

Greater Manchester Pension Fund

Actuarial Valuation as at 31 March 2004

Executive Summary

This report sets out the results of our actuarial valuation of the Greater Manchester Pension Fund as at 31 March 2004 and is addressed to Tameside Metropolitan Borough Council as administering authority to the Fund.

The main conclusions are as follows:

- The funding level (ratio of assets to past service liabilities) as at 31 March 2004 is 93% (compared to 105% as at 31 March 2001). This corresponds to a past service deficit of £461m.
- Without anticipating an element of future equity out-performance, the corresponding result would be a funding level of 72%.
- The employers' average cost of future service benefits (i.e. ignoring any past service deficit) is 12.4% of pensionable pay with effect from 1 April 2005. This excludes the impact of the abolition of 'the Rule of 85'.
- Assuming that a funding level of 100% is to be targeted over a period of 20 years on the ongoing basis (if our assumptions are borne out in practice) the common employers' contribution rate is 14.5% of pensionable pay, reducing to 12.5% of pay if we take credit for the abolition of the Rule of 85.
- Adjustments have been made to the common rate of employers' contribution to take account of certain circumstances that are peculiar to individual employers. The *minimum* contributions to be paid by each employer from 1 April 2005 to 31 March 2008 are shown in our Rates and Adjustment Certificate
- Employers may make voluntary additional contributions to recover the shortfall over a shorter period.
- All employers are also required to make additional payments in respect of ill health retirements and other early retirements where the cost exceeds the budgeted cost.

Ronald S Bowie FFA
18 March 2005

Alison Murray FFA

Greater Manchester Pension Fund Actuarial Valuation as at 31 March 2004

STATEMENT TO THE RATES AND ADJUSTMENTS CERTIFICATE

The Common Rate of Contribution payable by each employing authority under Regulation 77 for the period 1 April 2005 to 31 March 2008 is 12.5% of pensionable pay.

Individual Adjustments are required under Regulation 77 for the period 1 April 2005 to 31 March 2008 resulting in *minimum* total contribution rates expressed as a percentage of pensionable pay, as set out below:-

Employer Code	Employer/Pool	Minimum Contributions for the Year ending		
		31 March 2006	31 March 2007	31 March 2008
Bolton MBC Pool				
20	Bolton MBC	11.4%	12.1%	12.8%
315	Bolton Community Leisure Limited	11.4%	12.1%	12.8%
314	Dawn Construction Limited	11.4%	12.1%	12.8%
114	Canon Slade School	11.4%	12.1%	12.8%
110	Crompton Fold School	11.4%	12.1%	12.8%
120	George Tomlinson Secondary School	11.4%	12.1%	12.8%
11	St James School Bolton	11.4%	12.1%	12.8%
289	Bolton At Home Ltd	11.4%	12.1%	12.8%
Bury MBC Pool				
21	Bury MBC	11.4%	12.4%	13.4%
274	Bury Gateway Club	11.4%	12.4%	13.4%
304	Groundwork Bury	11.4%	12.4%	13.4%
126	Peel Brow Primary School	11.4%	12.4%	13.4%
223	Yesoday Hatorah School	11.4%	12.4%	13.4%
329	Six Town Housing Limited	11.4%	12.4%	13.4%
Manchester City Council Pool				
1	Manchester City Council	11.6%	12.6%	12.6%
321	Amey Highways Limited	11.6%	12.6%	12.6%
307	Eastlands Homes Partnership Ltd (Trfd Staff)	11.6%	12.6%	12.6%
291	Group 4 Total Security Limited	11.6%	12.6%	12.6%
290	Manchester 50 Pool Ltd	11.6%	12.6%	12.6%
257	National Car Parks Manchester Ltd	11.6%	12.6%	12.6%
312	Wythenshawe Forum Trust Limited	11.6%	12.6%	12.6%
191	St Kentigern's R.C. Primary School	11.6%	12.6%	12.6%
268	Greater Manchester Waste (Manchester Collections) Limited	11.6%	12.6%	12.6%
Oldham MBC Pool				
23	Oldham MBC	11.9%	12.5%	13.2%
325	Contour Homes Ltd [Ex-FCHO]	11.9%	12.5%	13.2%
299	Remploy Limited	11.9%	12.5%	13.2%
318	The Villages Housing Association Limited	11.9%	12.5%	13.2%
284	First Choice Homes Oldham Limited	11.9%	12.5%	13.2%
Rochdale MBC Pool				
24	Rochdale MBC	10.7%	11.6%	12.5%
160	Bamford Primary School	10.7%	11.6%	12.5%
104	Crossgates School	10.7%	11.6%	12.5%
156	Healey Primary School	10.7%	11.6%	12.5%
151	Hollingworth High School	10.7%	11.6%	12.5%
117	Smithy Bridge Primary School	10.7%	11.6%	12.5%
149	St John Fisher Primary School	10.7%	11.6%	12.5%
118	Wardle High School	10.7%	11.6%	12.5%
119	Wardle St James Primary School	10.7%	11.6%	12.5%
279	Rochdale Boroughwide Housing Limited	10.7%	11.6%	12.5%
264	Peopleprint Community Media Workshop	10.7%	11.6%	12.5%

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Employer Code	Employer/Pool	Minimum Contributions for the Year ending		
		31 March 2006	31 March 2007	31 March 2008
Salford City Council Pool				
25	Salford City Council	10.9%	11.9%	12.8%
323	Jarvis Accommodation Services Limited	10.9%	11.9%	12.8%
306	Manchester Care Limited [Salford EPH]	10.9%	11.9%	12.8%
311	Salford Community Leisure Limited	10.9%	11.9%	12.8%
275	The Salfordian Trust Company Limited	10.9%	11.9%	12.8%
145	St Ambrose Barlow High School	10.9%	11.9%	12.8%
296	New Prospect Housing Limited	10.9%	11.9%	12.8%
Stockport MBC Pool				
26	Stockport MBC	9.9%	11.0%	12.0%
280	Stockport Sports Trust	9.9%	11.0%	12.0%
Tameside MBC Pool				
27	Tameside MBC	10.0%	11.1%	12.2%
12	Audenshaw High School	10.0%	11.1%	12.2%
124	Fairfield High School	10.0%	11.1%	12.2%
116	West Hill High School	10.0%	11.1%	12.2%
Trafford MBC Pool				
28	Trafford MBC ⁵	10.2%	11.2%	12.2%
259	Deckers Restaurants Limited	10.2%	11.2%	12.2%
302	Trafford Community Leisure Trust	10.2%	11.2%	12.2%
203	Altrincham Boys Grammar School	10.2%	11.2%	12.2%
217	Altrincham Grammar School For Girls	10.2%	11.2%	12.2%
111	Ashton On Mersey School Sports College	10.2%	11.2%	12.2%
123	Blessed Thomas Holford Catholic School	10.2%	11.2%	12.2%
112	Jeff Joseph Sale Moor Technology College	10.2%	11.2%	12.2%
256	Loreto Grammar School	10.2%	11.2%	12.2%
288	St Ambrose College	10.2%	11.2%	12.2%
219	Urmston Grammar School	10.2%	11.2%	12.2%
113	Wellington School	10.2%	11.2%	12.2%
292	Trafford Children And Young People's Service Limited	10.2%	11.2%	12.2%
Wigan MBC Pool				
29	Wigan MBC	12.0%	12.0%	12.9%
285	Intrain Limited	12.0%	12.0%	12.9%
319	NPS North West Limited	12.0%	12.0%	12.9%
313	Proco.NW Limited	12.0%	12.0%	12.9%
303	Wigan Leisure & Culture Trust	12.0%	12.0%	12.9%
283	Wigan & Leigh Housing Company Ltd	12.0%	12.0%	12.9%
Non Local Authority Pools With One Live Employer (highlighted)				
55/64/109/255	Assessment And Qualifications Alliance	15.1%	15.1%	15.1%
238/239	Ashton Pioneer Homes Ltd *	13.7%	13.7%	13.7%
106/148	Borough Care Ltd	13.5%	14.1%	14.6%
167/169	City College Manchester	12.8%	12.8%	12.8%
158/270	Connexions Cumbria Limited	11.9%	11.9%	11.9%
182/184	Tameside College	13.6%	13.6%	13.6%



Greater Manchester Pension Fund

Actuarial Valuation as at 31 March 2004

Employer Code	Employer/Pool	Minimum Contributions for the Year ending		
		31 March 2006	31 March 2007	31 March 2008
Non Local Authority Pools With Connected Employers (highlighed employers are live)				
196/197/308	Better Choices Pool Better Choices Limited (Tfd Staff) Better Choices Limited (New Staff) Employment and Regeneration Partnership Limited	14.2%	14.5%	14.5%
13/14/245	Greater Manchester Passenger Transport Pool GMPTE Greater Manchester Buses Ltd Greater Manchester Public Transport Information	12.0%	12.0%	12.0%
19/105/281/277	Manchester Airport Pool Manchester Airport plc* Ringway Handling Serviced Limited Manchester Airport Aviation Services Limited Manchester Airport Ventures Limited	14.7%	14.7%	14.7%
143/276	Stagecoach Manchester Pool* Stagecoach Manchester Limited Stagecoach Services Limited	10.5%	12.0%	15.0%
54/300	Salford University Pool Salford University Sustainability North West	11.0%	12.0%	13.0%
Small Admitted Bodies Pool				
43	APSE	12.6%	12.6%	12.6%
56	Birtenshaw Hall (Children's Charitable Trust)	12.6%	12.6%	12.6%
57-60	Nugent Care Society	12.6%	12.6%	12.6%
230	Bolton Racial Equality Council	12.6%	12.6%	12.6%
261	Breakthrough UK Limited	12.6%	12.6%	12.6%
218	Bury College Enterprises Ltd	12.6%	12.6%	12.6%
326	Cash Box Credit Union Limited	12.6%	12.6%	12.6%
97	Catholic Childrens Rescue Society	12.6%	12.6%	12.6%
195	Centra	12.6%	12.6%	12.6%
87	Chethams School Of Music	12.6%	12.6%	12.6%
94	CLES	12.6%	12.6%	12.6%
198	Cloverhall Tenants Assoc Co-Op Ltd	12.6%	12.6%	12.6%
226	Council For Voluntary Service Rochdale	12.6%	12.6%	12.6%
272	Dance Initiative Greater Manchester	12.6%	12.6%	12.6%
53	Greater Manchester Immig Aid Unit	12.6%	12.6%	12.6%
247	Greater Manchester Sports Partnership	12.6%	12.6%	12.6%
215	Greater Manchester Youth Justice Trust	12.6%	12.6%	12.6%
202	Groundwork Manchester, Salford and Trafford Ltd	12.6%	12.6%	12.6%
32	Groundwork Oldham & Rochdale	12.6%	12.6%	12.6%
267	Groundwork Tameside	12.6%	12.6%	12.6%
199	Gtr Manchester Open College Network	12.6%	12.6%	12.6%
90	Manchester & Salford FSU	12.6%	12.6%	12.6%
89	Manchester CAB	12.6%	12.6%	12.6%
108	Manchester Centre For The Deaf	12.6%	12.6%	12.6%
10	Manchester Council for Community Relations	12.6%	12.6%	12.6%
201	Manchester Minibus Agency	12.6%	12.6%	12.6%
214	Marketing Manchester	12.6%	12.6%	12.6%
229	Mechanics Centre Ltd	12.6%	12.6%	12.6%



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		31 March 2006	31 March 2007	31 March 2008
254	Metro Rochdale Employees Credit Union Limited	12.6%	12.6%	12.6%
231	Midas Limited	12.6%	12.6%	12.6%
77	Museums, Libraries And Archives North West	12.6%	12.6%	12.6%
17	National Museum of Labour History	12.6%	12.6%	12.6%
263	North Manchester Law Centre	12.6%	12.6%	12.6%
63	North West Local Auth Empl Orgn	12.6%	12.6%	12.6%
88	Oldham CAB	12.6%	12.6%	12.6%
86	Rochdale CAB	12.6%	12.6%	12.6%
224	Rochdale Centre Of Diversity	12.6%	12.6%	12.6%
121	Rochdale Development Agency	12.6%	12.6%	12.6%
85	Rochdale Family Service Unit	12.6%	12.6%	12.6%
252	Rochdale Law Centre	12.6%	12.6%	12.6%
122	Salford Foundation	12.6%	12.6%	12.6%
208	Shopmobility Charitable Trust	12.6%	12.6%	12.6%
260	Shopmobility Manchester	12.6%	12.6%	12.6%
251	South Manchester Law Centre	12.6%	12.6%	12.6%
157	Sparth Community Centre	12.6%	12.6%	12.6%
204	Stockport Cab	12.6%	12.6%	12.6%
146	Stockport Canal Boat Trust for Disabled People	12.6%	12.6%	12.6%
205	Stockport Sharecare	12.6%	12.6%	12.6%
213	Tameside Citizens Advice Bureau	12.6%	12.6%	12.6%
107	UNIAC	12.6%	12.6%	12.6%
250	Wardleworth Community Centre Association	12.6%	12.6%	12.6%
212	Wigan & Chorley Groundwork Trust Ltd	12.6%	12.6%	12.6%
31	Wigan Metrop Development Co (Inv) Ltd	12.6%	12.6%	12.6%
Small Colleges Pool				
179	Aquinas College	11.3%	11.7%	12.1%
183	Ashton Under Lyne 6th Form College	11.3%	11.7%	12.1%
235	Bolton Sixth Form College	11.3%	11.7%	12.1%
175	Eccles 6th Form College	11.3%	11.7%	12.1%
165	Holy Cross College	11.3%	11.7%	12.1%
168	Loreto 6th Form College	11.3%	11.7%	12.1%
181	North Area College	11.3%	11.7%	12.1%
172	Oldham 6th Form College	11.3%	11.7%	12.1%
176	Pendleton 6th Form College	11.3%	11.7%	12.1%
190	St John Rigby College	11.3%	11.7%	12.1%
189	Winstanley College	11.3%	11.7%	12.1%
170	Xaverian 6th Form College	11.3%	11.7%	12.1%
Other Local Authorities Pool				
48	Aintree Village Parish Council	8.8%	9.8%	10.8%
200	Blackrod Town Council	8.8%	9.8%	10.8%
241	Horwich Town Council	8.8%	9.8%	10.8%
73	Manchester Port Health Authority	8.8%	9.8%	10.8%
46	Saddleworth Parish Council	8.8%	9.8%	10.8%
320	The Valuation Tribunal Service	8.8%	9.8%	10.8%



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Employer Code	Employer/Pool	Minimum Contributions for the Year ending		
		31 March 2006	31 March 2007	31 March 2008
Separate Employers				
262	Alfred McAlpine Construction Limited*	15.6%	15.6%	15.6%
100	Borough Care Services Ltd	28.0%	28.0%	28.0%
297	Bowlee Park Housing Association	13.6%	14.4%	15.1%
316	Commission for Social Care Inspection	13.7%	15.4%	17.1%
209	Connexions Lincolnshire And Rutland Limited	13.7%	13.7%	13.7%
309	Eastlands Homes Partnership Ltd (New Staff)	12.8%	12.8%	12.8%
142	First Manchester Ltd *	11.5%	12.5%	15.0%
295	Greater Manchester Connexions Partnership Limited	12.8%	12.8%	12.8%
194	Greater Manchester Waste Ltd*	17.0%	17.0%	17.0%
68	Liverpool Hope University College	15.0%	15.0%	15.0%
305	Manchester & District Housing Association	12.8%	12.8%	12.8%
69	Manchester Care Ltd	15.9%	16.9%	17.9%
50	Museum Of Science And Industry	12.5%	13.1%	13.6%
249	New Charter Housing Trust Group	14.1%	16.4%	18.7%
271	Positive Steps Oldham	12.8%	12.8%	12.8%
287	Oldham Community Leisure Limited	12.0%	12.0%	12.0%
193	Positive Futures Limited	13.3%	14.2%	15.1%
22	Tameside Care Limited*	14.0%	14.0%	14.0%
243	Tameside Sports Trust	10.9%	11.3%	11.7%
282	The Ace Centre-North	12.8%	12.8%	12.8%
328	The University of Manchester*	13.6%	13.6%	13.6%
242	Willow Park Housing Trust	12.3%	13.3%	14.2%
161	Bolton Community College	13.9%	14.6%	15.2%
164	Bury College	13.4%	13.4%	13.4%
180	Cheadle & Marple 6th Form College	13.6%	13.6%	13.6%
173	Hopwood Hall College	13.3%	13.5%	13.7%
166	M A N C A T	13.4%	13.4%	13.4%
187	North Traff College Of Furth Educ	12.1%	12.4%	12.7%
171	Oldham College	13.2%	13.2%	13.2%
177	Salford College Of Further Education	13.6%	13.6%	13.6%
186	South Traff College Of Furth Educ	12.9%	12.9%	12.9%
178	Stockport College Of Further & Hgr Educ	12.8%	13.1%	13.1%
188	Wigan & Leigh College	15.8%	15.8%	15.8%
5	The University of Bolton	14.2%	14.2%	14.2%
7	Manchester Metropolitan University	12.4%	12.8%	13.1%
95	Royal Northern College Of Music	13.0%	13.5%	13.9%
3	Greater Manchester Fire & Civil Defence Authority	16.2%	16.4%	16.6%
4	Greater Manchester Police Authority	14.1%	14.1%	14.1%
2	Greater Manchester Waste Disposal Authority *	10.6%	12.8%	15.0%
41	Grtr Man Probation Service	12.8%	12.8%	12.8%
294	Oldham Business Management School	12.8%	12.8%	12.8%
269	The Standards Board For England	13.0%	13.0%	13.0%
273	The Velodrome Trust	12.8%	12.8%	12.8%
310	United Learning Trust (Manchester Academy)	12.8%	12.8%	12.8%
Other Employers With No Employee Members From 1 April 2005				
220	North & West Greater Manchester MCC	To be agreed ⁴		
266	Greater Manchester Magistrates Courts Comm	To be agreed ⁴		
New Employers				
TBC	Trafford Housing ⁵	11.4%	11.4%	11.4%



Greater Manchester Pension Fund

Actuarial Valuation as at 31 March 2004

Notes

(1) Further sums should be paid to the Fund by employers to meet the costs of any ill health retirements and other early retirements that exceed the budgeted cost.

(2) Contributions expressed as a percentage should be paid into Greater Manchester Pension Fund at a frequency in accordance with the requirements of the Regulations.

(3) The certified contribution rates represent the minimum level of contributions to be paid. Employing authorities may pay further amounts at any time and future periodic contributions may be adjusted on a basis approved by ourselves.

(4) The employee members of the Magistrates' Courts Committee employers are to be transferred to the Principal Civil Service Pension Scheme with effect from 1 April 2005. It is not yet clear whether the deficit in respect of members whose past service benefits do not transfer, will be met through adjusting the bulk transfer payment or whether Regulations will be made to enable the Department for Constitutional Affairs, as successor employer, to participate in the LGPS. Further contributions may be made as agreed by the Administering Authority and the Actuary.

(5) It has been agreed that Trafford Housing's participation in the Fund should commence at a funding level of 100%. We understand that Trafford Metropolitan Borough Council will make a payment or payments to the Fund towards the assessed deficit (estimated to be approximately £600,000 based on the potentially transferring membership). These payments will be in addition to the contributions shown in the table above.

* Annual lump sum contributions are payable in addition to the percentage of pay rates, in line with figures in the table below.

Employer Code	Employer/Pool	Lump Sum Payment (£000 pa) for the Year ending		
		31 March 2006	31 March 2007	31 March 2008
19	Manchester Airport plc	1,985.0	2,072.3	2,163.5
143/276	Stagecoach Manchester Pool	168.0	175.4	183.1
194	Greater Manchester Waste Ltd	280.0	292.3	305.2
328	The University of Manchester	189.0	197.3	206.0
239	Ashton Pioneer Homes Ltd	8.0	8.4	8.7
262	Alfred McAlpine Construction Limited	156.0	162.9	170.0
142	First Manchester Ltd	529.0	552.3	576.6
22	Tameside Care Limited	40.0	41.8	43.6
2	Greater Manchester Waste Disposal Authority	87.0	90.8	94.8