to ensure that greatest possible benefits from our investment activities are returned to members.

5. Reporting and accountability

The importance of accountability to beneficiaries is a central element of our approach. Therefore, GMPF will make its voting record, and those of asset managers that have delegated voting authority, publicly available. In the case of GMPF's own voting decisions, we will pre- disclose votes on all companies. GMPF, as a member of the Northern LGPS, will also produce a regular stewardship report on its broader activity.

In addition, we intend to hold a regular stewardship event to provide an update on activities and for there to be open discussion of current or emerging ESG themes. This will form part of GMPF's process for taking beneficiaries' views into account.

We meet quarterly to discuss the implementation of the RI policy, and as a member of Northern LGPS will undertake an annual review of activities. The RI policy will be reviewed and updated as required.

For further information on the GMPF Responsible Investment policy please contact:

tom.harrington@gmpf.org.uk

Responsible Investment Policy
2021

Version: 2023.1

Effective from: 20 January 2023

COMMUNICATIONS POLICY

Communications and Engagement Strategic Lead owns this policy

External policy document

Communications Policy 2023

Introduction

The Greater Manchester Pension Fund (GMPF) is a regional pension fund administering the Local Government Pension Scheme (LGPS). It is the largest LGPS fund in England and Wales.

GMPF has a Communication and Engagement Strategy that has been developed based on the feedback we receive. The Strategy is used to drive changes to the communication work that we do. It outlines GMPF's aims and objectives when communicating and engaging with all its stakeholders.

This Communications Policy is a statement of how we are currently delivering those aims and objectives.

The LGPS Regulations require us to prepare, maintain and publish a statement setting out our policies on communications. We have prepared this document in line with these requirements. It covers our communications with:

- Pension fund members
- Representatives of members
- Prospective pension fund members
- Our employers and prospective employers.

This document will be revised and republished whenever there is a material change to the way we communicate or engage with any of these groups.

This Communications Policy and the Communications and Engagement Strategy are available on the GMPF website.

Pension fund members

We communicate with our members in a variety of ways.

GMPF website and My Pension

The GMPF website at www.gmpf.org.uk has general information about GMPF and about being a member of the LGPS.

Members can access their pension account using the My Pension area of the website. This is a secure area that allows members to see the personal details we hold about them. They can also update information such as their death grant nomination and use a calculator to estimate their retirement benefits. Contributing members and members with benefits on hold, also known as deferred, can view can view their annual pension statements and pensioner members can view their pension payment information. Members registered for My Pension are now able to complete several processes online including uploading certificates and documents.

We will send emails to all members who have registered for My Pension to alert them to any key updates made to the GMPF website or My Pension area. We will also add any relevant news updates here.

Members can send questions and queries to us using one of the forms on the Contact Us page, and we will respond to them by email or another method as requested. The GMPF website has a 'feedback zone' where members can leave feedback or register complaints or compliments about the service we provide. A survey is occasionally presented to members when they log out of My Pension, allowing them to provide feedback specifically about this online service.

We store all literature (such as GMPF's annual report and Guide for Members) and all statements and policies on the website.

Twitter

GMPF has a Twitter account. We regularly tweet information and updates that we believe our members might be interested in. You can follow us at @GMPF_LGPS

Google

GMPF makes use of a feature in Google where members can ask us questions and receive answers back, see our opening times, access directions to our offices, see photos and write reviews on our performance.

Helpline

We provide a helpline service for all our members to use if they need to contact us by telephone or email. There are two helpline numbers for members; one for pensioner members to call 0161 301 7100, and one for all other members to call 0161 301 7000.

Roadshows, seminars, webinars and surgeries

GMPF arranges a programme of online and face to face events each year to meet with individuals or small groups of members. We will arrange some of these events in conjunction with employers, and the employer will advertise these to its employees. We will arrange and host others ourselves. We will advertise these on the GMPF website.

Individual letters, telephone calls and e-mails

Whenever we are dealing with a specific request or processing a pension benefit, we will likely communicate either by letter, telephone call or email, depending on which is most appropriate.

What we do not do

We never cold call our members about any aspect of their pension. If a member receives an unexpected call from someone claiming to be from GMPF, then we suggest they always ring our Helpline to check whether the call was genuine.

Visits to our offices

Members are welcome to visit our offices if they prefer to speak to us face to face. However, members must make an appointment in advance so we can make sure that someone is available to see them by calling our Helpline. We have private interview rooms so we can discuss matters confidentially. Our opening hours and details of how to contact us and find us are on our website at https://www.gmpf.org.uk/about/contact-us.

Special requests and paper communications

Members should contact us if they need information or for us to communicate with them in a specific way (for example, requiring letters to be in large print or on a different coloured background). We will then arrange to do this. If a member wishes to opt out of receiving electronic communications and wishes to receive paper copies instead, then we ask that they put this request in writing to us. Members should quote their unique GMPF pension reference so that we can identify the correct pension record and make the necessary arrangements. If we are unable to communicate electronically with a member for whatever reason and we are required by law to provide information to them, then we will send that information in writing either to their home address or to their employer to forward on.

Consultations, surveys and focus groups

GMPF conducts various consultation events and surveys and holds focus groups from time to time to obtain feedback that might help to improve the service. We publish all relevant results or feedback on the GMPF website.

Representatives of members

General information about GMPF and the LGPS

General information and literature is available to the representatives of members on the GMPF website, as detailed in the section above.

Employee representatives who are members of the GMPF Management Panel, Local Board or Working Groups

GMPF will provide representatives with information about GMPF and the LGPS through online and face to face presentations delivered at meetings or through written reports. GMPF will provide or facilitate training where identified or requested. We will also circulate news updates as and when required.

Prospective pension fund members

General information about GMPF and the LGPS

We hold general information and literature for prospective pension fund members on the GMPF website. Prospective members can contact us by using the 'Contact Us' page of our website and using the general query option.

Promoting the benefits of joining

GMPF requires all its employers to provide prospective members with a link to or copy of its 'Guide for Members'. This guide highlights the benefits and costs of joining the LGPS. Employers should ideally provide it as part of an employee's letter of appointment. GMPF also requires its employers to engage with any events that promote the benefits of the LGPS to prospective members.

Consultations and surveys

GMPF conducts various consultation events and surveys from time to time for prospective members, to obtain feedback that might help it to promote the LGPS to non-members.

GMPF employers

We communicate with our employers in a variety of different ways.

GMPF website and employers website

We hold general information about GMPF and about becoming an employer in GMPF on the GMPF website.

Employers can access a secure area of the website that is just available for employers. This area holds procedure notes, training information, forms and guidance to help employers to carry out successfully their employing authority responsibilities.

Email bulletins and newsletters

We issue regular bulletins to our employers to provide news, updates and reminders. We also publish newsletters and ad hoc alerts whenever there is specific or topical information employers need to be aware of.

Helpline and other support

We have an Employer Liaison team dedicated solely to employer support. We provide a helpline service for all our employers to use if they need to contact us by telephone. The number is 0161 301 7200. We also have a dedicated employer support email address too.

Meetings, webinars, training events and surgeries

GMPF can arrange online and face to face events depending on the requirements of each employer.

GMPF holds meetings with all its large employers quarterly, and with other employers as and when appropriate.

We have a rolling programme of online employer training events for all employers to access, together with a library of training videos for employers to view at any time. We will also arrange other events or webinars as and when appropriate.

GMPF will also work with employers who have individual training needs, hosting inhouse training sessions or visiting employers.

Consultations, surveys and focus groups

GMPF conducts various consultation events and surveys and holds focus groups with its employers from time to time. The feedback helps to improve the service provided to employers and their members. All relevant results or feedback is made available to all employers.

Review date	Reviewed by	Amendments	Version
9 January 2023	Matthew Simensky	Policy now highlights that members can visit our offices again post-covid. Section concerning employer training and meetings has been updated.	2023.1

Communications Policy

Version: 2023.1

Effective from: 20 January 2023

Pension Administration Strategy 2020

Effective from 1 April 2020
Version 2021.1

Contents

1. Introduction

This is the Pension Administration Strategy of Greater Manchester Pension Fund (GMPF). This document:

- confirms the purpose of the strategy and says what it is intended to achieve
- outlines the role of GMPF's scheme employers and sets out their expected levels of performance
- outlines the role of GMPF and sets out its expected levels of performance
- explains how the performance of GMPF and its employers will be monitored
- explains what actions might be taken when employers do not meet the requirements
- confirms how GMPF will communicate with its employers
- details the resources and support that is available for employers to access
- explains how employers and other stakeholders can contribute to the development of the strategy, both now and in the future.

GMPF has prepared this strategy following the Local Government Pension Scheme (LGPS) regulations and other relevant regulations, legislation and guidance, details of which are provided in appendix 1. The strategy does not override any provision or requirement set out within any of those regulations.

This Pension Administration Strategy applies to all employers in GMPF. Employers must have regard to this strategy when carrying out their role.

Tameside Metropolitan Borough Council (TMBC) is the administering authority for GMPF, as defined in the LGPS regulations.

2. Purpose

This Pension Administration Strategy:

- provides clarity on the key roles and responsibilities of GMPF and its employers
- sets expectations and confirms the targets that GMPF and its employers need to work to
- helps all parties to achieve regulatory compliance by providing a framework that is clear and user-friendly
- assists GMPF and its scheme employers in adhering to the Pensions Regulator's Codes of Practice
- complements procedures that help all parties to meet their data protection and data quality responsibilities
- helps to ensure all parties provide the best possible service to scheme members and other relevant stakeholders
- emphasises the importance of the shared role that GMPF and its scheme employers have in ensuring excellent service delivery to scheme members
- promotes efficient working practices, transparency and a culture of continual improvement.

An effective Pensions Administration Strategy supports GMPF and its employers to deliver on their responsibilities so that all pension fund members and stakeholders receive an excellent service.

3. Role of Scheme employers and their expected performance

Scheme employers and administering authorities have distinct decision-making and administrative duties under the LGPS regulations and other relevant legislation.

Employer performance has a significant impact on the overall level and quality of service provided to scheme members. This section covers:

3.1 The agreed service delivery tasks and responsibilities that an employer should carry out in their role.

3.2 The key legislative and regulatory responsibilities of an employer.

3.3 Accepted methods of data exchange.

3.4 The additional responsibilities of those employers who use an external payroll provider.

3.5 The additional roles and responsibilities of those employers with access to Altair.

3.1 Scheme employers - agreed service delivery tasks and responsibilities

The following expectations have been agreed to ensure GMPF and its employers work together and co-operate effectively to provide the best level of service possible to scheme members.

Employers are expected to:

- nominate a principal authorised officer for day to day pension matters and keep their GMPF contacts list up to date
- inform GMPF immediately whenever a new employer authorised officer needs to be appointed or removed from our records
- ensure GMPF are informed in any changes to contact information, such as a change of address or email details
- use the Employers section of the GMPF website to obtain and request information
- promote and highlight pension responsibilities and statutory requirements within their organisation
- consider GMPF's Communication and Engagement Strategy when communicating about GMPF and the LGPS
- support GMPF with promotional activities and in distributing communications
- encourage scheme members to use GMPF's My Pension online service
- assist GMPF in obtaining feedback and analysis that will help to improve the service provided
- have regard to GMPF employer bulletins and relevant Local Government Association and Scheme Advisory Board guidance
- comply with any request from GMPF's internal auditors, including requests for documentation or to attend an employer's offices to carry out an audit on compliance with pension duties, including follow up action
- return any legal documentation promptly and within the requested timescales
- pay any invoices for fees, fines or additional costs promptly and within the requested timescales
- keep GMPF informed of any changes that may affect its ability to meet its statutory obligations or provide the expected service to scheme members
- respond promptly to any enquiries that relate to breaches in the law

- protect member data from improper disclosure and use any information supplied by GMPF only to administer the LGPS
- keep GMPF informed of structural, governance or corporate changes that might affect its eligibility to remain an LGPS employer or that relate to the terms of its admission
- comply with the statutory duties and targets set out in Section 3.2.

3.2 Scheme employers - statutory duties and targets

This section outlines the key legislative and regulatory responsibilities of an employer. GMPF recommends that employers also refer to the LGPS regulations directly when undertaking their role and assessing their LGPS responsibilities. Providing accurate data in a timely way is vital to ensure compliance with the law and statutory guidance.

Scheme member events

Responsibility	Regulation/ Legal requirement	Statutory deadline/ target	Overall case target	Format of submission	Locally agreed deadline/target
Joining the LGPS					
Determine eligibility to join the LGPS and GMPF	The Local Government Pension Scheme Regulations 2013 (LGPSR13) LGPSR13 - Regulation 3	N/A	N/A	N/A	N/A
Notify new joiners to GMPF	The Occupational and Personal Pension Schemes (Disclosure of Information) Regulations 2013, as amended (Disclosure regulations) Disclosure Regulations – Regulation 6	New joiners must receive a notification of joining within two months of the date of joining, or within one month of GMPF receiving jobholder information or where the individual is being auto-enrolled / re-enrolled	Notifications to the member must be sent within two months (or max. 46 working days) from date of joining	Monthly data submission, through i-Connect	Joiner notifications must be on the data return for the month that the member joined, or the month after if this is not possible
Nominate members to join GMPF	Applies where the employer is an admission body where nominations to admit new members are required as part of the terms of admission to GMPF	The terms as set out in the admission agreement	N/A	Form P121 must be completed and submitted to GMPF's Employer Support Team	Nominations should be made at least two months prior to the proposed date of joining to allow sufficient time for the application to be considered

Responsibility	Regulation/ Legal requirement	Statutory deadline/ target	Overall case target	Format of submission	Locally agreed deadline/target
Submit opt out notifications received to GMPF	Automatic enrolment legislation Or LGPSR13 – Regulation 5	The employer must notify the pension scheme administrator that the person has opted out	Under auto enrolment, if the member opts out within three months of joining the employer must refund the contributions to the employee within six weeks of receiving the opt-out form or, if the payroll has already been run, by the end of the next pay period.	Monthly data submission, through i-Connect	Opt out notifications must be on the data return for the pay period that the member opted-out or the month after if this is not possible
Changes in circumstances					
Notify all changes to member details, including personal home address, hours, date of birth and breaks in membership	Under requirements of GMPF PAS LGPSR13 - Regulation 59	N/A	N/A	Monthly data submission, through i-Connect Urgent address changes can be notified using spreadsheet P5. Those submitting an online return to I-Connect must submit breaks in service using the P5 spreadsheet.	All changes should be on the monthly data return in respect of the pay period when the change in circumstances was made or the month after if this is not possible. Where circumstances do not allow this, the notification should be sent as soon as is reasonably practicable
Leavers, retirements and deaths in service					
Notify early leavers	LGPSR13 - Regulation 73 The Occupational Pension Schemes (Preservation of Benefit) Regulations 1991	A statement of benefits should be provided no more than two months from the date of request / notification	Notifications to the member must be sent within two months (or max. 46 working days) from date of leaving	Monthly data submission, through i- Connect, plus leaver notification spreadsheet	Leaver notifications must be on the data return for the month that the member left, or the month after if this is not possible

Responsibility	Regulation/ Legal requirement	Statutory deadline/ target	Overall case target	Format of submission	Locally agreed deadline/target
Notify immediate retirements	Disclosure Regulations- Regulation 20	A statement of benefits should be provided no more than two months from the date of request / notification	Notifications to the member must be sent within two months (or max. 46 working days) from date of leaving	Monthly data submission, through i-Connect, plus form P71	Retirement notifications should be on the data return for the month that the member retired, or on an earlier month's return. Where this is not possible, they should be on or the month after ideally at the latest
Determine eligibility for ill health cases	LGPSR13 - Regulation 35 & 38	N/A	N/A	Form P72 should be submitted	The form should be received within ten working days of the decision being made
Review the payment of Tier 3 ill health retirements	LGPSR13 - Regulation 37	N/A	N/A	N/A	N/A
Notify deaths in service and determine eligibility for survivor benefits	Disclosure Regulations- Regulation 21	Information must be provided as soon as possible, but no later than two months from notification	Notifications to the dependant must be sent within two months (or max. 46 working days) from date of notification	Monthly data submission, through i-Connect, plus form P74a-d	A call should be made or email sent immediately to notify GMPF. Forms should be sent as soon as possible. Death in service notifications must be on the data return for the month that the member died, or the following month at the latest wherever possible
Estimate and pay information					
Provide pay or other information that GMPF need in order to respond to annual or lifetime allowance matters / divorce / similar enquiries	Under requirements of GMPF PAS LGPSR13 - Regulation 59	A statutory target may apply depending on the task	See regulations that apply for the specific case type that applies	The format of the response needed will be specified in the request	Responses are expected to be received within ten working days. However, where a member is awaiting payment (so in the case of a new retirement in particular) responses are expected within five working days. (Please note that timescales will be adjusted where appropriate, so over Christmas for example or where an employer has a significant number of requests to respond to)

Contributions and Payments

Responsibility	Regulation	Statutory deadline/ target	Format of submission	Locally agreed deadline/ target
Band and re-band employee contributions	LGPSR13 - Regulation 9	N/A	Monthly data submission, through i-Connect	Details must be supplied on the monthly data return submission in respect of the pay period when the change of band was made (note that alternative timeframes will be agreed for the implementation of retrospective pay awards)
Deduct employee contributions from pay (including any additional contributions)	LGPSR13 - Regulation 85	N/A	N/A	N/A
Pay contributions during employee absences (such as assumed pensionable pay)	LGPSR13 - Regulation 15	N/A	N/A	N/A
Pay a refund of contributions to opt outs where applicable	LGPSR13 - Regulation 5	N/A	N/A	N/A
Pay all employee and employer contributions to GMPF	LGPSR13 - Regulations 67, 68 and 69	Every Scheme employer must pay to the appropriate administering authority on or before such dates falling at intervals of not more than 12 months as the appropriate administering authority may determine Under the Pensions Act 2004 and the Occupational Pension Schemes (Scheme Administration) Regulations 1996.	Payments must be made by BACS transfer every month	Payments must be made by BACS or CHAPS transfer by the first working day of the month following the month of deduction (note that a later timescale can be agreed for the month of January)

Responsibility	Regulation	Statutory deadline/ target	Format of submission	Locally agreed deadline/ target
Send a remittance advice to accompany all payments sent to GMPF	LGPSR13 - Regulation 69	Every payment must be accompanied by a statement. An administering authority may direct that the information shall be given to the authority in such form as it specifies in the direction.	A form P8 must be sent to the Pension Accountancy team	Form P8 must be received by the first working day of the month following the month of deduction
Provide scheme member pay and contribution data to GMPF	LGPSR13 - Regulation 80	N/A	Monthly data submission, through i-Connect	The data return must be submitted on the date that has been agreed and no later than by the first working day of the month following the month of deductions
Pay strain cost invoices on request	LGPSR13 - Regulation 68	N/A	Payments must be made by BACS transfer	Payment must be received by GMPF within 30 days of the date of the invoice
Pay AVCs deductions from pay to the AVC provider	LGPSR13 - Regulation 67	N/A	Payment must be made by BACS to the AVC provider and accompanied by the providers requested forms	Payment must reach the AVC provider by 1st of the month or earlier if possible
Pay all other agreed payments to be made to GMPF (such as recharge payments or costs towards administration)	LGPSR13 - Regulation 69 & 70	N/A	Payments must be made by BACS transfer	Payment must be received by GMPF within 30 days of the date of the invoice
Ensure any changes to the employer contribution rate are implemented by the effective date	LGPSR13 - Regulation 67	N/A	N/A	N/A
Respond to all queries sent by GMPF about any data or payments submitted	Under requirements of GMPF PAS LGPSR13 - Regulation 59	N/A	The format of the response needed will be specified in the request	Responses are expected to be received within ten working days

Governance

Responsibility	Regulation	Statutory deadline/target	Format of submission	Locally agreed deadline/target
Appoint a nominated adjudicator for stage 1 appeals made under the internal dispute resolution procedure (IDRP)	LGPSR13 - Regulation 74	N/A	The employer does not need to notify GMPF of appointments unless specifically requested to do so	The appointment should be made within one month of the employer joining GMPF or within one month of the existing adjudicator's resignation
Appoint an Independent Registered Medical Practitioner (IRMP) in order to opine on ill health retirement cases	LGPSR13 - Regulation 36	N/A	Requests for approval must be made and agreed by GMPF in advance of the IRMP being used. Form P72i must be completed and submitted to GMPF's Employer Support team	The form should be submitted two months in advance of the IRMP being used for the first time.
Prepare and publish a Pensions Discretions policy	LGPSR13 - Regulation 60	Before the expiry of a month beginning with the date any such revisions are made, each Scheme employer must send a copy of its revised statement to each relevant administering authority, and must publish its statement as revised	A copy of the policy, and all subsequent revisions to it must be provided to GMPF's Employer Support team	A copy of the policy must be provided within one month of the employer joining GMPF and within one month of any revisions published thereafter
Notify GMPF of any bulk/TUPE transfers that are planned	N/A	N/A	Employers should contact the Employer Support team as soon as they are aware that a bulk / TUPE transfer might take place and confirm the scheme employer(s) involved	As soon as possible
Notify GMPF that there is an intention to outsource services and to expect an admission agreement application from the contractor appointed, or, where there is an intention to re-let an existing contract	N/A	N/A	Employers should contact the Employer Support team as soon as they are aware that this is being considered and should confirm the scheme employer(s) involved	As soon as possible

Responsibility	Regulation	Statutory deadline/target	Format of submission	Locally agreed deadline/target
Changes to the policy about the admission of new members	N/A	N/A	Employers should contact the Employer Support team to discuss this as soon as it is being considered	As soon as possible
Termination of admission agreements	N/A	As set out within the admission agreement or as soon as termination becomes likely	Employers should contact the Employer Support team to discuss this as soon as it appears likely	As soon as possible

3.3 Scheme employers - accepted methods of data exchange

Employers should submit data and information to GMPF in the format referred to in the column headed 'format of submission' in the table in 3.2. Employers should speak to the relevant GMPF section to obtain approval to submit information in an alternative format.

All employers must use GMPF's data transfer system, i-Connect, to submit data every month. All forms should be submitted using a secure method of data transfer or by post. Other information can also be supplied by email. However, employers must consider data protection when sending information by email and take appropriate steps to ensure data breaches do not occur.

Employers with access to Altair workflow (see 3.5) must use the workflow task and comments functions to respond to queries or exchange information securely where appropriate, unless GMPF have requested a response in a different format.

3.4 Scheme employers - additional responsibilities of those using an external payroll provider

A Scheme employer remains responsible for carrying out the requirements in 3.2, even if that employer decides to outsource some of its functions to a third-party provider or another part of its wider organisation.

Therefore, an employer must ensure that the third-party provider or equivalent can meet all of the employer's duties and obligations that they have been appointed to carry out.

- Employers must monitor their payroll providers to check they are meeting their responsibilities in full and we recommend employers carry out regular audits.
- Employers must explain the potential consequences to the provider if they do not comply with data requests. We recommend employers make clear the penalties they will impose for not complying.
- Employers must tell us when they change providers so that we can ensure no breaches of the law occur.
- We recommend employers ensure their payroll provider is familiar with LGPS regulations before the contract is let to ensure no breaches of the law occur.
- The employer is responsible for providing correct pay information to GMPF under LGPS regulations. An employer must ensure it always has access to historical pay information for its members, which can include pay data going back as far as the last 13 years.

3.5 Scheme employers - additional roles and responsibilities of those employers with access to Altair

GMPF normally gives employers that have more than 250 contributing members' access to its pension database, called Altair. Employers need to name individual licence holders to do this. A licence holder has access to carry out certain administrative tasks and to use the Altair workflow system.

Licence holders have access to the pension records of their employer's contributing members and can:

- amend address data
- calculate retirement estimates
- monitor and process GMPF workloads using Altair workflow.

Licence holders have additional responsibilities for data protection. A separate data processing agreement outlines all duties and responsibilities that an employer with licence holders must adhere to.

Specific points of note are:

- All licence holders must complete the training provided by GMPF before they get access to Altair.
- If a licence holder cannot attend the training, another licence holder at the employer must give written assurance that in-house training will be or has been carried out.
- Licence holders must not share their access details and passwords with anyone else under any circumstances.
- GMPF will check if licences are being used and will revoke any that are not being used (or regularly used) as the number of licences available is limited.
- Licence holders must monitor their task list and keep it up to date, answering queries using Altair workflow and sending responses within the timescales.

4. Role of GMPF and its expected performance

GMPF's main role is to calculate and pay pension benefits. However, GMPF has many other duties and obligations. This section covers:

4.1 The service delivery tasks and responsibilities that GMPF carries out in its role.

4.2 Who manages GMPF performance and how.

4.3 The key performance indicators used to help measure service delivery.

4.1 The service delivery tasks and responsibilities that GMPF carries out in its role

GMPF's prime responsibility is to calculate and pay benefits in line with LGPS regulations. Other key responsibilities include:

- keeping accurate pension records and data
- providing annual benefit statements to all contributing and deferred members
- providing P60s to pensioner members
- providing pension savings statements to those members who exceed the annual allowance limit
- preparing and publishing a discretions policy and keeping it up to date
- appointing a nominated adjudicator for stage 1 and stage 2 appeals made under the IDRP.

To do these successfully, GMPF expects to:

- provide employers with a point of contact through its Employer Support team and Employer Helpline service
- keep employers informed of any matters that might affect them through its communication methods and strategy
- provide or facilitate training to all new employers or those authorised officers that are new to the LGPS or GMPF
- maintain a section of the GMPF website that contains information to support employers
- hold an annual update meeting where employers can find out about GMPF's performance and learn about work being undertaken
- issue regular surveys and hold feedback sessions to get employer views and make improvements
- let employers know if there are any proposed scheme changes, administration challenges or anything similar that they may need to be aware of
- carry out certain tasks on an employers' behalf where it is reasonable and acceptable to do so
- audit employers from time to time, carrying out spot checks and asking for evidence to support effective pension administration.

4.2 Who manages GMPF performance and how

GMPF's Pension Fund Management Panel is responsible for ensuring GMPF complies with its statutory responsibilities. It also sets expectations regarding administration performance. The Local Pensions Board carries out a scrutiny role and reviews compliance with the rules.

When assessing administration performance, the Management Panel will consider:

- performance against statutory targets and key service delivery indicators (see 4.3)
- the cost of administration
- benchmarking reports to assess GMPF's performance compared to that of other pension funds
- ability to recruit to key posts
- the numbers of complaints and formal disputes received and their outcomes
- audit outcomes
- ability to deliver projects on time and to budget
- feedback received from stakeholders through surveys, the website and other channels
- feedback received from staff.

4.3 The key performance indicators used to help measure service delivery

The LGPS regulations and other overriding pension legislation contain statutory targets that GMPF must meet.

Additionally, GMPF's Management Panel has set some performance standards based on the level of service that it expects to be delivered to members.

Details of these standards and our performance against them are published in the GMPF annual report.

5. How performance will be monitored

GMPF's Management Panel will monitor GMPF's performance and that of its employers in the following ways:

- Through regular reports to the Pension Fund Management Panel, relevant Working Groups and the Local Pensions Board.
- Through reporting and general day to day monitoring by GMPF managers and officers.
- Through reports provided to employers highlighting performance levels.
- By using the Internal Audit team to review processes and controls.
- By comparing performance against other LGPS pension funds, benchmarking key data and workloads.
- By following escalation procedures where there is non-compliance.
- By reviewing GMPF's breaches of the law log each quarter.
- By holding focus groups and forums when appropriate.

GMPF will monitor employer performance across the following key areas:

- The submission of monthly data returns.
- The payment of contributions and other payments due.
- The number of queries, along with the rate and quality of responses.
- The number of complaints received and IDRP cases upheld against the employer.
- Whether or not GMPF have received a copy of the employer's current discretions policy.
- Whether or not an employer has failed to notify GMPF of key changes or events within a reasonable timeframe.

6. Actions where there is non-compliance

GMPF will apply one of two escalation procedures when an employer has not met their responsibilities. These are set out in Appendices 2 and 3. GMPF will endeavour to follow these whenever employers send information or payments late or not at all.

Where GMPF has incurred additional costs due to an employer's poor performance, it will recover those costs by charging employers at the following rates:

Activity	Charges
Monthly data return submitted late*	A fixed penalty of £500 if received after the first working day of the following month, plus a further fixed penalty of £50 for every further day late after that deadline. Note that both the file and the remittance advice (form P8) must be received for no penalty to apply.
Late payment of contributions and other payments due	A fixed penalty of £500 if received after the nineteenth of the following month or after seven days of the payment due date in the case of an invoice, plus interest on the total payment due charged at one per cent above base rate calculated from the due date.
Resubmission of incorrect data	A fixed penalty of £500 plus charges to account for the officer resource used to rectify any issues charged at a minimum hourly rate of £100.
Failure to respond within the timeframe	A charge of £25 per case for each case chased after the original deadline has passed.
Failure to provide a copy of discretions policy or latest version	A fixed penalty of £500 for failing to supply a copy plus a further £100 charged on each occasion that a policy is requested or is chased by an officer and is not supplied
Failure to notify GMPF of key changes or events, including a change of payroll provider	A fixed penalty of £1000 where the change has a significant impact on administration or £500 plus a further £100 charged on each occasion that further information is requested or chased and not supplied

*Separate target dates may be agreed for those employers that submit weekly, fortnightly or four-weekly returns

If an employer's poor performance leads to a third-party agency issuing GMPF with financial penalties, then GMPF will recover these costs from the employer concerned.

This includes:

- Those imposed by agencies such as the Pensions Regulator for a breach of statutory duties, where the breach occurred due to the poor performance of an employer. An example would be where GMPF has not issued annual benefit statements because the employer has failed to provide member data.
- Those imposed by HMRC, such as scheme sanction charges that arise as a result of the decision of an employer. An example would be if the employer allowed a member to claim benefits that would cause GMPF to make an unauthorised payment.
- Those imposed by the Office of the Information Commissioner following a data breach where the breach was caused by the actions of an employer.

GMPF will pay the penalty but will recover it from the employer concerned. The list is not exhaustive and GMPF reserves the right to use the same principles and policy for other penalties imposed on it by outside agencies not detailed here.

In general, GMPF will apply a financial penalty where an employer fails to:

- meet the requirements of this Pensions Administration Strategy
- meet the requirements of the LGPS Regulations
- meet the requirements of other legislation.

Where this results in:

- additional work or costs for GMPF or its agents
- failure of GMPF to meet its obligations under the LGPS regulations, other legislation or guidance
- complaints by organisations or members
- appeals by members or their representatives.

In all cases, GMPF would look to consider any mitigating circumstances, such as system failure, business continuity events and so on, and take a pragmatic approach when making decisions.

GMPF would hope that any disputes could be resolved locally upon discussion. However, if these cannot be resolved, the matter would be referred to GMPF's Management Panel.

7. Communication, resources and available support

Employers can do many things to communicate well with GMPF to ensure an excellent service is provided to fund members. As a minimum, GMPF expects its employers to:

- inform GMPF about all changes that might affect its or GMPF's ability to meet pension obligations and deliver the required standards of service
- nominate a principal pensions authorised officer and keep their full list of contacts and authorised officers up to date
- promote and highlight the expected performance levels within their organisations to ensure managers, HR officers and so on are aware of the timescales that they need to work to and the requirements that they need to meet
- support GMPF with any promotional activities that they are carrying out, including assisting with distributing e-communications and promoting online access through My Pension
- assist GMPF with obtaining feedback or carrying out data analysis that will help improve the employer experience or service delivery to members
- fully support GMPF's internal auditors with any audits they wish to carry out and respond to all questions, queries and draft audit recommendations promptly by the timescales agreed
- cooperate with GMPF officers to resolve any issues, complaints or similar to a swift and agreeable conclusion.

GMPF resources and support available to employers to assist them includes:

- an employer helpline service
- an employer's section of the website
- regular information e-bulletins
- training webinars and seminars
- policy and strategy documents, including GMPF's discretions policy, communications policy, communication and engagement strategy, data strategy and annual report
- a GDPR memorandum of understanding for employers (see appendix 4)
- Altair usage and data sharing agreements
- procedures for providing feedback or escalating issues
- employer support meetings and conference calls

GMPF will signpost employers to other resources and communications that may assist them in their role.

This includes guidance from the Local Government Association (LGA), the LGPS Scheme Advisory Board (SAB) and GMPF's fund actuary.

8. Feedback and review process

Regulation 59 of the Local Government Pension Scheme (LGPS) Regulations 2013 is the regulation that allows GMPF to create this strategy. Regulation 59 states that on creating or revising its strategy, the administrating authority must consult with its employers.

GMPF will consult with employers whenever it changes the Pension Administration Strategy (except where there are minor or corrective amendments only). The consultation period will normally be eight weeks.

The GMPF Management Panel must approve the Pension Administration Strategy before it is published.

GMPF will review and update it each year in line with the annual review of all GMPF pension administration policies and strategies. It will also be reviewed:

- whenever there are regulatory changes
- if it is impacted by changes to other legislation or guidance
- if there are changes to policies, statements or strategies that affect its contents
- when there are operational changes.

Once approved, GMPF will publish the final version to the employers' section of the website and a link will be circulated to all GMPF employers and the Secretary of State.

If you have a question or comment about any aspect of this Pension Administration Strategy, please contact GMPF's Employer Liaison team.

Appendix 1

Relevant regulations and guidance

Regulations and other legislation governing the strategy include:

- The Local Government Pension Scheme 1995, 1997 and 2008 Regulations as they still have effect in part
- The Local Government Pension Scheme (Transitional Protection) Regulations 2014
- The Local Government Pension Scheme Regulations 2013 in force now or as amended and in force at any future date
- The Public Sector Pensions Act 2013
- The Pensions Act 1993
- The Pensions Act 1995
- The Pensions Act 2004
- The Pensions Act 2014
- The 2004, 2006 and 2014 Finance Acts
- The Occupational & Personal Pension Schemes (Disclosure of Information) Regulations in force and as amended
- The Occupational Pension Schemes (Transfer Values) Regulations in force and as amended

This list is not exhaustive and other Legislation and Regulations may and will apply in certain specific circumstances.

In accordance with the Public Sector Pensions Act 2015, the LGPS is regulated by the Pensions Regulator. GMPF and its employers are also required to comply with regulatory guidance or Code of Practice issued by the Pensions Regulator.

Pension Administration Strategy

The Local Government Pension Scheme Regulations 2013 (Regulation 59 (1)) enables a LGPS administering authority to prepare a written statement of the Administering Authority's policies in relation to such matters mentioned in Regulation 59 (2) that it considers appropriate.

The regulation says that this written statement shall be known as the "Pension Administration Strategy" and shall include the following:

- Procedures for liaison and communications between the administering authority and Scheme employers ("its Scheme employers);
- The establishment of levels of performance which the administering authority and its Scheme employers are expected to achieve in carrying out their Scheme functions ("Service Level Agreements (SLA)"). These functions are:
    i. the setting of performance targets,
    ii. the making of agreements about levels of performance and associated matters, or
    iii. such other means as the administering authority considers appropriate.
- Procedures which aim to secure that the administering authority and its Scheme employers comply with statutory requirements in respect of those functions and with any agreement about levels of performance;
- Procedures for improving the communications by the administering authority and its Scheme employers to each other of information relating to those functions;
- The circumstances in which the administering authority may consider giving written notice to any of its Scheme employers under these regulations (additional costs arising from the Scheme employer's level of performance) on account of that employer's unsatisfactory performance in carrying out its Scheme functions when measured against levels of performance established under the SLA;
- The publication by the administering authority of annual reports dealing with:
    i. the extent to which the administering authority and its Scheme employers have achieved the level of performance established under the SLA;

ii. such other matters arising from The Pension Administration Strategy as the administering authority considers appropriate.

- Such other matters as appear to the administering authority after consulting its Scheme employers and such other persons as it considers appropriate, to be suitable for inclusion in the Pension Administration Strategy.

In addition Regulations 59 (3 -7) requires that:

- Where the administering authority produces a Pension Administration Strategy, it is kept under review and revised where appropriate;
- When reviewing or revising the Pension Administration Strategy the administering authority must consult with its Scheme employers and such other persons it considers appropriate;
- Where the administering authority produces a Pension Administration Strategy or revises that strategy it must send a copy of it to each Scheme employer and to the Secretary of State;
- The administering authority and Scheme employers must have regard to the Pension Administration Strategy when carrying out functions under the LGPS regulations.

Regulation 60 requires each employer to publish its discretion on:

- funding additional pension [16(2)(e) and 16(4)9d)
- flexible retirement [30(6)]
- waiving actuarial reductions [30(8)]
- the award of additional pension [31] and, in addition,

Regulation 14 of the Local Government (Discretionary Payments)(Injury Allowances) Regulations 2011 requires employers to publish and keep under review its policy on these regulations. There are also a number of discretionary discretions under the current regulations and some mandatory discretions under previous sets of regulations. GMPF's Employer Support team can support with discretion policies upon request.

Recovering costs due to poor performance

Regulation 70 of the Local Government Pension Scheme Regulations 2013 enables the administering authority to recover additional costs from a Scheme employer when, in the opinion of the administering authority, it has incurred additional costs because of the poor performance of the Scheme employer in relation to the Pension Administration Strategy.

The administering authority may give written notice to the Scheme employer stating:

- the administering authority's reasons for forming the opinion;
- the amount the administering authority has determined the Scheme employer should pay under Regulation 69 (1) (d) in respect of those costs and the basis on which the specified amount is calculated;
- the provisions of the Pension Administration Strategy which are relevant to the decision to give the notice.

GMPF has determined that it will apply a number of financial penalties for noncompliance with the requirements of this Administration Strategy under Regulation 70.

If financial penalties are levied, GMPF will issue an invoice to the employer confirming the costs due. The invoice will include a breakdown of the costs and details of the bank account into which the employer must pay. Payment will be due within 30 days of the date of issue. GMPF will provide details of how to query or appeal the amounts that GMPF are levying.

Appendix 2

Escalation procedure for non-provision or late provision of information

Where employers have not met the target dates and deadlines for information as set out in the table in section 3.2, the following procedures will be followed:

1. Failure to send the monthly data submission by the due date

Timeline (all days are working days,due date = 0)	Status	Action	GMPF Responsible Officer	Employer contact level	Register monitoring log / update
0 - 7 days		Email to be sent to employers reminding them of the due date for data submission	Emails sent automatically by i-Connect	Data submission contact	N/A
0 + 3 days	On watch	Email to be sent to employer reminding them that the submission due date is overdue and now classed as 'late'	Emails sent automatically by i-Connect	Data submission contact	Yes, unless exceptional circumstances apply
0 + 14 days	Enhanced watch	Email to confirm that the employer is in breach and is likely to be included on GMPF's breaches of the law log	Employer Support Team Manager/ Section Manager	Most senior contact / finance contact at employer as appropriate	Yes
0 + 17 days	Enhanced watch	Telephone call and email to confirm that the employer is in breach and will be included on GMPF's breaches of the law log	Employer Support Section Manager / Head of Pensions	Most senior contact / finance contact at employer as appropriate	Yes
0 + 17 days to 0 + 23 days or more	Enhanced watch	Referred to the GMPF breaches of the law group to discuss and agree the next steps	Breaches of the law group		Yes

2. Failure to submit all other documentation or respond to queries by the expected date

Timeline (all days are working days, due date = 0)	Status	Action	GMPF Responsible Officer	Employer contact level	Register monitoring log / update
0 + 7 days		Reminder to be sent to employer	Pension Officer	Employer Pensions Contact	N/A
0 + 17 days		Employer contacted again to agree a final response date	Senior Pension Officer / Team Manager	Employer Pensions Contact	N/A
0 + 24 days	On watch	Employer to be contacted again escalated to a senior contact	Team Manager / Section Manager	Senior contact / manager at employer as appropriate	Yes, unless exceptional circumstances apply

Timeline (all days are working days, due date = 0)	Status	Action	GMPF Responsible Officer	Employer contact level	Register monitoring log / update
0 + 31 days	On watch	Employer to be contacted again and escalated	Team Manager / Section Manager	Payroll / Pensions / Finance Manager at employer as appropriate	Yes, unless exceptional circumstances apply
0 + 34 days or more	Enhanced watch	Referred to the GMPF breaches of the law group to discuss and agree the next steps	Breaches of the law group		Yes

Potential courses of action

We should confirm the information we need and give you a proposed time scale at each stage of the escalation process. We should also tell you the next steps in the process if you do not send the information within the proposed timescale. For example, if the next step is for us to refer the item to a more senior manager within GMPF or at the employer, then this should be explained to you.

It may be that you need additional support from us to be able to provide the information. Wherever we can, we will provide you with this support. We will record details on a performance monitoring log or breaches of the law log when we have designated an employer as being 'On watch' or 'Enhanced watch'. Other potential courses of action are:

Status Level	Potential Courses of Action
On watch	Range of outcomes include: • Financial penalties imposed • Meeting with senior officers from GMPF • Deadlines imposed for resolution of issues • Tameside MBC Internal Audit to support the employer to assess and improve pensions processes • Officers required to attend mandatory training • Request for written information to be submitted to the Pensions Administration Working Group
Enhanced watch	Range of outcomes include: • Financial penalties imposed • The employer is asked to attend Pensions Administration Working Group and provide a verbal update regarding improvements • Individual members affected are written to informing them about the issue • Executive Director referral for meeting with Chief Executive • Report unsatisfactory performance to the Pensions Regulator • Review of Admission Agreement (for admitted bodies only)

Appendix 3

Escalation procedure for non-payment or late payment

Where employers have not met the target dates and deadlines for payments as set out in the table in section 3.2, the following procedures will be followed:

Timeline (all days are working days, due date = 0)	Status	Action	GMPF Responsible Officer	Employer contact level	Register monitoring log / update
0 + 7 days		Employer to be contacted to remind that the payment is now overdue	Accountancy Officer	Employer Contact	N/A
0 + 17 days	On watch	Employer contacted again to agree a final payment date	Accountancy Officer	Senior Employer Contact	Possibly
0 + 21 days	Enhanced watch	Employer to be contacted again but escalated to a senior contact	Team Manager / Section Manager	Senior contact / Finance Manager at employer as appropriate	Yes
0 + 24 days or more	Enhanced watch	Referred to the GMPF breaches of the law group to discuss and agree the next steps	Breaches of the law group		Yes

The potential courses of action are the same as those listed in appendix 2.

Appendix 4

Memorandum of understanding regarding data exchange

GMPF needs to send and receive personal data all the time due to the nature of its work. Information about how we meet data protection legislation is set out on our website.

We will have put controls in place to ensure we meet the data security standards we believe are required to fulfil our duties. We expect employers to respect and adhere to these controls and to work with us to ensure the measures in place are as strong as possible. This may include signing authorisation documents and checking authorisation agreements, amongst other things.

We also expect all employers to comply fully with the data protection regulations, to obtain consent from individuals when required and use data only for the purposes for which they obtained it.

If you believe that we are failing in our duties as a data controller or if you believe that we could further strengthen the data security controls we have in place, we expect you to let us know as a matter of urgency so that we can take the necessary action.

Appendix 5

Further sources of information

There is lots of information on the GMPF website. Supporting documents include:

- The charging schedule for other costs
- Communications Policy and the Communications and Engagement Strategy
- A document outlining administering authority discretions
- The Governance Compliance Statement
- The Funding Strategy Statement
- General information for members of the LGPS

The website address for the central LGPS website for employers and pension funds in England and Wales is http://www.lgpsregs.org/

This website contains particularly useful guides for employers regarding human resources, payroll and auto enrolment.

You may also find information held on The Pensions Regulator's website useful, especially around auto enrolment responsibilities. This website can be found at https://www.thepensionsregulator.gov.uk/en

Pension Administration Strategy 2020

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Useful contacts

General members' enquiries	Greater Manchester Pension Fund Guardsman Tony Downes House 5 Manchester Road Droylsden, M43 6SF If calling in person please use M43 7UH for satnav. Visit www.gmpf.org.uk for general information or to send us a message. 0161 301 7000
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Administered by Tameside Metropolitan Borough

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