GMPF Governance Policy and Compliance Statement

Version: 2025.1
Effective from: 1 April 2023

The Assistant Director for Pensions Administration owns this policy
External policy document

Contents

Introduction 1

The purpose of this policy 1
Aims 1
The relationship between Tameside MBC and Greater Manchester Pension Fund 1
Background information 1

Governance structure 3

Tameside MBC's constitution and the delegation of its functions 3
GMPF's Governance structure chart 4
GMPF Management Panel 5
GMPF Advisory Panel 5
GMPF Working Groups 5
Local Pension Board 6
Chief Executive of GMPF 6
Other key roles and their responsibilities 7

Governance functions and responsibilities 8

Accountability and publication of information 8
Knowledge and skills 8
Trustee appointments and conflicts of interest 8
Risk management 8

Governance compliance statement 9

Regulatory requirement and statutory guidance 9
GMPF's governance compliance statement 9

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 Ministry of Housing, Communities and Local Government (MHCLG) 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 Chief Executive of GMPF.

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.

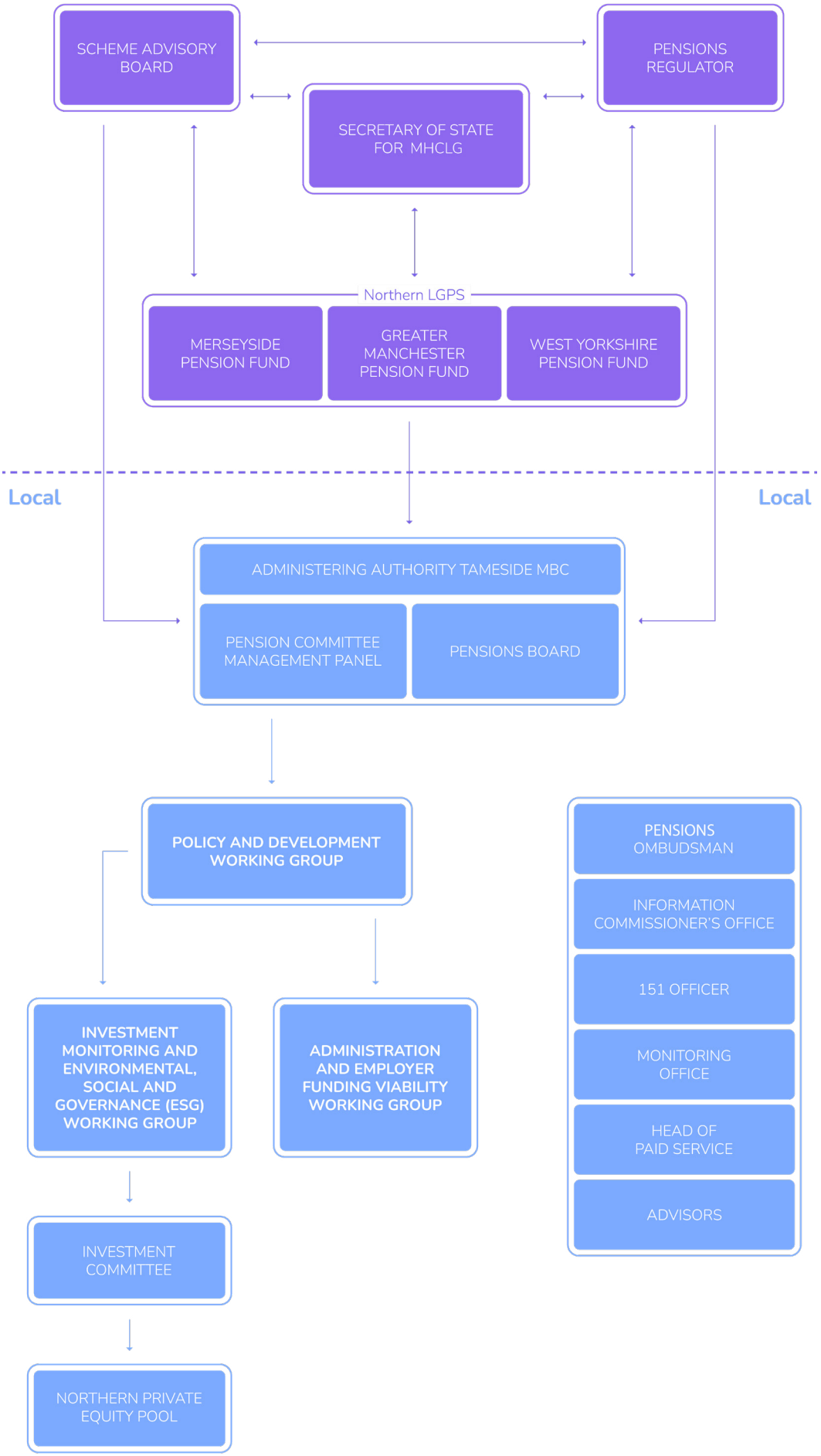
The GMPF Management Panel is a decision-making body. Tameside MBC delegates its decision making in respect of GMPF to the Management Panel, which in turn permits the Chief Executive of GMPF to implement its strategy using delegated powers.

The Pension Fund Advisory Panel works closely with the Management Panel and advises them in all areas. Each local authority, plus the Ministry of Justice, has representatives on the Advisory Panel, and there are six employee representatives nominated by the North West TUC (Trades Union Congress).

External advisors assist the Advisory Panel regarding investment and governance related issues. A key element is helping it to question the Fund's investment managers on their activities.

GMPF also has a Local Pension Board that has specific duties under the Public Service Pensions Act 2013. The Local Pension Board is a scrutiny body and does not have decision-making powers. Its role is to oversee the Fund's operation and ensure it is meeting its legal and administrative requirements.

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 Chief Executive of GMPF

The Chief Executive of GMPF 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 Chief Executive of GMPF may authorise officers within the department to exercise on their behalf any functions delegated to the Chief Executive. Any decisions taken by those authorised officers will remain the responsibility of the Chief Executive of GMPF, and the Chief Executive 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 750 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) (ii) scheme members (including deferred and pensioner scheme members) (iii) where appropriate, independent professional observers, and (iv) expert advisors (on an ad hoc basis).	Partial Yes Partial 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
10 January 2024	Emma Mayall	Update to image in section 2.2	2024.1
15 February 2024	Emma Mayall	Update to section 2.1	2024.2
3 July 2025	Adrian Aguilera	Updates to names throughout for the Chief Executive of GMPF and MHCLG	2025.1

GMPF Governance Policy and Compliance Statement
Version: 2025.1
Effective from: 1 April 2023