


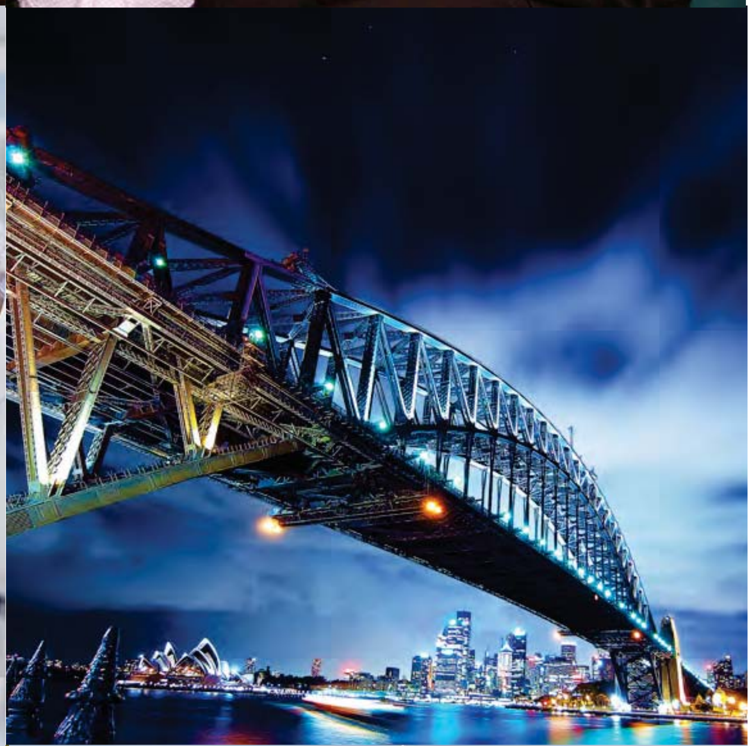

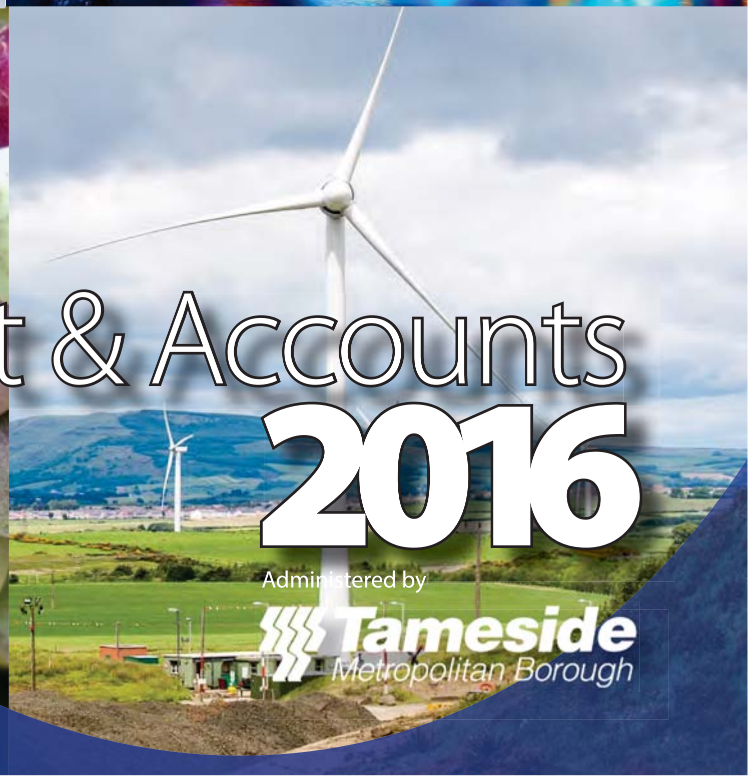

Report & Accounts 2016

gmpf

GREATER MANCHESTER PENSION FUND

Administered by

Tameside Metropolitan Borough

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Contents

Chair's introduction

2015/16 has been an exceptionally challenging year for pensions in general and local authority pensions in particular.

Defined benefit pension schemes continue to face the challenges of the impact of monetary policy with the UK base rate of interest remaining at 0.5% for a seventh year together with the continued impact of quantitative easing (QE) that has resulted in exceptionally low long term interest rates and negative nominal rates in some Government bond markets. This results in a higher value being placed on pension promises earned.

Our employers continue to face the impact of austerity measures and Government policies on public service delivery. This has resulted in workforces shrinking, the number of employers increasing and a potential weakening of the covenant strength of some of GMPF's employers.

This results in the maturity of the liabilities increasing across the Fund with a wider range liability profiles amongst employers.

In such challenging times, it is imperative that GMPF maintains its long term approach which has delivered successful outcomes over many years, whilst at the same time embracing the opportunities that arise to further enhance its performance and resilience.

During the year GMPF's key achievements include:

- Responding to the Government's initiative to 'pool' LGPS assets by jointly proposing a £35 billion pool that will seek to lead on infrastructure investment and be recognised as the lowest cost pool in the LGPS
- Creation of the first direct infrastructure investment vehicle in the LGPS
- Completing the successful integration of the £3 billion of assets received follwing GMPF becoming the sole provider of LGPS benefits to the Probation Service.

GMPF has responded to the requirement from Government that LGPS funds pool their investments at a scale of at least £25 billion by submitting a proposal to form the 'Northern Pool' with Merseyside Pension Fund and West Yorkshire Pension Fund. The Northern Pool will consist of three of the largest LGPS Funds and total over £35 billion in assets. The funds share similar values in terms of providing high-quality, low-cost pension delivery with an emphasis on simplicity and scale in the investment management arrangements. The Pool will seek to minimise any transitional costs and focus on the management of alternative assets such as infrastructure, property and private equity.

Funding issues

The triennial actuarial valuation of GMPF is currently taking place, with an effective date of 31 March 2016. Despite the challenging economic conditions, we expect GMPF to remain one of the best funded LGPS funds. This will be evidenced when, for the first time, all funds will be required to also report their valuation results using consistent actuarial assumptions. We will look to work with our employers to produce a contribution outcome that is fair to the employers and is prudent for the management of GMPF.

Investment performance & management arrangements

Over 2015/16, GMPF's assets under management reduced by £267 million to £17,325 million, reflecting the increasing maturity of GMPF's liabilities and an investment return of -0.8%. This is a disappointing return, and was below the local authority average of 0.2%.

Over the last 15 years, GMPF's return has been 6.5% per annum, compared to the local authority average of 5.9% per annum. It is this strong long term investment performance that has supported the funding level.

Highlights of the year were the successful integration of £3 billion of assets in respect of Probation Service members into GMPF's Main Fund, the development of a trigger process to capitalise on market opportunities as they arise, and the further strengthening of investment management arrangements by appointing three managers specialising in higher yielding debt to a framework. One of these managers has been selected to commence their role for GMPF in the coming year.

Membership changes

During the year the number of employee members in GMPF reduced, but this reduction was more than made up by increases in the number of deferred and pensioner members. In total the membership increased over the year from 341,317 to 352,292 – some 10,975 extra pension accounts. As well as being the largest LGPS fund in the country in terms of assets under management, GMPF is also the largest in terms of members.

The number of contributing employers also grew during the year, up from 431 last year to 470 this year.

> *The year saw the integration of £3 billion worth of assets, following GMPF becoming the sole provider of LGPS benefits to the Probation Service.*

Local investment

We continue to progress local investment opportunities with the twin aims of commercial returns and supporting the area.

Some examples include a new development at First Street in Manchester with a development value of £70 million creating 170,000 sq ft of office space and providing local jobs.

GMPF has also set up a programme of lending and providing equity capital to small and medium sized enterprises in the North West of England. The total commitment to these arrangements is over £50 million and it is made in partnership with renowned financial institutions who, like GMPF, have a primary aim of generating commercial returns.

Infrastructure Investment

In April 2015, GMPF and the London Pensions Fund Authority (LPFA) formed a joint venture to invest directly in infrastructure assets, with a focus on the UK. The joint venture is formed as a limited liability partnership (LLP) and has been named "The GMPF & LPFA Infrastructure LLP" (GLIL). GMPF and LPFA have each committed £250 million to GLIL. GLIL's Investment Committee is made up of officers from each funds' investment team.

GLIL began investing in October 2015 and has completed two transactions in the renewable energy sector, totalling £210 million. The most recent of these transactions was the purchase from SSE plc of a 21.7% stake in Clyde wind farm for £150 million. Clyde is one of the largest onshore windfarms in Europe, with 154 operational turbines, capable of generating 350 MW. SSE is in the process of constructing a further 54, more powerful turbines on the site, in which GLIL will have the option to invest.

As part of the LGPS pooling discussions, it has recently been announced the West Yorkshire, Merseyside and Lancashire County Council pension funds will join GLIL, which together with an additional commitment from GMPF will result in total commitments to GLIL exceeding £1 billion.

New home

GMPF moved into a new office in Droylsden in September which has enabled all staff to be located in the same building and will support our ongoing desire to improve effectiveness and efficiency. The move went well and the new facilities will support GMPF's future growth and success.

Conclusion

This has been another exceptional year to be managing a pension fund. The issues I have commented on show only a fraction of the complexity and challenge of offering a high-quality, affordable pension scheme to employers and their employees.

We have long recognised the need to communicate with all of our stakeholders and and be able to respond to the challenges that the future brings. We also need to balance the short and long term needs of employers in a prudent way from a GMPF perspective.

GMPF has a long term successful track record reflected in its funding level and reputation. Our proposed pooling arrangements are designed to ensure that this continues.

Since the year end there has been a major change in the management of GMPF, with the retirement of Peter Morris, the long standing Executive Director of Pensions. Peter has made an outstanding contribution to the success of GMPF and all of us at GMPF wish him a long and happy retirement. Sandra Stewart, who has played a significant part in the strategic management of the Fund for over 15 years is the new Executive Director for GMPF and leads a strong management team ready to take on the new challenges ahead.

The GMPF Management Panel and I will continue to take decisions from a long term perspective to help maintain our success.

I thank the members of the Panel, the Advisors, the Local Pensions Board, Investment Managers and not least our staff for their work over what has been another exceptional year.

Councillor Kieran Quinn
Chair, Pension Fund
Management Panel

Management structure

Tameside MBC became GMPF's 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 management
- Monitoring investment activity and performance
- Overseeing administrative activities
- Guidance to officers in exercising delegated powers.

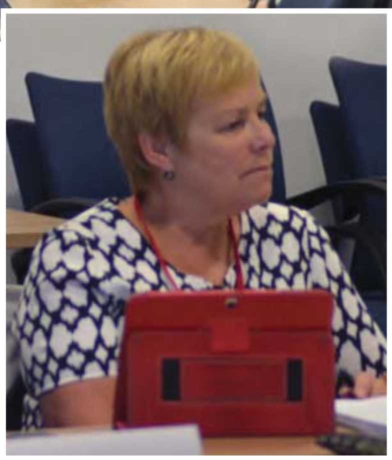
Each local authority is represented on the Management Panel, as is the Ministry of Justice.

Members of the Management and Advisory Panels (left to right) Councillor Halliwell from Wigan MBC and Councillor Pantall, from Stockport MBC.

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 2016 are listed on the following page.



GMPF Local Board meeting: Top - various GMPF staff with Councillor Bill Fairfoull, Tameside MBC, who was appointed Chair in May 2016. Left - pensioner representative Pat Catterall, who was appointed in May 2016.

Local Board

The GMPF Local Pension Board was established early in 2015, and became operational from April 2015. The role of the Local Board is to assist Tameside MBC 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, in particular regarding investment related issues. A key element is helping it to question the portfolio managers on their activities. The advisors are:
RS Bowie, Senior Partner, Hymans Robertson,
P Moizer, Professor and Dean of Business School, University of Leeds,
M Powers, Retired Investment Manager.

Management Panel

Councillor K Quinn - *Tameside (Chair)*

Councillor GP Cooney - *Tameside*

Councillor J Fitzpatrick - *Tameside*

Councillor J Lane - *Tameside*

Councillor R Miah - *Tameside*

Councillor C Patrick - *Tameside*

Councillor S Quinn - *Tameside*

Councillor C Reid - *Tameside*

Councillor VP Ricci - *Tameside*

Councillor M Smith - *Tameside*

Councillor JC Taylor - *Tameside*

Councillor D Ward - *Tameside*

Councillor M Francis - *Bolton*

Councillor J Grimshaw - *Bury*

Councillor R Akbar - *Manchester*

Councillor P Dean - *Oldham*

Councillor A Brett - *Rochdale*

Councillor P Dennett - *Salford*

Councillor JN Pantall - *Stockport*

Councillor A Mitchell - *Trafford*

Councillor T Halliwell - *Wigan*

P Herbert - *Ministry of Justice*

Members of the Management and Advisory Panels (left to right) Councillor Cooney, Councillor Fitzpatrick, and Councillor Lane, all from Tameside MBC.

Advisory Panel

Councillor K Quinn - Tameside (Chair)

Councillor M Francis - Bolton

Councillor J Grimshaw - Bury

Councillor R Akbar - Manchester

Councillor P Dean - Oldham

Councillor A Brett - Rochdale

Councillor P Dennett - Salford

Councillor JN Pantall - Stockport

Councillor A Mitchell - Trafford

Councillor T Halliwell - Wigan

P Herbert - Ministry of Justice

Employee representatives

A Flatley - *GMB*

J Thompson - *UCATT*

K Allsop - *UNISON*

M Baines - *UNISON*

K Drury - *UNITE*

F Llewellyn - *UNITE*

Local Board

Employer representatives

Councillor J Middleton - *Tameside (Chair)*

Councillor J Cooper - *Tameside*

J Hammond - *Monitoring Officer, Bury*

R Paver - *Treasurer of Manchester City Council and Greater Manchester Combined Authority*

Scheme Member representatives

D Schofield - *GMB*

C Lloyd - *UNISON*

M Rayner - *UNISON*

C Goodwin - *UNITE*

Working groups

GMPF also has six permanent working groups, which consider particular areas of its activities and make recommendations to the Management Panel. These working groups cover:

- Alternative Investments
- Policy & Development
- Employer Funding & Viability matters
- Investment Monitoring and Environmental, Social and Governance (ESG) issues
- Pensions Administration
- Property

Frequency of meetings

The Panels and working groups typically meet quarterly and GMPF's active multi-asset investment managers attend all Panel meetings. All managers attend the Investment Monitoring and ESG working group annually to report on corporate governance and responsible investment matters.

Officers to GMPF 2015/16

The Executive Director of Pensions is the administrator of the Fund, and acts as the link for members, advisers and investment managers between meetings.

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

S Pleasant	-	*Chief Executive, (Head of Paid Service), Tameside MBC*
P Morris	-	*Executive Director of Pensions, Tameside MBC*
SJ Stewart	-	*Solicitor to the Fund, Executive Director of Governance and Resources, Section 5 Monitoring Officer, Tameside MBC*
I Duncan	-	*Assistant Executive Director of Finance, Section 151 Officer to the Fund during the period of completion of the accounts, Tameside MBC.*

The senior management arrangements of the Fund were changed shortly after the end of the reporting period, following the retirement of the Executive Director of Pensions during April 2016.

Consulting Actuary

GMPF's Consulting Actuary is Hymans Robertson.

Councillor Kieran Quinn, Chair, Pension Fund Management Panel, with Sandra Stewart, who became Executive Director Governance, Resources and Pensions with effect from 29 April 2016.

Statements published on GMPF's website - **www.gmpf.org.uk**

Funding Strategy Statement

The statement sets out how the Management Panel balances the conflicting aims of affordability, stability and prudence in the funding basis.

Governance Policy and Governance Compliance Statement

GMPF is required to maintain and publish its Governance Policy and Governance Compliance Statement detailing its governance arrangements.

These statements are also available in hard copy on request.

Training and attendance 2015-16

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

Attendance at meetings							
	Pension Fund Management Panel	**Pension Administration Working Group**	**Investment Monitoring & ESG Working Group**	**Alternative Investments Working Group**	**Property Working Group**	**Employer Funding Working Group**	**Policy & Development Working Group**
Cllr K Quinn	100%						100%
Cllr G Cooney	75%			100%		75%	25%
Cllr J Cooper	100%	100%					
Cllr J Fitzpatrick	100%				100%	100%	100%
Cllr J Lane	100%	100%			100%		50%
Cllr R Miah	75%		50%		50%		
Cllr C Patrick	50%	75%				50%	
Cllr S Quinn	100%	100%			100%		75%
Cllr C Reid	75%	100%		25%		75%	
Cllr V Ricci	100%		50%	75%			
Cllr M Smith	75%				50%		50%
Cllr J Taylor	100%		100%		100%		75%
Cllr D Ward	75%			25%	100%		
Cllr R Akbar	100%	0%	50%				
Cllr A Brett	75%	100%	75%	100%			
Cllr P Dean	75%			75%		0%	
Cllr P Dennett	75%			0%	100%		
Cllr M Francis	100%	100%	75%	25%			
Cllr J Grimshaw	100%	50%	100%				
Cllr T Halliwell	25%			100%	100%		
Cllr A Mitchell	75%		75%			100%	
Cllr J Pantall	100%	100%	100%				100%
Mrs P Herbert	100%					0%	
Mr K Allsop	100%	100%				75%	
Ms M Baines	25%			0%			25%
Mr K Drury	100%			50%	100%		
Mr A Flatley	50%					50%	
Mr F Llewellyn	100%		100%			100%	
Mr J Thompson	75%			50%	75%		

Conferences & training events

	NAPF Local Authority Conference 18-20 May	UBS Training Day 8 July	330 Consulting EEE 7 Oct	Fundamentals LGE Day 1 21 October	Fundamentals LGE Day 2 27 October	Fundamentals LGE Day 3 8 Dec	NAPF Annual Conference 14-16 Oct	Capital International Training Day 12 Nov
Cllr K Quinn		✓					✓	
Cllr G Cooney		✓	✓					✓
Cllr J Cooper		✓		✓	✓	✓		✓
Cllr J Fitzpatrick		✓						✓
Cllr J Lane		✓					✓	✓
Cllr R Miah		✓		✓				✓
Cllr C Patrick					✓	✓		
Cllr S Quinn		✓					✓	✓
Cllr C Reid		✓				✓		
Cllr V Ricci		✓	✓					
Cllr M Smith		✓						✓
Cllr J Taylor		✓	✓					✓
Cllr D Ward		✓	✓					
Cllr R Akbar		✓						✓
Cllr A Brett		✓		✓				✓
Cllr P Dean								
Cllr P Dennett		✓		✓	✓			✓
Cllr M Francis								✓
Cllr J Grimshaw							✓	✓
Cllr T Halliwell		✓						✓
Cllr A Mitchell		✓						✓
Cllr J Pantall	✓	✓						✓
Mrs P Herbert		✓						✓
Mr K Allsop				✓		✓		
Ms M Baines								
Mr K Drury				✓		✓		✓
Mr A Flatley				✓		✓		✓
Mr F Llewellyn								✓
Mr J Thompson		✓						

Top 20 equity holdings

1	Royal Dutch Shell	£252 million
2	BP	£216 million
3	Glaxo Smith Kline	£152 million
4	HSBC Holdings	£134 million
5	Lloyds Banking Group	£130 million
6	Rio Tinto	£125million
7	Barclays	£119 million
8	Glencore	£109 million
9	3i Group	£108 million
10	Anglo American	£100 million
11	BAE Systems	£99 million
12	Aviva	£93 million
13	Unilever	£88 million
14	Vodafone Group	£84 million
15	Roche Holding	£80 million
16	Novo Nordisk	£70 million
17	Balfour Beatty	£68 million
18	Tesco	£67 million
19	Centrica	£64 million
20	Deutsche Telekom	£64 million

Major holdings

GMPF publishes a list of all its equity and bond holdings each year, following the completion of its external audit. The list can be found on GMPF's website at:

www.gmpf.org.uk/investments/holdings.htm

Investment report

Investment management

Management of GMPF's assets is determined within the context of the Local Government Pension Scheme (Management and Investment of Funds) Regulations 1998 as amended. 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 2016, the total Fund value was £17,325 million. Of this total, £17,072 million was held in the Main Fund and invested across a broad spread of assets whilst £253 million was held in the Designated Fund and invested wholly in UK index-linked gilts and cash.

The portfolios of the Designated Fund are passively managed in-house.

During the course of 2000/01 an extensive review of the external management arrangements of the Main Fund was undertaken. This review culminated in the adoption of a Fund specific benchmark and the appointment of UBS Global Asset Management (UK) and Capital International as active managers and Legal & General Investment Management as passive manager. UBS and Capital manage the securities portfolios 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 Investec Asset Management Ltd and was funded in 2015. The credit mandate appointment is currently being progressed through due diligence.

GMPF published a Core Belief Statement on its website at ***http://www.gmpf.org.uk/documents/policies/corebeliefs.pdf*** in 2009. This sets out the key underlying beliefs of the Management Panel in relation to investment issues and GMPF's overall approach to investment matters.

These beliefs provide the bedrock rationale underpinning GMPF's investment activity.

The chart on the following page 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 the JP Morgan Chase Bank - 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 2015/16 is summarised in the charts on the following page. In October 2015, following a decision of the Panel, the separately identified MoJ assets of approximately £2.9 billion were assimilated into the core of the Main Fund assets.

Each of the three multi-asset managers has been given a specific benchmark reflecting their perceived skills and the relative efficiency of markets. The active multi-asset managers are given ranges for each asset class allowing them to make tactical asset allocation decisions. Investec are relatively unconstrained against a Global Equity benchmark.

GMPF's target allocation to private equity is 5% of Main Fund value, which, at the year end, was implemented by new commitments to specialised funds of £240 million per year. GMPF also has a target allocation to Infrastructure funds of 4% of Main Fund value, which at the year end, was implemented by new commitments to specialised funds averaging £120 million per year. The target allocation to the 'Special Opportunities Portfolio' (SOP) is 5% of Main Fund value. Current realistic benchmark allocations for private equity, infrastructure and SOP are 2.5%, 1% and 1.5% respectively.

Statements published on GMPF's website - **www.gmpf.org.uk**

Core Belief Statement

This sets out the underlying beliefs of the Management Panel in relation to investment issues.

Statement of Investment Principles

GMPF is required to maintain and publish a Statement of Investment Principles detailing its investment arrangements.

These statements are also available in hard copy on request.

Management arrangements

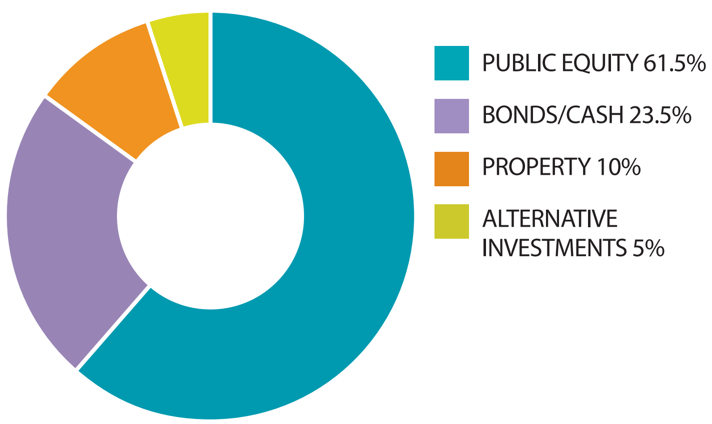
Total Main Fund
£17,072 million

Externally managed	**£15,366 million**
Securities Portfolio	
UBS	£6,104 million
Capital	£2,210 million
Legal & General	£5,679 million
Investec	£653 million
Property	
LaSalle	£634 million
GVA	£86 million

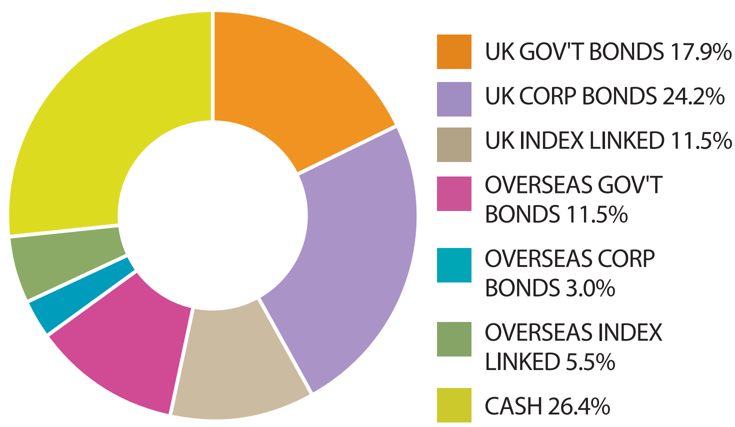
Internally managed	**£1,706 million**
Cash & Private Equity	£1,341 million
Property	£365 million

Benchmark asset allocation

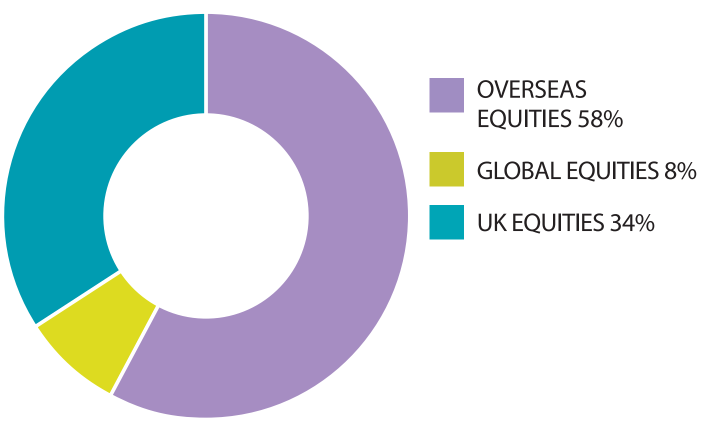
Major asset class split



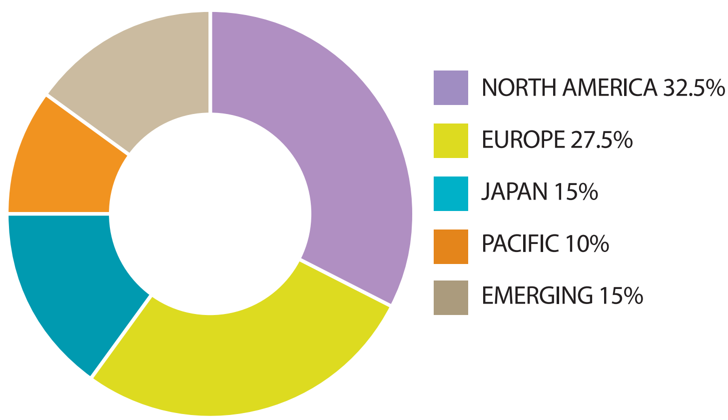
Bonds/cash split



UK/Overseas equity split



Overseas equity split



Investment strategy *(continued)*

GMPF targets local investment through the Property Venture Fund (target allocation range up to 3% of the Main Fund) and other allocations. Such local investment is restricted to 5% of Main Fund value, with current actual allocations of 1% for the Property Venture Fund and 1% for the other allocations.

The graph bottom left shows the net effect, on an economic exposure 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 Overseas and UK Government Fixed Interest, Overseas Equities, UK Index Linked, UK Corporate Bonds and Cash into UK Equities, Alternatives, Property and Overseas Index Linked.

Performance

The graph bottom right compares the return achieved by the Main Fund with the market/benchmark index return in each of the main investment categories during the year.

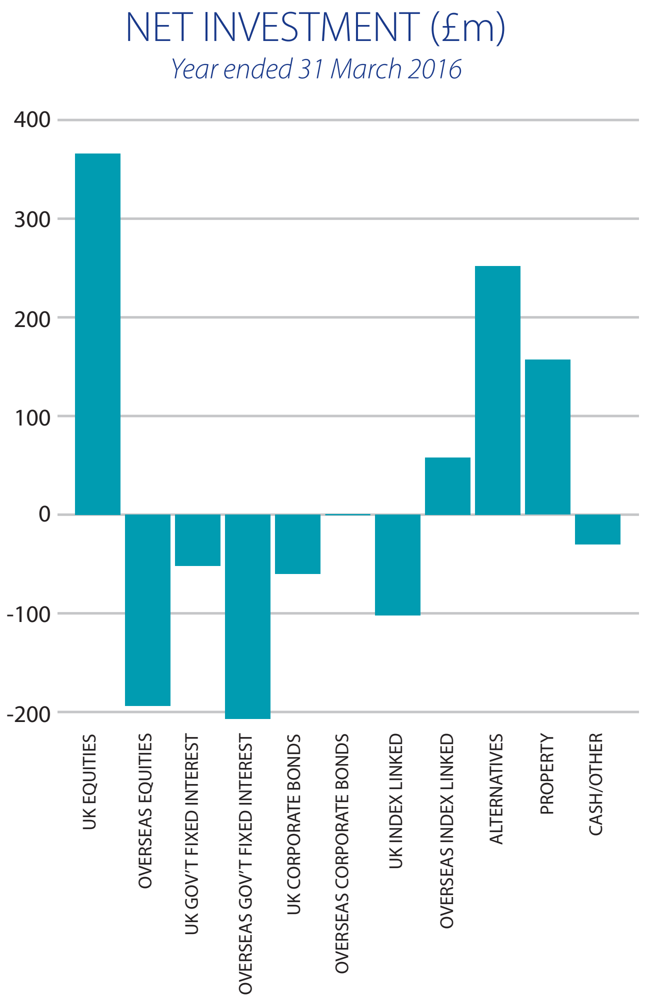
The year saw positive returns in all investment categories except UK and Overseas Equities, with substantial returns being achieved in Alternatives, Property and Overseas Government Fixed Interest.

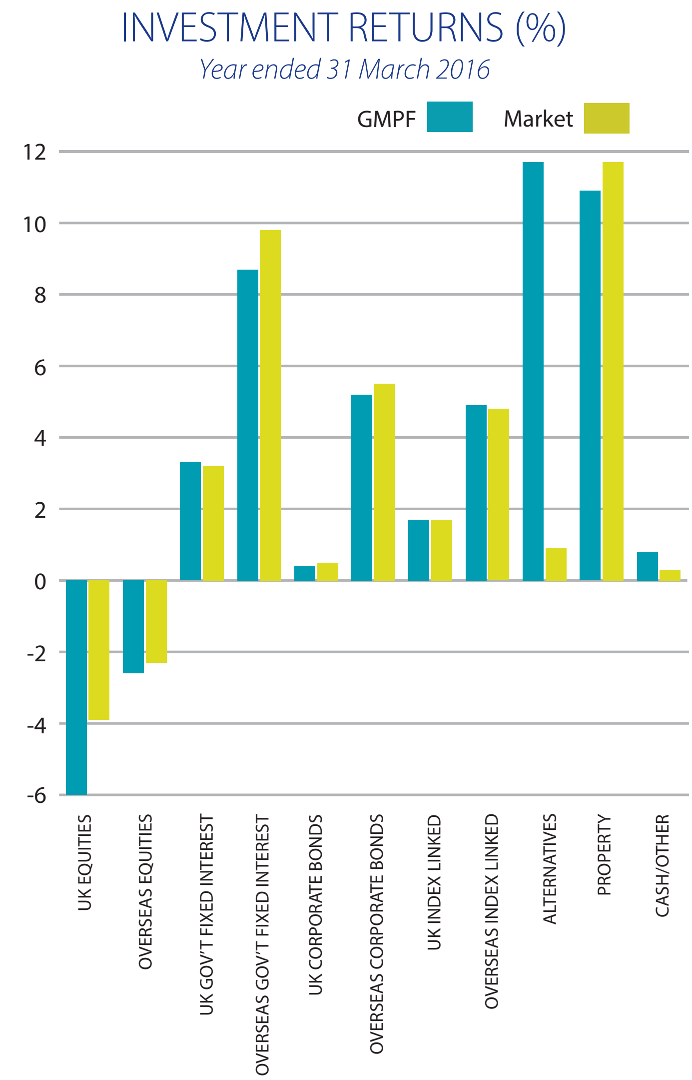
The Main Fund achieved a return of -0.8% during the year. It substantially out-performed the benchmark index in Alternatives, out-performed the benchmark index in Overseas Index Linked, UK Government Fixed Interest and Cash, but under-performed the benchmark in all other asset classes.

GMPF subscribes to WM's Local Authority Pension Fund Service in order to assess its performance relative to all other funds which operate under the same regulations. The graph top left on the following page looks at the Main Fund's performance as compared to the local authority average over various durations extending over 25 years. Over the long term the Main Fund has consistently outperformed the average local authority by around 0.7% per year and, over periods of 15, 20 and 25 years, has ranked in the top 10 of such funds.

Portfolio distribution

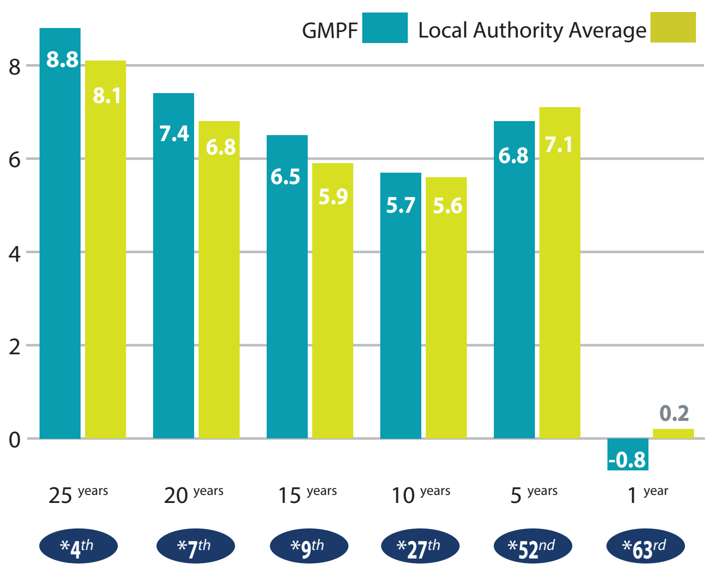
The distribution of assets across the main investment categories within the Main Fund changes as a result of the investment strategy followed by the managers and the performance achieved within each investment category. These changes are shown, on an economic exposure basis, in the graph top right on the following page.





PENSION FUND RETURNS (%pa)

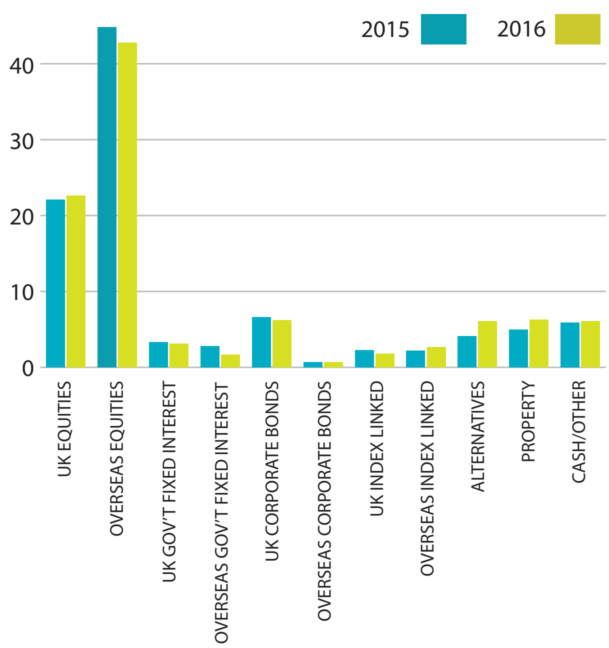
WM Local Authority Survey - Financial years to 31 March 2016



**GMPF's rank within Local Authority funds over various durations*

PORTFOLIO DISTRIBUTION (%)

Market value at 31 March



Equities portfolio: Novo Nordisk

With headquarters in Denmark, Novo Nordisk is a global healthcare company, and a pioneer in the treatment of diabetes and other serious chronic conditions, such as haemophilia, growth disorders and obesity. Through its innovative Changing Diabetes® programme, Novo Nordisk is working with global partners to improve the lives of people with diabetes, by raising awareness and improving access to care.

The company's history goes back 90 years, to two separate companies - Nordisk Insulinlaboratorium and Novo Terapeutisk Laboratorium - who were the first in the world to produce the revolutionary new drug insulin. As fierce rivals, the companies became the best in their field, and eventually merged in 1989 to create Novo Nordisk.

The company employs approximately 41,600 people in 75 countries and markets its products in more than 180 countries.

Economic background

The financial year 2015/16 began with the US economy recovering from the sluggish growth of the first 3 months of 2015 which fuelled expectations that the Federal Reserve (Fed) might increase interest rates later in the year.

The UK economy remained on a relatively healthy growth trajectory and provided a favourable economic background during the May general election. The new Government signalled its intention to press ahead with its fiscal consolidation programme, raising some concerns about the potential negative impact this might have on economic growth.

These developments were overshadowed by a sharp escalation in the Greek sovereign debt crisis which raised, once again, the possibility of Greece leaving the single currency union. This crisis affected investor risk appetite in April/May 2015. Across the Eurozone the economy retained its good growth momentum as Eurozone banks had significantly reduced their exposure to Greek debt.

In Japan, corporate earnings growth remained relatively strong and consumer price pressures were muted while the Bank of Japan (BoJ) continued with a monetary policy focused on growth.

In the second quarter of 2015/16, US economic growth continued to outpace other developed economies. However, investors were surprised in September 2015 when the US Federal Reserve (Fed) decided to leave interest rates on hold in spite of market expectations. Janet Yellen, the Fed's Chair, cited heightened concerns about economic growth in China and other emerging economies, together with a pickup in financial market volatility, as the reasons for postponing the widely-expected rate rise.

The UK's economic recovery continued to make good progress despite some disappointing data being released shortly after the end of the September quarter. Output in the construction industry was estimated to have fallen by 1.3% in August 2015, compared with a year earlier. The Bank of England (BoE) continued to emphasise that any increase in interest rates would be more gradual than in previous business cycles.

In other developed markets, the European Central Bank (ECB) remained committed to its quantitative easing programme in an effort to boost growth and inflation, whilst Japanese companies continued to outpace their developed market counterparts in terms of delivering earnings growth.

In December 2015, the Fed signalled its confidence in the US economic recovery by raising interest rates for the first time in nine years, as payroll data showed continued improvement in labour market conditions. The move was taken as a sign of confidence in the health of the US economy.

The UK economy continued to outperform its Eurozone counterparts into the final quarter of 2015. As unemployment continued to fall, the UK labour market continued to strengthen and the employment rate reached a record high.

With Eurozone CPI inflation remaining very low, the ECB increased its quantitative easing programme in December 2015. Investors, however, were disappointed with the level of the additional 'easing' provided. The Japanese economy avoided a technical recession (meaning two consecutive quarters of negative growth) when, in December, third quarter GDP was revised upwards to 1%, from an initial estimate of -0.8%. In December, the BoJ also enhanced its quantitative and qualitative easing programmes in an effort to increase inflationary pressures.

Concerns about the Chinese economy were more subdued during the final quarter of 2015 when compared with the previous quarter, following actions of the People's Bank of China to further liberalise its currency and sharp price movements in the domestic 'A' share market (shares quoted in Chinese renminbi) impacted market sentiment.

The first quarter of 2016 saw increased market and economic volatility, with the prospect of a recession in the US starting to receive serious consideration amidst falls in risky assets. However, risk sentiment turned noticeably in February and markets for equities, commodities and credit all rallied over the remainder of the quarter.

Perhaps the most important event in the UK was the announcement of the referendum on EU membership to be held in June 2016. With polls at that time predicting a close race, the risk of a potential UK exit from the EU had started to materialise in market data and business sentiment as some firms explicitly quoted it as a cause for a dip in expectations.

Towards the end of the first quarter of 2016 economic momentum in the Eurozone picked up from the very low levels in previous months. Whilst there was evidence that the ECB 'easing' was finding its way into the real economy and domestic demand was supportive, weakness in global activity remained a drag on growth.

Private equity

Since 1981 GMPF has invested in private companies through pooled vehicles raised by specialised management teams. Fourteen new fund commitments and one additional commitment, together totalling £409 million, were made by GMPF during 2015/16. The portfolio of 101 active funds is diversified by stage of investment (from early stage investments to very large buyout investments) and geographic location across the UK, Europe, the US and Asia.

As at 31 March 2016 the target rate of annual new fund commitments was £240 million, having increased from £210 million pa with effect from 1 October 2015 following the assimilation of Ministry of Justice assets on the same date. Of the £1,310 million committed to funds, some £817 million has been drawn down and invested by managers and £771 million has been returned to GMPF as distributions of sales of investments and income. The value of assets currently invested in private equity is £438 million.

During 2011, GMPF undertook a fundamental review of private equity performance measurement in conjunction with its specialist adviser (Capital Dynamics), leading to the adoption of a 'vintage decade' approach. The 'since inception' performance remains stable, with an annualised return of 16.6% as at 31 March 2016. 1980 vintage commitments have returned over 12% per year, whilst 1990 vintage commitments have returned over 25% per year. The performance of funds invested between 2000 and 2010 is almost 10% per year.

Private equity: Winterbotham Darby/The Compleat Food Group

Through our private equity partner EQUISTONE, GMPF has invested in Winterbotham Darby, the UK market leader in the supply of provenance-rich continental food to UK supermarket chains.

Its product range includes chilled meats, such as chorizo, salami and specialist hams, pâté, olives, antipasti and continental morning goods, such as brioches, crêpes and waffles.

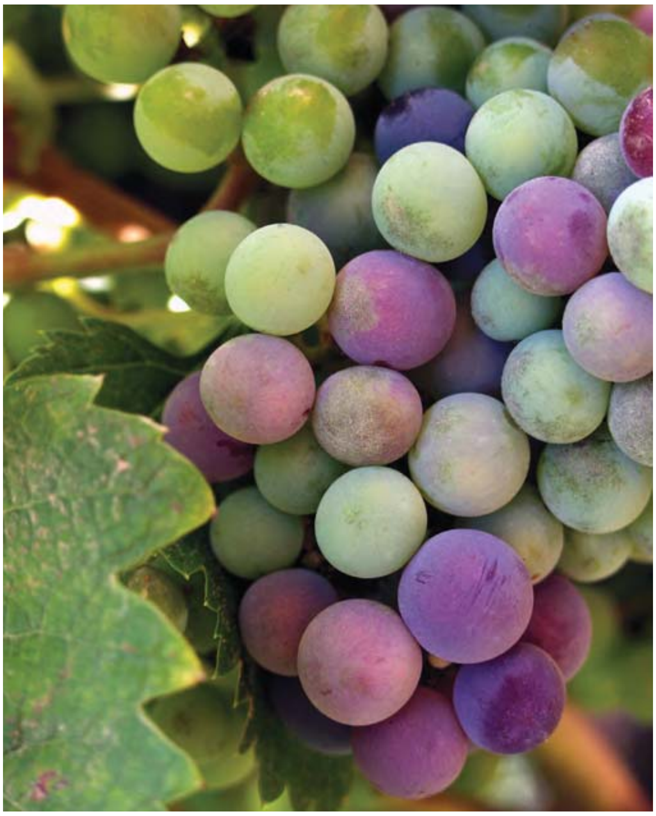
Since 2014, the business has operated on a zero to landfill basis, and has won numerous awards including *The Grocer Food & Drink Awards Own Label Winner, 2014*.

Infrastructure

The infrastructure programme commenced in 2001 and GMPF's specialist adviser is Capital Dynamics Ltd. Six new fund commitments totalling £210 million were made by GMPF during 2015/16 and the portfolio grew to 22 active investments, with four funds having already been fully realised.

The target rate of new fund commitments as at 31 March 2016 was £120 million having increased from £110 million pa with effect from 1 October 2015 following the assimilation of Ministry of Justice assets. As the portfolio is immature, it is recognised that the 4% target allocation will take several years to achieve. Of the £509 million committed, some £263 million has been drawn down and invested by managers. In addition, £80 million has been received back through distributions of sales of investments and income.

As at 31 March 2016 the value of assets currently invested in infrastructure is £245 million. Although the infrastructure portfolio is immature, the 'since inception' performance has improved to an annualised return of 8.5% per year as at 31 March 2016.



GMPF's Special Opportunities Portfolio includes investments in timber and global agriculture, focusing on crops such as corn/cereals, rice, soybeans, cotton and wine grapes.

Special Opportunities Portfolio

GMPF established the 'Special Opportunities Portfolio' (SOP) in 2009/10 in order to broaden the range of assets in which it invests, to improve diversification and assist with stability, and to take advantage of opportunities as they arise or as market conditions allow.

Two new fund commitments totalling £85 million were made by GMPF in 2015/16, resulting in a portfolio of nine investments. Of the £413 million committed/invested to date, some £274 million has been drawn down and invested by managers. In addition, £71 million has been received back through distributions of realisations and income. A number of potential opportunities remain under active consideration.

As at 31 March 2016 the value of the investments within SOP was £227 million. The short lifespan of the portfolio to date does not yet lend itself to the calculation of meaningful performance numbers, but overall positive returns have been generated since the first investment was made in 2009.

Property

At 31 March 2016, GMPF's main UK property portfolio comprised 48 directly-owned holdings and 10 indirectly-owned specialist holdings. The portfolio was valued as at 31 March 2016 at a total figure of just over £653 million. There is an additional £327million invested in UK balanced property pooled vehicles. These are mainly held for asset allocation purposes and overall performed ahead of their benchmark during the period.

During 2015/16, GMPF made its first venture into owning overseas property, through a number of indirect funds operating in North and Western Europe, the US and other selected regions in America and Asia. Although, potentially more than £150 million has been committed to these funds, only £27.5 million has been drawn down and is "at work" so far.

Following their appointment in October 2014, LaSalle Investment Management had their first full year running the main UK property portfolio in 2015/16. On the back of a period of limited investment activity the previous year, 2015/16 was GMPF's busiest year for transactional activity on the UK directly-owned portfolio. GMPF made its largest ever property purchase when it acquired 3-8a Whitehall Place, London. This is a large office let to the Government and cost approximately £100 million.

Last year, we reported that the main property portfolio had a long-standing bias towards the retail sector, with a significant under-weight allocation in the office sector and slightly underweight positions in the industrial and alternative sectors when compared to the industry benchmark standard, which is published by the Investment Property Databank (IPD).

3-8a Whitehall Place, London, which is the largest ever property purchase made by GMPF.

LaSalle's buying and selling activity in 2015/16 has resulted in the directly-owned property portfolio moving much more into line with the IPD benchmark portfolio structure weightings, as shown in the pie charts at the bottom of the page. With the sales of smaller underperforming assets, such as the retail warehouse in Solihull, and the purchase of larger assets, such as the property in Whitehall, LaSalle have also increased the average lot size of properties in the portfolio.

During 2015/16, the aggregate total return for the main property portfolio (which does not include the balanced property pooled vehicles) was 10.5% compared with the benchmark (IPD mean universe fund return) of 13.3%, ranking the portfolio at the 76th percentile. Relative GMPF performance is shown in the table below. Although, short and long term performance is behind the IPD benchmark, there was an improvement in 2015 from 2014 in relative performance.

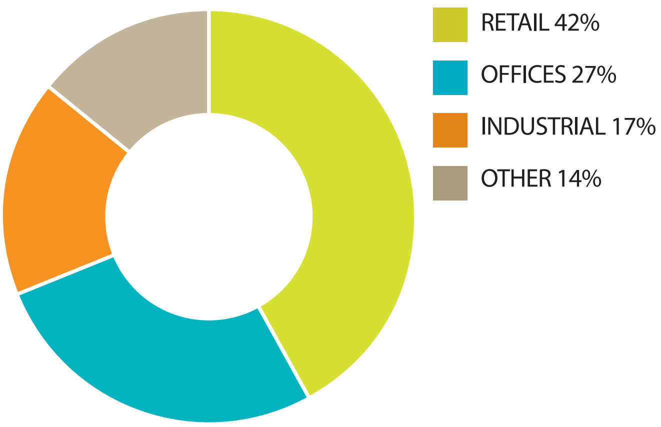
LaSalle have changed the portfolio structure and increased the average lot size of the properties within GMPF's portfolio, by selling properties such as this retail unit occupied by PC World, at Stratford Road, Solihull.

Total return property performance for period ending 31 December 2015

Duration	GMPF	Benchmark IPD Median
1 year	10.5%	13.3%
3 years	11.4%	14.0%
5 years	8.2%	10.7%
10 years	4.2%	6.0%
20 years	8.4%	9.4%

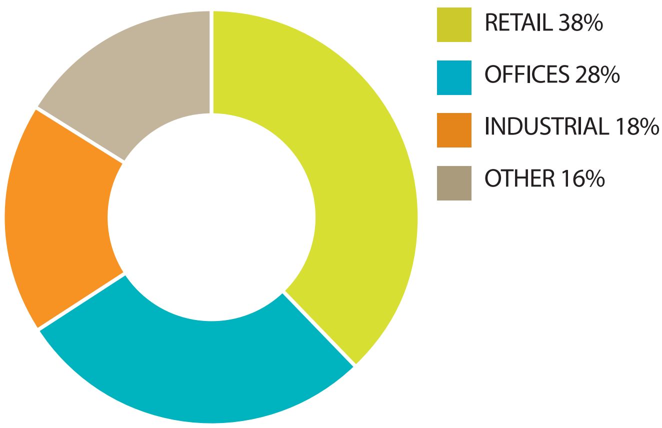
IPD UNIVERSE STRUCTURE (% of capital value)

End 2015



DIRECT PORTFOLIO STRUCTURE (% of capital value)

End 2015



Greater Manchester Property Venture Fund (GMPVF)

GMPVF has an allocation of up to £450 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.

Since its establishment in 1990, GMPVF has developed more than 1 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 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 North West of England with a particular focus on Greater Manchester. GVA, a firm of property consultants with national coverage, is the manager of GMPVF.

Following opportunities identified to provide development debt finance, during 2015/16 GMPVF granted two loan facilities. These loans totalling approx. £12 million, enabled Urban Splash to start the construction of 44 new family homes at New Islington (close to Manchester City Centre) and Rowlinson Construction to commence building phase one of 164 apartments at Pomona Island. Pomona Island straddles Salford, Trafford and Manchester, and was created by the River Irwell and Manchester Ship Canal to the north and the Bridgewater Canal to the south.

The loan funding to Rowlinson Construction was done in partnership with the Manchester Housing Investment Fund (a £300 million fund made available from the GM Combined Authority).

By offering debt finance, GMPVF is able to generate a commercial rate of return and support a broader range of developments than could be carried out by GMPVF alone. It is anticipated that further loan arrangements will be agreed in 2016/17 and opportunities to partner other development funders will be progressed.

GMPVF formed a joint venture with Patrizia in February 2016, to build a 6 storey 180,000 sq ft mixed use commercial building in the First Street area in Manchester City Centre. The construction of the building is now well underway and is due to complete in Summer 2017. The site was purchased with a pre-let in place for 2 floors of the planned development. Marketing is now actively ongoing to secure tenants for the remaining space.

The Property Venture Fund has now sold its 22,000 sq ft office building at Westwood Park, Wigan. This site and building was developed by GMPVF in 2004 and let to Wigan Council on a long lease. The sale now concludes the Fund's involvement which achieved both of its twin aims, in generating a commercial return and supporting the economic development of the region.

The 270,000 sq ft office block, Number One St Peter's Square, was completed in September 2014 and jointly developed by GMPVF and Argent Estates Limited. Following the accountancy firm KPMG re-locating to the building, several other lettings have now been completed to professional firms. Works are now ongoing to complete the required fit out to enable occupation. The majority of the building is now let, with the remaining available space being actively marketed.

Urban Splash begins the construction of 44 new family homes at New Islington.

GMPVF is a partner with Manchester Airport Group, Carillion 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.

Other prospective development sites owned by the Fund include:

- The former Royal Mail Sorting Office, Stockport – the aim is to develop commercial accommodation,
- Chorlton Cross Shopping Centre, Manchester,
- A 0.38 acre cleared site at Old Haymarket, Liverpool city centre,
- An office development in city centre Manchester,
- A 19 acre site known as Preston East located adjacent to Junction 31A of the M6,
- An office development in Didsbury, Manchester,
- A site at Calver Park, Warrington.

GMPVF formed a joint venture with Manchester City Council (Matrix Homes) to develop 240 family homes across five sites in Manchester. During 2015/16 all the outstanding properties were completed by the contractor (Wates Living Spaces) and handed over to Matrix Homes. The properties were either purchased from Matrix or made available for rent via Places for People. All the homes developed by Matrix are now in use and occupied.

GMPVF is actively pursuing further opportunities for Matrix Homes to progress additional housing development in partnership with other Greater Manchester Authorities.

The aim for the next two to three years is to continue to build a broad portfolio of investment opportunities.

An artist's impression of part of the Airport City development - a joint venture between GMPF and partners Carillion, and Beijing Construction and Engineering Group.

Matrix Homes' development in Gorton.

Local Investments

Invest 4 Growth

The objective of Invest 4 Growth, was to make investments that provide a commercial return and also have 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. GMPF approved an allocation of £50 million in the initiative in March 2014.

Invest 4 Growth was a collaborative project with several other LGPS funds, 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 due to the cumulative total of commitments enabled GMPF and the other funds to make savings on the investment costs and achieve a diversified portfolio.

GMPF were the largest participant in the scheme and out of the £38 million committed, £31 million has been drawn down as at 31 March 2016 and invested by the fund managers.

As at 31 March 2016, it is too early to judge investment performance, but so far the managers are making satisfactory progress against the initial objectives set.

An investment made by Bridges Ventures, one of the external managers appointed via the Invest 4 Growth initiative, is the Teens & Toddlers programme. This innovative programme supports disadvantaged 14-16 year olds by partnering them with a toddler to mentor, bringing about transformational changes in the young person's life.

Impact Portfolio

Following on from the Invest 4 Growth initiative, GMPF has approved an allocation of up to £170 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 to develop a diversified portfolio and cost reduction benefits from greater economies of scale.

As at 31 March 2016, total commitments of £133 million have been made into a number of investments, with £28 million cash drawn down. Areas of investment include renewable energy, loans to small and medium sized businesses and private equity. Alongside these 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.

An example of a renewable energy investment through GMPF's Impact Portfolio is the Goathill Quarry wind turbine, in Fife. It was commissioned in 2015 and is now selling power directly to local businesses.

GMPF approach to ethical investments and corporate governance

GMPF invests in various company shares and bonds, government bonds, property and cash around the world and has an excellent long-term investment track record. This helps keep our employer contribution rates at the lower end of the range for local authorities and, in turn, enables the authorities to spend more money on front-line services whilst maintaining attractive pensions for staff.

We invest over 60% of GMPF's assets in well diversified portfolios of UK and overseas company shares. Further assets are invested in company bonds. GMPF has holdings in some of the largest companies in the world. You can see a list of GMPF's top twenty holdings on page 11 of this report and a full list of GMPF's holdings can be found on the Investments homepage of GMPF's website at **http://www.gmpf.org.uk/investments.htm**

We have delegated the investment management of these portfolios of company shares and bonds to a small number of external professional fund management firms. However, we give the investment managers detailed guidelines within which to work.

The cornerstone of our policy on ethical investment is our interpretation of the legal position. In our view, applying ethical, environmental or any other non-commercial policy either to investments generally or to selecting fund managers, would be inconsistent with our legal duties and responsibilities. We also have a statutory responsibility to ensure proper diversification of investments. Thus we have a general policy of not interfering in the day-to-day investment decisions of GMPF's investment managers. However, the Fund 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 the Fund. This policy is described in Section 8 of GMPF's Statement of Investment Principles (www.gmpf.org.uk).

Although we will listen to special interest groups that oppose some of GMPF's investments, for example in alcohol, gambling or pharmaceuticals, we cannot let this detract from our duty.

Considerations such as these have led us to decide not to have or develop a detailed generalised ethical investment policy. We prefer to concentrate on developing a policy that involves using voting and other contacts to positively influence company behaviour. As responsible institutional investors we seek to influence companies' governance arrangements, environmental, human rights and other policies by positive use of shareholder power. The Fund's *Climate Risk* pamphlet (http://www.gmpf.org.uk/documents/investments/climaterisk.pdf) illustrates the approach we have taken in one important area. However, none of this prevents us applying ethical or environmental criteria on a case by case basis if considered relevant and appropriate. For example, for many years we chose not to invest in South Africa. Moreover, the legal status of the Fund is such that all property is held by Tameside MBC and consequently we would not do anything that conflicted with its statutory duties as a Local Authority.

The whole area of voting and exercising influence over the companies one holds shares in is known as 'corporate governance'. GMPF has a well-developed approach to such matters including:

- Issuing voting guidelines to our managers including, among other matters, a UK Environmental Investment Code which, where appropriate, we require the managers to apply in their voting behaviour;
- Having an Investment Monitoring and ESG Working Group whose role is to oversee corporate governance and related matters, including monitoring GMPF's external managers' voting behaviour and other relevant activity;
- Subscribing to the research and advisory service of PIRC Ltd who are an important advisor in this field;
- Monitoring developments in corporate governance and the activities of GMPF's managers in this area; and
- GMPF is also a member of a number of organisations which seek to enhance investment returns through better management of ESG issues: the *Local Authority Pension Fund Forum (LAPFF)*, which provides a large investor base to influence companies' corporate governance and social responsibility; the *Institutional Investor Group on Climate Change*, a forum for pension funds and investment managers; and *The PRI* which is a leading proponent of responsible investment. Councillor Kieran Quinn, Chair of GMPF's Management and Advisory Panels is also Chair of LAPFF.

We have considered the possibility of investing in specialist ethical investment funds or vehicles, but our current view is that evidence on the returns of such funds or vehicles is not as clear as it might first appear. For example, the seemingly competitive returns of ethical funds or vehicles could simply be the result of the well-known 'small companies effect' and not the result of ethical investing at all. The small companies effect arises because small companies can give above average returns at different times within an economic cycle.

Ethical vehicles tend to invest more in small companies rather than large ones, because large companies are more likely to have dealings in areas that ethical vehicles dislike. For this reason and others, including that such investment would tend to run counter to our overall preference for using shareholder influence, GMPF does not invest in such specialist investment vehicles. However, we do review this periodically.

Myners principles

In March 2001, Paul Myners published his *Review of Institutional Investment*. It was a wide ranging report on how some of the main players - trustees, actuaries, investment consultants and fund managers - carry out their roles. The Government supported the report's conclusions, and in October 2001, it issued a revised set of 10 investment principles.

In December 2004, HM Treasury published a consultation document reviewing progress made with the recommendations in the Myners Report. GMPF officers had participated in the review and GMPF considered the consultation document to be positive in terms of the Local Authority 'model' of appointing lay councillors working with GMPF officers giving expert advice.

The National Association of Pension Funds (NAPF), of which GMPF is a member, was also generally supportive of the review's findings and the revisions proposed to the current principles. NAPF undertook to carry out a further review in 2007 to assess progress.

This NAPF review was published in November 2007 and a number of recommendations were made to update the Principles to ensure the continued spread of best practice.

The Government welcomed the NAPF review, launched a consultation paper in March 2008 and published a response to that consultation in October 2008 setting out a revised set of six investment principles. As required by the Regulations, the publication of CIPFA's Guidance on the Application of the revised Myners Principles in December 2009, prompted GMPF to consider its position in relation to the six revised principles in the context of its Statement of Investment Principles. *NAPF has since become the PLSA.*

This section summarises the current GMPF position on the six revised best practice principles. Further comment is incorporated in the Statement of Investment Principles, the latest version of which was adopted by GMPF on 11 December 2015.

1 **Effective decision making:** Key strategic investment decisions are taken by the Pension Fund Management Panel, for example asset allocation and investment management arrangements. In taking such decisions, the Panel receives advice from its Actuary, other external advisors and in house staff. GMPF also incorporates specialist advice where appropriate, for example on private equity and corporate governance issues. Implementation decisions are delegated to the Executive Director of Pensions and external managers. The training needs of Panel members are periodically considered by the Management Panel and suitable training arrangements are made. GMPF is developing its approach to the CIPFA skills and knowledge framework for members of the Management Panel. The Management Panel members participate in 4 formal training sessions per annum. This is supported by attendance at seminars and conferences and detailed consideration and discussion of specific issues at Working Groups.

2 **Clear objectives:** GMPF's investment objective is to help deliver low and stable employer contribution rates. This equates to a long term real rate of return of approximately 2.5% to 3% pa compared to RPI. An asset liability study undertaken during 2000 culminated in the adoption of a Fund specific benchmark, the current version of which is described on page 13. The Management Panel is developing a performance measurement framework to measure the overall performance of its advisors.

3 **Risk and Liabilities:** The Management Panel has an active risk management programme in place. The overall approach to risk and the key risks and the measures to control them are detailed in GMPF's Statement of Investment Principles and Funding Strategy Statement. GMPF continues to consider how to further develop its approach to assessing overall risk, mitigating unrewarded risk wherever possible, and identifying any residual risk.

4 **Performance Assessment:** The Management Panel currently undertakes informal assessment of its own decisions and the advice of the advisors to, and officers of, GMPF and is developing its approach to formal assessment in these areas. The performance of external managers is monitored on a quarterly basis (annually for property).

5 **Responsible Ownership:** Each external fund manager is required to report their policy and activity in this area to GMPF's specialist "Investment Monitoring and ESG Working Group" on an annual basis. GMPF is developing its approach to measuring the effectiveness of its strategy. GMPF is a member of the Local Authority Pension Fund Forum (LAPFF) which promotes the investment interests of local authority pension funds and seeks to maximise their influence as shareholders while promoting corporate social responsibility and high standards of corporate governance among the companies in which they invest. Councillor Kieran Quinn, Chair of GMPF's Management and Advisory Panels was elected Chair of LAPFF in January 2013. GMPF has adopted a Statement of Compliance with the Financial Reporting Council's UK Stewardship Code, which replaced the Institutional Shareholders Committee's Code on the Responsibilities of Institutional Investors.

6 **Transparency and Reporting:** GMPF's Statement of Investment Principles, Funding Strategy Statement, Core Belief Statement and Governance Compliance Statement are published on GMPF's website together with a full list of holdings at the year end. The results of monitoring GMPF's investment managers are contained elsewhere in this Annual Report and Accounts which is also published on the website. All four documents are freely available in hardcopy to interested parties and their availability is publicised widely amongst scheme members. GMPF communicates at least annually with all its members. Pensioners are also invited to a biennial Forum.

Financial performance report

Key financials

The table on the right shows the key financial movements for 2015/16 and summarises the information contained within the Fund Account (page 33) key issues to note are that (i) the Fund fell in value by a total of £226m during the year (ii) this was largely due to investment performance showing a negative change in market value (iii) the overall cash flow of the Fund was positive with the net outflow of dealing with members and costs being offset by investment income.

	£m	£m	£m
Fund value at 31 March 2015			**17,591**
Contributions & benefits			**(110)**
Employee contributions	142		
Employer contributions	455		
Pension benefits paid		(705)	
Net Transfers		(2)	
Management costs			**(19)**
Investment		(13)	
Administration		(5)	
Oversight		(1)	
Investments			**(137)**
Income	319		
Change in market value		(456)	
Total change in value of Fund			**(266)**
Fund value at 31 March 2016			**17,325**

The table on the right shows the financial outturn against the prediction for the year 2015/16 agreed by the Management Panel in December 2014.

Investment performance for the financial year 2015/16 was -0.8% compared to the long term predicted annual rate of 4.8%.

The other outcome that was significantly different was the increase in contributions received; this was largely due to Auto Enrolling and the planned contributions increases. Longer term, due to the effects of austerity on the employers this trend is expected to reverse.

	2015/16 prediction £m	2015/16 actual £m	Variance £m
Fund size at start of year	**17,591**	**17,591**	**0**
Fund size at end of year	**18,272**	**17,325**	**(947)**
Pension benefits paid	(698)	(705)	**(7)**
Contributions received	559	597	**38**
Transfers		(2)	**(2)**
Net cashflow	**(139)**	**(110)**	**29**
Management costs	24	19	**(5)**
Investment income	311	319	**3**
Increase in value of investments	533	(456)	**(984)**
Net return from investments	**844**	**(137)**	**(981)**
Net change in Fund	**681**	**(266)**	**(947)**

The Management Panel did not extend the financial forecasting period beyond 2018 due to uncertainties over the implications of pooling arrangements going forward post 2018.

It is currently expected that all LGPS funds will be required to 'pool' assets with other funds from 2018 onwards to create investment pools in exces of £25 billion. Such pooling could result in significant change to how GMPF's investments are managed.

The table below shows the financial forecast for the period 2016-2018 using the same assumptions as the original prediction in 2015 but reset with the actual position as at 2016.

Key issues to draw out remain as in previous years

- As the Fund matures the gap between pensions paid and contributions received increases
- The net negative cash-flow from contribution income less benefits paid is offset by investment income meaning that the Fund is not a forced seller of assets
- These figures are based on long term projected average investment performance and short term volatility may cause significant variations to the figures in this forecast.

	2016/17 £m	2017/18 £m
Fund size at start of year	**17,325**	**17,937**
Fund size at end of year	**17,937**	**18,539**
Pension benefits paid	737	778
Contributions received	545	548
Transfers	0	0
Net cashflow	(191)	(230)
Management costs	28	29
Investment income	329	345
Increase in value of investments	503	516
Net return from investments	**832**	**861**
Net change in Fund	**612**	**602**

Continued...

Management costs statement for the 12 Months to 31 March 2016

	12 months to March 2016		
	❶ **Original estimate 2015/16 £000**	❷ **Actual expenditure 2015/16 £000**	❸ **Variation to date (❷ - ❶) £000**
Type of expenditure			
Staff costs			
Direct salaries	4,160	4,153	(7)
On costs	1,118	1,100	(17)
	5,278	**5,253**	**(25)**
Direct costs			
Publications & subscriptions	66	80	14
Travel and Subsistence	32	70	38
Premises	414	466	52
Postage, printing, telephone	311	349	38
Office equipment & software	943	926	(17)
Investment Advisory Expenses	52	57	5
Bank Charges and Nominee Fees	380	350	(30)
Managers and Professional Fees	16,308	12,125	(4,183)
Performance Measurement Services	96	71	(25)
Communications	150	230	80
	18,752	**14,724**	**(4,028)**
Central establishment charges	379	379	(0)
Less:			
Recovery of Management and Legal Fees	(251)	(895)	(644)
Administration fees	(20)	(37)	(17)
Commission recapture	(100)	(94)	6
	24,037	**19,330**	**(4,708)**

Commentary on outturn for year

During the year the expenditure on administration and investments was £4.7million less than what was budgeted for, this was mostly due to a rebate received for investment management costs and the recovery of additional management fees.

The Fund Account splits out expenditure into three activities in note 8, these are investment, administration, and oversight and governance functions. During the year monitoring of management expenditure is made on an overall basis and at service management level which may cut across these functions.

Three year budgeted expenditure

The table below is derived from the budget for 2016-18 approved by the GMPF Management Panel on 11 March 2016 and has been adjusted for the actual outturn for 2015/16.

Type of expenditure	**2015/16 (projected outturn) £000**	**2016/17 £000**	**2017/18 Revised (using asumptions) £000**
Staff Costs	5,253	5,808	5,924
Investment management & professional fees	11,156	19,294	20,220
Accommodation	466	817	833
Other services	2,076	1,793	1,829
Central establishment charges	379	379	379
		0	0
Total	**19,330**	**28,091**	**29,186**

The implementation of more diverse investment strategies and the appointment of an external property manager and subsequent increases in direct property investment will result in increases in investment management fees in subsequent years.

There are currently no significant developments planned which will have a material impact on costs. At present it is not possible to predict budgets post 2018 due to uncertainty over the final nature of investment pooling arrangements.

Statement of accounts

INDEPENDENT AUDITOR'S STATEMENT TO THE MEMBERS OF TAMESIDE METROPOLITAN BOROUGH COUNCIL ON THE PENSION FUND FINANCIAL STATEMENTS INCLUDED IN THE GREATER MANCHESTER PENSION FUND ANNUAL REPORT

The accompanying pension fund financial statements of Greater Manchester Pension Fund for the year ended 31 March 2016 which comprise the fund account, the net assets statement and the related notes are derived from the audited pension fund financial statements for the year ended 31 March 2016 included in Tameside Metropolitan Council's ('the authority')Statement of Accounts. We expressed an unmodified audit opinion on the pension fund financial statements in the Statement of Accounts in our report dated 12 September 2016

The pension fund annual report, and the pension fund financial statements, do not reflect the effects of events that occurred subsequent to the date of our report on the Statement of Accounts. Reading the pension fund financial statements is not a substitute for reading the audited Statement of Accounts of the Authority.

This report is made solely to the members of the Authority, as a body, in accordance with Part 5 paragraph 20(5) of the Local Audit and Accountability Act 2014 and as set out in paragraph 43 of the Statement of Responsibilities of Auditors and Audited Bodies published by Public Sector Audit Appointments Limited. Our work has been undertaken so that we might state to the members of the Authority those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the Authority and the Authority's members as a body, for our audit work, for this report, or for the opinions we have formed.

The Assistant Executive Director – Resources responsibilities for the pension fund financial statements in the pension fund annual report

Under the Local Government Pension Scheme Regulations 2013 the Assistant Executive Director - Resources is responsible for the preparation of the pension fund financial statements, which must include the fund account, the net asset statement and supporting notes and disclosures prepared in accordance with proper practices. Proper practices for the pension fund financial statements in both the Authority Statement of Accounts and the pension fund annual report are set out in the CIPFA/LASAAC Code of Practice on Local Authority Accounting in the United Kingdom 2015/16.

Auditor's responsibility

Our responsibility is to state to you whether the pension fund financial statements in the pension fund annual report are consistent with the pension fund financial statements in the Authority's Statement of Accounts in accordance with International Standard on Auditing 810, Engagements to Report on Summary Financial Statements.

In addition we read the other information contained in the pension fund annual report and consider the implications for our report if we become aware of any apparent misstatements or material inconsistencies with the pension fund financial statements. The other information consists of the Chair's Introduction, Top 20 Equity Holdings, Investment Report, Financial Performance Report, Actuarial Statement, Scheme Administration, Funding Strategy Statement, Governance Compliance Statement, Statement of Investment Principles and Communications Policy.

Opinion

In our opinion, the pension fund financial statements in the pension fund annual report derived from the audited pension fund financial statements in the Authority Statement of Accounts for the year ended 31 March 2016 are consistent, in all material respects, with those financial statements in accordance with proper practices as defined in the CIPFA/LASAAC Code of Practice on Local Authority Accounting in the United Kingdom 2015/16 and applicable law.

Mike Thomas

Mike Thomas
for and on behalf of Grant Thornton UK LLP, Appointed Auditor

Grant Thornton UK LLP
4 Hardman Square
Spinningfields
Manchester
M3 3EB

22 September 2016.

Fund account for the year ended 31 March 2016

31 March 2015 £000		Note	31 March 2016 £000
	Contributions and benefits		
(138,267)	Contributions from employees	5	(142,090)
(420,732)	Contributions from employers	5	(454,446)
(558,999)			(596,536)
(2,641,622)	Transfers in (bulk)		(17,910)
(8,316)	Transfers in (individual)		(15,111)
(3,208,937)			**(629,557)**
636,593	Benefits payable	6	704,777
26,486	Payments to and on account of leavers	7	35,118
18,216	Management expenses	8	19,330
681,295			**759,225**
	Returns on investments		
(296,724)	Investment income	9	(316,176)
(108,453)	Investment returns by proxy	9a	(5,074)
(1,373,260)	Reduction/(increase) in fair value of investments	11	455,768
2,286	Taxation	10	2,612
(3,354)	(Profit)/loss on foreign currency		(220)
(1,779,505)	**Net (profit)/loss on investments**		**136,910**
(4,307,147)	Net (increase)/decrease in the Fund during the year		266,578
(13,284,054)	Net assets of the Fund at start of year		(17,591,201)
(17,591,201)	**Net assets of the Fund at end of year**		**(17,324,623)**

Net Assets Statement at 31 March 2016

31 March 2015 £000		Note	31 March 2016 £000
2,817,799	UK equities		2,854,368
3,930,516	Overseas equities		3,641,034
788,541	UK fixed interest corporate bonds		722,582
88,447	Overseas fixed interest corporate bonds		94,589
111,083	UK fixed interest government bonds		107,221
313,423	Overseas fixed interest government bonds		130,975
206,441	UK index linked government bonds		138,640
340,996	Overseas index linked government bonds		426,807
409,235	Investment property	11	525,270
325	Derivative contracts	11	0
7,882,069	Pooled investment vehicles	11	7,911,323
628,823	Cash and deposits	11	627,786
159,956	Other investment assets	11	132,550
17,677,654	**Investment assets**		**17,313,145**
0	Derivative contract liabilities	11	(178)
(114,206)	Other investment liabilities	11	(21,925)
(114,206)	**Investment liabilities**		**(22,103)**
53,633	Current assets	11	54,283
(25,880)	Current liabilities	11	(20,702)
27,753	Net current assets		**33,581**
17,591,201	**Net assets of Fund**		**17,324,623**

1. Notes to the Accounts

From 1 April 2010 GMPF was required to prepare its financial statements under International Financial Reporting Standards (IFRS). The financial statements have been prepared in accordance with the Code of Practice on Local Authority Accounting in the United Kingdom 2015/16 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. Individual transfer values are recognised on a received or paid basis.

Financial assets & liabilities: On initial recognition, GMPF is required to classify financial assets and liabilities into held to maturity investments, available for sale financial assets, held for trading, designated at fair value through the Fund account, or loans and receivables. Financial assets may be designated as at fair value through the Fund account only if such designation (a) eliminates or significantly reduces a measurement or recognition of inconsistency, or (b) applies to a group of financial assets, financial liabilities or both that GMPF manages and evaluates on a fair value basis, or (c) relates to an instrument that contains an embedded derivative which is not evidently closely related to the host contract.

Contribution income: Normal contributions, both from 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 deficit 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 GMPF's financial statements because GMPF has no involvement in the management of these assets. 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: Interest, property rent and dividends on fixed interest and equity investments and on short-term deposits has been accounted for on an accruals basis.

Accrued Investment Income: Accrued investment income has been categorised within investments in accordance with the appropriate Pensions Statement of Recommended Practice (SORP).

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 2016.

Foreign Investments: Foreign investments are translated at the exchange rate applicable at 31 March 2016. 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 includes all benefit claims payable by GMPF during the financial year.

Investment Values: All financial assets are valued at their fair value as at 31 March 2016 determined as follows:

At 31 March 2016	Valuation basis/technique	Main assumptions
Equities and bonds	Pricing from market data providers based on observable bid price quotations.	Use of pricing source. There are minor variations in the price dependent upon the pricing feed used.
Direct Investment Property	Independent valuations for freehold and leasehold investment properties at fair value; the main investment property portfolio has been valued by Colliers International Valuation UK LLP, Chartered Surveyors, as at 31 December 2015 subsequently adjusted for transactions undertaken between 1 January 2016 and 31 March 2016. The Greater Manchester Property Venture Fund portfolio has been valued as at 31 March 2016 by Bilfinger GVA. In both cases valuations have been 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.
Indirect property (Part of Pooled Investment Vehicles)	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.
Derivatives	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.	

At 31 March 2016	Valuation basis/technique	Main assumptions
Private equity, infrastructure and special opportunities portfolios	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, industry multiples and public comparables, transactions in similar instruments, discounted cash flow techniques, third party independent appraisals or pricing models.	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.
Cash and other net assets	Value of deposit or value of transaction.	Cash and account balances are short-term, highly liquid and subject to minimal changes in value.

Financial instruments at fair value through the fund account: Financial assets and liabilities are stated at fair value as per the Net Assets Statement which is prepared in accordance with the Pensions SORP, requiring assets and liabilities to be reported on a fair value basis. Gains and losses on financial instruments that are designated as at fair value through the Fund account are recognised in the Fund account as they arise. The carrying values are therefore the same as fair values.

Loans & receivables: Non-derivative financial assets which have fixed or determinable payments and are not quoted in an active market are classified as loans and receivables.

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.

Acquisition costs of investments: Acquisition costs of investments are included in the purchase price.

Management Expenses: Investment management expenses paid directly by GMPF are included within Management Expenses within the Fund account on page 33. 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, 3 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 deducted directly by the investment managers. These costs are not charged directly to the Fund account nor analysed in Note 8. They are included in the fair value adjustments applied to assets concerned within the Fund account and corresponding notes. The performance of these investments is reported on a net basis. In line with CIPFA recommendations on improving disclosure of investment costs, Note 11 includes an estimate of these costs for this financial year and previous financial year.

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 comprises 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).

Derivatives: GMPF uses derivative financial instruments to manage its exposure to specific risks arising from its investment activities. GMPF does not hold derivatives for speculative purposes. Derivative contract assets are fair valued at bid prices and liabilities are fair valued at offer prices. Changes in fair value of derivative contracts are included in change in fair value.

Future contracts are exchange traded and fair value is determined using exchange prices at their reporting date. Amounts due or owed to the broker are amounts outstanding in respect of initial margin and variation margin.

Forward foreign exchange contracts are over the counter contracts and are valued by determining the gain or loss that would arise from closing out the contract at the reporting date, by entering into an equal and opposite contract at that date.

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 are accounted for on an accruals 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:

- GMPF will continue in operational existence for the foreseeable future as a going concern;
- No investments are impaired (further detail on the investment strategy and approach to managing risk can be found in Note 4).

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.

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 2016 was £1,043,193,000 (£686,936,000 at 31 March 2015).

Pension Fund Liability

The present value of GMPF's liabilities is calculated every three years by an appointed actuary. For the purpose of reporting the actuarial present value of promised retirement benefits, this liability value is updated annually in intervening years by the Actuary. The methodology used is in line with accepted guidelines and in accordance with IAS 19. Assumptions underpinning the valuations are agreed with the Actuary and are summarised in Note 25. This estimate is subject to significant variances based on change to the underlying assumptions.

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. No financial assets were reclassified during the accounting period.

	At 31 March 2016		
	Designated as fair value through profit and loss £000	**Loans and receivables £000**	**Financial liabilities at amortised cost £000**
Financial assets:			
Equities	6,495,402	0	0
Fixed interest	1,055,367	0	0
Index linked	565,447	0	0
Derivatives	0	0	0
Pooled investment vehicles	7,911,323	0	0
Cash	0	627,786	0
Other investment assets	0	132,550	0
Current assets	0	54,283	0
	16,027,539	**814,619**	**0**
Financial liabilities:			
Derivatives	(178)	0	0
Other investment liabilities	0	(21,925)	0
Current liabilities	0	(20,702)	0
	(178)	**(42,627)**	**0**
Total	**16,027,361**	**771,992**	**0**

	At 31 March 2015		
	Designated as fair value through profit and loss £000	**Loans and receivables £000**	**Financial liabilities at amortised cost £000**
Financial assets:			
Equities	6,748,315	0	0
Fixed interest	1,301,494	0	0
Index linked	547,437	0	0
Derivatives	325	0	0
Pooled investment vehicles	7,882,069	0	0
Cash	0	628,823	0
Other investment assets	0	159,956	0
Current assets	0	53,633	0
	16,479,640	**842,412**	**0**
Financial liabilities:			
Derivatives	0	0	0
Other investment liabilities	0	(114,206)	0
Current liabilities	0	(25,880)	0
	0	**(140,086)**	**0**
Total	**16,479,640**	**702,326**	**0**

Note: the above tables do not include investment property.

Net Gains and Losses on Financial Instruments

All gains and losses were on financial instruments and these were at fair value through the Fund account. The net loss for the year ending 31 March 2016 was £477,962,610 (31 March 2015 net gain of £1,367,751).

3a. Valuation of Financial Instruments carried at Fair Value

The table below provides an analysis of the financial 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 2016			
	Level 1 £000	**Level 2 £000**	**Level 3 £000**	**Total £000**
Financial assets:				
Equities	6,495,402	0	0	6,495,402
Fixed interest	0	1,055,367	0	1,055,367
Index linked	0	565,447	0	565,447
Derivatives	0	(178)	0	(178)
Pooled investment vehicles	0	6,274,360	1,636,963	7,911,323
Total	**6,495,402**	**7,894,996**	**1,636,963**	**16,027,361**

	At 31 March 2015			
	Level 1 £000	**Level 2 £000**	**Level 3 £000**	**Total £000**
Financial assets:				
Equities	6,748,315	0	0	6,748,315
Fixed interest	0	1,301,494	0	1,301,494
Index linked	0	547,437	0	547,437
Derivatives	0	325	0	325
Pooled investment vehicles	0	6,667,607	1,214,462	7,882,069
Total	**6,748,315**	**8,516,863**	**1,214,462**	**16,479,640**

Note: the above tables do not include investment property, cash, other investment assets/liabilities and net current assets.

The valuation of financial instruments 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.

Level 2: Level 2 prices are those other than Level 1 that are observable e.g. 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 earnings multiples, public market comparables and estimated future cash flows.

The valuation techniques used by GMPF are detailed in Note 2.

GMPF has cash, other investment assets and liabilities which will mature in the next 12 months. No valuation technique is required in relation to these investments and therefore assignment to a level is not applicable.

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 every 3 years in line with triennial valuations being carried out. A full review was completed by 31 March 2014.

GMPF's approach to risk measurement and its management is set out in its Statement of Investment Principles (SIP). The Management Panel recognises that risk is inherent in any investment activity. The overall approach is to reduce risk to a minimum where it is possible to do so without compromising returns (e.g. in operational matters), and to limit risk to prudently acceptable levels otherwise (e.g. in investment matters).

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

Some risks lend themselves to being measured (e.g. 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 SIP 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 on the next page shows the expected market risk exposure or predicted volatilities of GMPF's investments:

Asset type	Potential market movements (+/-) 31 March 2015 p.a.	Potential market movements (+/-) 31 March 2016 p.a.
UK equities	17.0%	17.1%
Overseas equities	20.1%	19.6%
Fixed interest - gilts	6.7%	6.7%
Index linked gilts	4.8%	5.1%
Corporate bonds	9.5%	9.5%
Overseas bonds	12.6%	12.2%
Property	14.7%	14.7%
Private equity	28.6%	28.7%
Infrastructure	15.9%	15.7%
Cash and other liquid funds	0.6%	0.6%
GMPF	12.0%	12.7%

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 split as at 31 March 2015 and 2016. The calibration of the model is based on a combination of historical data, economic theory and expert opinion.

Had the market price of GMPF's investments increased/decreased 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 2015 and 2016 would have been as shown in the tables on the next page.

Asset type	31 March 2016 £000	% Change p.a.	Value on increase £000	Value on decrease £000
UK equities	3,851,532	17.1%	4,510,144	3,192,920
Overseas equities	7,304,655	19.6%	8,736,367	5,872,943
Fixed interest - gilts	531,952	6.7%	567,593	496,311
Index linked gilts	444,852	5.1%	467,539	422,164
Corporate bonds	1,056,847	9.5%	1,157,247	956,446
Overseas bonds	877,508	12.2%	984,564	770,452
Investment property	1,104,677	14.7%	1,267,065	942,289
Private equity	710,218	28.7%	914,051	506,385
Infrastructure	347,338	15.7%	401,870	292,806
Cash and other liquid funds	1,083,567	0.6%	1,090,068	1,077,066
GMPF	**17,313,145**	**12.7%**	**19,511,915**	**15,114,376**

Asset type	31 March 2015 £000	% Change p.a.	Value on increase £000	Value on decrease £000
UK equities	3,834,754	17.0%	4,486,662	3,182,846
Overseas equities	7,765,183	20.1%	9,325,984	6,204,381
Fixed interest - gilts	570,034	6.7%	608,227	531,842
Index linked gilts	543,181	4.8%	569,254	517,108
Corporate bonds	1,147,979	9.5%	1,257,037	1,038,921
Overseas bonds	991,305	12.6%	1,116,210	866,401
Investment property	895,490	14.7%	1,027,127	763,853
Private equity	571,172	28.6%	734,527	407,817
Infrastructure	157,035	15.9%	182,004	132,066
Cash and other liquid funds	1,201,521	0.6%	1,208,730	1,194,312
GMPF	**17,677,654**	**12.0%**	**19,798,973**	**15,556,336**

Note: the above tables do not include investment liabilities and net current assets.

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 2016, GMPF had £323,232,000 (2014/15 £412,417,000) invested in this asset via pooled investment vehicles. Therefore, a 1% change in interest rates will increase or reduce GMPF's return by £3,232,000 (2014/15 £4,124,170) on an annualised basis.

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 MBC'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 a "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. GMPF's cash holding under its Treasury Management arrangements at 31 March 2016 was £606,958,000 (31 March 2015 £577,813,000). This was held with the following institutions:

Summary	Rating	Balance at 31 March 2015 £000	Balance at 31 March 2016 £000
Money market funds			
Blackrock	AAA	4,700	25,000
Insight	AAA	50,000	50,000
J P Morgan	AAA	50,000	50,000
HSBC	AAA	49,100	0
SSGA	AAA	50,000	24,000
Goldman Sachs	AAA	27,100	0
IGNIS	AAA	50,000	50,000
D B Advisors	AAA	50,000	50,000
Prime Rate	AAA	50,000	50,000
Morgan Stanley	AAA	50,000	50,000
Legal & General	AAA	50,000	50,000
Invesco	AAA	0	9,300

Summary	Rating	Balance at 31 March 2015 £000	Balance at 31 March 2016 £000
Banks			
RBS	BBB	41,523	8,043
Local authorities & public bodies			
Salford Council	N/A	5,000	9,000
Staffordshire Council	N/A	10,000	0
Telford & Wrekin Council	N/A	0	28,000
Newport Council	N/A	0	5,000
Greater London Authority	N/A	0	25,000
Eastleigh Council	N/A	0	10,000
Rhondda Council	N/A	4,390	0
Highland Council	N/A	5,000	18,000
Dudley Council	N/A	6,000	0
Buckinghamshire Council	N/A	15,000	0
Dundee Council	N/A	0	8,000
Glasgow City Council	N/A	10,000	48,615
Dumfries & Galloway Council	N/A	0	5,000
Barking & Dagenham Council	N/A	0	5,000
King's Lynn & West Norfolk Council	N/A	0	4,000
Middlesborough Council	N/A	0	5,000
Norfolk Police & Crime Commissioner	N/A	0	6,000
Northumbria Police & Crime Commissioner	N/A	0	9,000
Stockport Council	N/A	0	5,000
Totals		**577,813**	**606,958**

Liquidity risk

Liquidity risk represents the risk that GMPF will not be able to meet its financial obligations as they fall due. TMBC therefore takes 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, with the exception of investments placed with other local authorities – where periods are fixed when the deposit is placed.

GMPF had in excess of £606 million cash balances at 31 March 2016.

All financial liabilities at 31 March 2016 are due within one year.

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

31 March 2015 £000	Liquidity terms	31 March 2016 £000
16,023,957	Assets realisable within 7 days	14,960,297
20,000	Assets realisable in 8-30 days	101,000
10,000	Assets realisable in 31-90 days	56,615
1,623,697	Assets taking more than 90 days to realise	2,195,233
17,677,654	**Total**	**17,313,145**

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 2015 £000		31 March 2016 £000
(138,267)	Employees contributions	(142,090)
	Employers:	
(404,839)	Normal contributions	(444,978)
(15,408)	Deficit recovery contributions	(9,075)
(485)	Augmentation contributions	(393)
(420,732)	Total employers	(454,446)
(558,999)	**Total contributions**	**(596,536)**

By Authority

31 March 2015 £000		31 March 2016 £000
(357,785)	Part 1 Schedule 2 Scheme Employer	(366,668)
(79,494)	Designating bodies	(98,708)
(111,628)	Community admission bodies	(115,053)
(10,092)	Transferee admission bodies	(16,107)
(558,999)		**(596,536)**

Scheme employers can be split into those listed in Part 1 of Schedule 2 of the Local Government Pension Scheme (Administration) Regulations 2008 (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 under a best value or other arrangement. Further analysis by employer is contained in Note 20 of these statements.

At the 2013 Actuarial Valuation, GMPF was assessed as 90.5% funded. Contribution increases are phased over the 3 year period ending 31 March 2017. The phasing results in deficit contributions increasing over the period, and some employers will make contributions in excess of their future service rate.

The contribution rates specified in the Actuarial Valuation are minimum contribution rates. Some employers have made voluntary payments in excess of these minimum rates. In addition, a small number of employers were required to make explicit deficit payments – details of these can be found in the 2013 Actuarial Valuation report located at ***www.gmpf.org.uk.***

6. Benefits Payable

By Category

31 March 2015 £000		31 March 2016 £000
529,224	Pensions	573,447
95,666	Commutation & lump sum retirement benefits	114,724
11,703	Lump sum death benefits	16,606
636,593		**704,777**

By Authority

31 March 2015 £000		31 March 2016 £000
520,745	Part 1 Schedule 2 Scheme Employers	558,866
19,030	Designating bodies	25,582
89,056	Community admission bodies	109,691
7,762	Transferee admission bodies	10,638
636,593		**704,777**

Scheme employers can be split into those listed in Part 1 of Schedule 2 of the Local Government Pension Scheme (Administration) Regulations 2008 (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 under a best value or other arrangement. Further analysis by employer is contained in Note 20 of these statements.

7. Payments to and on account of leavers

31 March 2015 £000		31 March 2016 £000
1,000	Group transfers to other schemes	5,420
25,176	Individual transfers to other schemes	28,343
18	Payments for members joining state scheme	462
(50)	Income for members from state scheme	(155)
342	Refunds to members leaving service	1,048
26,486		**35,118**

8. Management Expenses

The costs of administration and investment management are met by the employers through their employer contribution rate.

In June 2014, 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. The 2015 figures have been restated to be consistent with the 2016 methodology for calculating these costs.

Investment management Expenses

31 March 2015 (restated) £000		31 March 2016 £000
1,244	Employee costs	1,211
138	Support services including IT	67
10,699	Management fees	11,541
349	Custody fees	320
12,430		**13,139**

Administrative costs

31 March 2015 (restated) £000		31 March 2016 £000
3,307	Employee costs	3,695
1,114	Support services including IT	1,031
42	Printing and publications	100
4,463		**4,826**

Oversight and Governance costs

31 March 2015 (restated) £000		31 March 2016 £000
423	Employee costs	412
381	Support services including IT	315
109	Governance and decision making costs	152
53	Investment performance monitoring	56
68	External audit fees*	62
102	Internal audit fees	102
109	Actuarial fees - investment consultancy	131
78	Actuarial fees	135
1,323		**1,365**

** Total fee paid to external auditors in 2015/16 is £62,337 (2014/15 £68,332) of which £5,996 (2014/15 £11,992 was paid in relation to work carried out on behalf of GMPF's main scheme employers*

9. Investment income

31 March 2015 £000		31 March 2016 £000
(46,022)	Fixed interest (corporate and government bonds)	(45,208)
(193,904)	Equities	(205,567)
(4,779)	Index linked	(5,106)
(25,343)	Pooled investment vehicles	(31,100)
(24,748)	Investment property (gross)	(28,237)
2,107	Investment property non-recoverable expenditure	3,869
(2,869)	Interest on cash deposits	(4,039)
(1,118)	Stocklending	(744)
(48)	Underwriting	(44)
(296,724)		**(316,176)**

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 pooled funds is automatically reinvested within the relevant sector fund and thus excluded from the above analysis. Similarly, UBS pooled funds for Emerging Market Equities, Capital International pooled funds for Emerging Market Equities and High Yield Bonds, Aviva Investors Property Fund, Standard Life Pooled Property Pension Fund and Standard Life Investments UK Property Development Fund in which GMPF invest have income automatically reinvested with that fund.

9a. Investment Return by Proxy

On 1 June 2014, in accordance with Statutory Instrument 1146 (2014), GMPF became the sole administering authority for probation staff and former probation staff in England and Wales that have or are eligible for LGPS membership.

The transfer of assets from the former Administering Authorities was a staged process throughout 2014/15 to 2015/16, with the ceding LGPS funds paying an estimated compensatory amount to GMPF to reflect investment returns for the period between the agreed transfer date and the actual transfer value receipt date. Once the actual investment returns of the transferring funds were established, the amount was refreshed and an adjustment paid to or from GMPF to reflect this return.

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 2015/16 amounts to £2,612,000 (2014/15 £2,286,000) 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.

11. Investments at fair value

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

Value at 1 April 2015 £000		Purchases £000	Sales £000	Change in fair value £000	Value at 31 March 2016 £000
	Designated as at fair value through the Fund account				
6,748,315	Equities	2,593,343	(2,350,927)	(495,329)	6,495,402
1,301,494	Fixed interest	418,893	(628,383)	(36,636)	1,055,368
547,437	Index linked	379,078	(379,590)	18,522	565,447
409,235	Property	120,506	(26,666)	22,195	525,270
325	Derivatives	14,608	(23,338)	8,227	(178)
7,882,069	Pooled investment vehicles	969,493	(967,492)	27,253	7,911,323
16,888,875		**4,495,921**	**(4,376,396)**	**(455,768)**	**16,552,632**
	Loans and receivables				
628,823	Cash				627,785
73,503	Other investments and net assets				144,206
17,591,201	**Total**				**17,324,623**

Value at 1 April 2014 £000		Purchases £000	Sales £000	Change in fair value £000	Value at 31 March 2015 £000
	Designated as at fair value through the Fund account				
6,172,402	Equities	3,931,485	(3,771,637)	416,065	6,748,315
1,303,436	Fixed interest	1,136,109	(1,259,002)	120,951	1,301,494
371,426	Index linked	269,197	(137,102)	43,916	547,437
376,835	Property	39,150	(12,260)	5,510	409,235
299	Derivatives	1,831	(17,571)	15,766	325
4,287,243	Pooled investment vehicles	4,148,905	(1,325,131)	771,052	7,882,069
12,511,641		**9,526,677**	**(6,522,703)**	**1,373,260**	**16,888,875**
	Loans and receivables				
704,032	Cash				628,823
68,381	Other investments and net assets				73,503
13,284,054	**Total**				**17,591,201**

The change in market value of investments during the year comprises all increases and decreases in the market value of investments held at any time during the year, including profits and losses realised on sales of investment during the year.

Investment property

31 March 2015 £000		31 March 2016 £000
369,900	UK - main property portfolio	486,535
39,335	UK - Greater Manchester Property Venture Fund*	38,735
409,235		**525,270**

** An amount of £47,666,000 (2014/15 £46,239,000) relating to Greater Manchester Property Venture Fund has not been included in this total but is recorded under property unit trusts within Pooled Investment Vehicles analysis section of Note 11.*

All investment property is located in England, Wales or Scotland and, in order to reduce risk, is diversified over several sectors which include high street retail, offices, industrial/retail warehousing, leisure, healthcare and student accommodation. Gross and net rental income are shown in Note 9 of these accounts.

With the sole exception of two investment properties, where a rent sharing agreement is in place with the freeholder, 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, decisions have been taken to sell six investment properties. These were either being prepared for sale, were being marketed or prices had been agreed at 31 March 2016 (combined prices totalled £41,070,000).

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 2015/16	£000
Balance at 1 April 2015	409,235
Purchases	114,650
Expenditure during year	5,856
Disposals	(26,666)
Net gains/ (losses) from fair value adjustments	22,195
Balance at 31 March 2016*	**525,270**

** Of which £41,070,000 relates to properties being marketed at 31 March 2016.*

Movement in the fair value of investment properties in 2014/15	£000
Balance at 1 April 2014	376,835
Purchases	37,750
Expenditure during year	1,401
Disposals	(12,260)
Net gains/(losses) from fair value adjustments	5,509
Balance at 31 March 2015	**409,235**

Future Operating Lease Rentals Receivable

31 March 2015 £000		31 March 2016 £000
21,177	Not later than 1 year	23,873
63,233	Later than 1 year, but not later than 5 years	78,366
154,921	Later than 5 years	179,671
239,331	**Total**	**281,910**

The future minimum lease payments due to GMPF under non-cancellable operating leases are stated above.

Where a lease contains a "tenant's break" clause, it is only up to this point that the aggregation is made.

Derivatives

31 March 2015 £000		31 March 2016 £000
	Investment assets:	
180	Forward Currency contracts	183
318	FTSE 100 Index future	0
498		183
	Investment liabilities:	
(173)	Forward Currency contracts	(361)
325	**Net (liability)/asset**	**(178)**

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 is to decrease risk in the portfolio.

31 March 2016 Contract	Settlement Date	Currency	Currency Bought 000	Currency	Currency Sold 000	Asset £000	Liability £000
Forward Currency Contract	Within one month	USD	747	MYR	3,150	0	(42)
Forward Currency Contract	Within one month	NOK	13,142	EUR	1,400	0	(5)
Forward Currency Contract	Within one month	JPY	348,817	USD	3,075	20	0
Forward Currency Contract	Within one month	JPY	437,129	USD	3,850	28	0
Forward Currency Contract	Within one month	USD	814	ZAR	12,600	0	(28)
Forward Currency Contract	Within one month	USD	126	ZAR	1,950	0	(4)
Forward Currency Contract	Within one month	USD	16,070	GBP	11,400	0	(220)
Forward Currency Contract	Within one month	NOK	19,518	EUR	2,050	16	0
Forward Currency Contract	Within one month	EUR	7,497	GBP	5,900	47	0
Forward Currency Contract	Within one month	EUR	2,151	GBP	1,700	6	0
Forward Currency Contract	Within one month	USD	3,144	GBP	2,200	0	(13)

Table continues over...

31 March 2016 Contract	Settlement Date	Currency	Currency Bought 000	Currency	Currency Sold 000	Asset £000	Liability £000
Forward Currency Contract	Within one month	USD	1,444	SEK	11,800	0	(9)
Forward Currency Contract	Within one month	USD	610	SEK	5,000	0	(5)
Forward Currency Contract	Within one month	EUR	1,979	GBP	1,550	20	0
Forward Currency Contract	Within one month	JPY	506,268	GBP	3,150	0	(15)
Forward Currency Contract	Within one month	USD	3,425	GBP	2,400	0	(17)
Forward Currency Contract	Within one month	MYR	3,150	USD	801	5	0
Forward Currency Contract	Within one month	GBP	60,882	EUR	76,685	41	0
Forward Currency Contract	Within one month	USD	801	MYR	3,150	0	(3)
						183	**(361)**

31 March 2016 Contract	Settlement Date	Economic Exposure £000	Market Value £000
FTSE 100 Index Futures	Within 3 months	0	0

31 March 2015 Contract	Settlement Date	Economic Exposure £000	Market Value £000
FTSE 100 Index Futures	Within 3 months	116,732	318

The above table analyses the derivative contracts held at 31 March 2016 by maturity date.
The Forward Currency contracts were all traded on an over-the-counter-basis.

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 2015 £000		31 March 2016 £000
149,488	Property	152,517
564,562	Overseas equity	595,811
141,032	UK private equity & infrastructure	266,160
416,100	Overseas private equity & infrastructure	548,571
93,781	UK special opportunities portfolio	136,575
59,667	Overseas special opportunities portfolio	90,881
1,424,630	**Managed Funds**	**1,790,515**
315,574	Property	400,258
1,311	Overseas private equity	990
83	UK private equity	16
316,968	**Unit trusts**	**401,264**
37,427	Property	40,995
1,016,955	UK quoted equity	997,163
458,951	UK fixed interest	424,731
336,740	UK index linked securities	306,211
359,438	UK corporate bonds	334,265
412,417	UK cash instruments	323,232
3,270,104	Overseas quoted equity	3,067,810
176,107	Overseas fixed interest	161,363
25,149	Overseas corporate bonds	22,174
47,183	Overseas index linked securities	41,599
6,140,471	**Insurance policies**	**5,719,543**
7,882,069	**Total pooled investment vehicles**	**7,911,323**

Cash

31 March 2015 £000		31 March 2016 £000
576,755	Sterling	608,801
52,068	Foreign currency	18,985
628,823		**627,786**

Other investments balances and net assets

31 March 2015 £000		31 March 2016 £000
86,431	Amounts due from broker	37,918
34,716	Outstanding dividends and recoverable withholding tax	38,564
19,275	Gross accrued interest on bonds	18,437
1,543	Gross accrued interest on loans	3,583
16,915	Investment loans	33,708
1,076	Other accrued interest and tax reclaims	340
159,956	**Other investment assets**	**132,550**
(105,608)	Amounts due to broker	(21,596)
(7,431)	Amounts due to other funds re asset transfers	0
(318)	Variation margin	0
(849)	Irrecoverable withholding tax	(329)
(114,206)	**Other investment liabilities**	**(21,925)**
34,440	Employer contributions - main scheme	36,354
926	Employer contributions - additional pensions	386
1,628	Property	3,591
6,556	Development of new Pensions office building	8,475
10,083	Other	5,477
53,633	**Current assets**	**54,283**
(6,844)	Property	(7,849)
(443)	Employer contributions - main scheme	(897)
(1,455)	Employer contributions - additional pensions	(1,604)
(9,545)	Admin & investment management expenses	(4,376)
(7,593)	Other	(5,976)
(25,880)	**Current liabilities**	**(20,702)**
27,753	**Net current assets**	**33,581**
73,503	**Other investment balances and net assets**	**144,206**

11a. Transaction and management costs not charged directly to the Fund account

Transaction costs

The charges for transaction costs are currently implicit within the value of assets concerned. Consequently, they are not charged directly to the Fund account nor analysed in Note 8 of these financial statements. Instead, they are reflected in the fair value adjustments applied both to the assets concerned and the Fund account.

Transaction costs include commissions, stamp duty and other fees. With the aim of increasing transparency, the costs generated from acquisitions and disposals in the following investment areas were:

31 March 2015 £000		31 March 2016 £000
5,330	Public market investments	6,498
944	Directly held investment property	5,797
6,274		**12,295**

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

Management costs

Certain investments in pooled vehicles predominantly in private markets, alternatives and property have investment costs met within the vehicle rather than an explicit charge paid by GMPF. Thus costs are not charged directly to the Fund account nor analysed in Note 8. They are included in the fair value adjustments applied to assets concerned within the Fund account and corresponding notes. The performance is reported on a net basis.

The table below shows estimates made for these costs during the current and previous financial year using methodology agreed with external advisers on private assets and include potential accrued performance fees.

The 2015 figure has been restated to be consistent with the 2016 methodology for calculating these costs. The data response from the underlying managers has improved as they have understood requirements better. The figures show a trend upwards as amounts invested in these vehicles have increased due to asset allocation changes. The costs are offset by improved risk adjusted investment returns.

31 March 2015 (restated) £000		31 March 2016 £000
18,027	Private market and alternative investments (performance related)	19,551
20,358	Private market and alternative investments (non-performance related)	27,554
2,020	Indirect investment property	2,021
40,405		**49,126**

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 2015 £000		31 March 2016 £000
85,574	Greater Manchester Property Venture Fund	86,400

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 2015		31 March 2016 £000
140,069	Index linked	138,641
134,121	Cash	112,999
1,272	Other investment balances	1,288
275,462		**252,928**

14. Summary of manager's portfolio values at 31 March

2015			2016	
£m	%		£m	%
		Externally managed		
6,446	36.6%	UBS Global Asset Management	6,104	35.1%
6,104	34.7%	Legal & General	5,679	32.8%
2,245	12.8%	Capital International	2,210	12.8%
519	2.9%	LaSalle	653	3.8%
667	3.8%	Investec	634	3.7%
86	0.5%	GVA (advisory mandate)	86	0.5%
16,067	**91.3%**		**15,366**	**88.7%**
		Internally managed		
728	4.1%	Private equity	1,058	6.1%
275	1.6%	Designated funds	253	1.5%
291	1.7%	Property indirect	365	2.1%
230	1.3%	Cash, other investments and net assets	283	1.6%
1,524	**8.7%**		**1,959**	**11.3%**
17,591	**100.0%**	**Total**	**17,325**	**100.0%**

15. Concentration of investment

As at 31 March 2016, GMPF held, respectively, 16.8% and 15.9% of its net assets in insurance contracts MF32950 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 pooled investment vehicles. The policies' underlying asset classes are as follows:

Policy MF32950

31 March 2015 £000		**31 March 2016 £000**
245,034	UK equities	249,864
1,799,547	Overseas equities	1,757,288
304,998	UK fixed interest	289,696
149,951	UK corporate bonds	147,018
75,305	Overseas fixed interest	72,717
237,205	UK index linked	217,877
185,079	UK cash instruments	181,197
2,997,119		**2,915,657**

Policy MF36558

31 March 2015 £000		**31 March 2016 £000**
771,921	UK equities	747,299
1,470,557	Overseas equities	1,310,523
153,954	UK fixed interest	135,035
209,487	UK corporate bonds	187,247
100,802	Overseas fixed interest	88,646
99,535	UK index linked	88,334
227,339	UK cash instruments	142,035
47,183	Overseas index linked	41,599
25,149	Overseas corporate bonds	22,174
3,105,927		**2,762,892**

Details of any single investment exceeding 5% of any class or type of security are detailed in the following tables:

		Value as at 31 March 2016	Asset class value at 31 March 2016	% of asset class
Investment	**Type and nature of investment**	**£000**	**£000**	**%**
US Government	Treasury Bonds 0.25% Index Linked January 2025	87,326	565,447	15.44%
US Government	Treasury Bonds 0.125% Index Linked April 2017	63,699	565,447	11.27%
US Government	Treasury Bonds 0.125% Index Linked July 2024	45,256	565,447	8.00%
US Government	Treasury Bonds 0.125% Index Linked April 2020	81,606	565,447	14.43%
US Government	Treasury Bonds 0.125% Index Linked April 2023	37,969	565,447	6.71%
US Government	Treasury Bonds 1.75% Index Linked January 2028	48,985	565,447	8.66%
UK Government	Treasury Bonds 2.5% Index Linked April 2020	124,278	565,447	21.98%

		Value as at 31 March 2015	Asset class value at 31 March 2015	% of asset class
Investment	**Type and nature of investment**	**£000**	**£000**	**%**
US Government	Treasury Bonds 0.25% - Fixed July 2015	72,149	1,301,494	5.54%
US Government	Treasury Bonds 0.125% Index Linked April 2019	78,615	547,437	14.36%
US Government	Treasury Bonds 0.125% Index Linked April 2017	62,398	547,437	11.40%
US Government	Treasury Bonds 0.125% Index Linked July 2024	46,474	547,437	8.49%
US Government	Treasury Bonds 0.25% Index Linked April 2025	37,603	547,437	6.87%
US Government	Treasury Bonds 0.625% Index Linked April 2024	29,962	547,437	5.47%
US Government	Treasury Bonds 1.75% Index Linked January 2028	28,792	547,437	5.26%
UK Government	Treasury Bonds 2.5% Index Linked April 2020	125,377	547,437	22.90%
LIFFE FTSE 100 Future June 2014	Derivative contract	318	318	100.00%

16. Notifiable interests

As at 31 March 2016 GMPF had holdings of 3% or over in the ordinary share capital of the following quoted companies:

UK Equity 31 March 2015 %		UK Equity 31 March 2016 %
4.0	Premier Farnell PLC	4.6
6.0	STV Group PLC	6.0
4.9	Chemring Group PLC	5.4
4.2	Darty PLC	4.9
3.7	Mothercare PLC	3.9
3.9	Synthomer PLC	3.7
3.3	Balfour Beatty PLC	3.9
3.4	Brown (N) Group PLC	4.3
3.5	RPS Group PLC	4.0
5.3	TT Electronics PLC	5.3
N/A	Serco Group PLC	3.5
N/A	SIG PLC	3.2
N/A	Volution GRP PLC	3.4

17. Commitments

31 March 2015 £000	Asset type	Nature of commitment	31 March 2016 £000
2,076	Directly held investment property	Commitments regarding demolition or refurbishment work	216
20,800	Directly held investment property	Commitments regarding purchases	0
411,231	Indirect private equity and infrastructure	Commitments to fund	1,036,854
149,570	Special opportunities portfolio	Commitments to fund	165,228
47,610	Property managed funds	Commitments to fund	126,196
0	Property unit trusts	Commitments to fund	46,904
8,208	Property unit trusts	Commitments to lend	0
15,765	Commercial/domestic based property unit trust	Commitments to fund	48,009
17,748	Local Investment 4 Growth Fund	Commitments to fund	6,953
1,246	Local Impact Portfolio	Commitments to fund	106,940
1,156	Administration property	Commitments to fund	0
0	Greater Manchester Property Venture Fund	Commitments to lend	2,136
675,410			**1,539,436**

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

18. Related party transactions

In the course of fulfilling its role as administering authority to GMPF, Tameside MBC incurred costs for services (e.g. salaries and support costs) and construction of the new pension building of £8,832,000 on behalf of GMPF and reclaimed from HMRC VAT (net) of £475,000. Total payments due to Tameside MBC therefore, amounted to £8,357,000 (2014/15 £13,920,000). GMPF reimbursed Tameside MBC £7,779,000 for these charges and there is a creditor of £578,000 owing to Tameside MBC at the year end (2014/15 £1,192,000 within Creditors). This creditor has been settled since the year end.

For 2015/16, the Executive Director of Pensions has his entire full-time remuneration and any employer's pension contributions of £111,283 (2014/15 £111,283) charged to GMPF. This amount is also detailed in Tameside MBC's accounts.

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

Job Title	**£**
Assistant Executive Director - Investments	91,836
Assistant Executive Director - Administration	91,836
Assistant Executive Director - Funding & Business Development	91,836
Assistant Executive Director - Local Investment & Property	91,836

There is no direct charge to GMPF for the services provided by the Chief Executive, the Assistant Executive Director (Resources)/Section 151 Officer and the Executive Director of Governance & Resources of Tameside MBC, but a contribution towards their cost is included in the recharge as detailed above. They receive no additional salary or remuneration for undertaking this role. Details of the total remuneration of these officers will be published on the Tameside MBC website. The remuneration of the Chairman of the Management Panel can be found by accessing the following link:

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

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).

A number of members of the Local Board, the Management Panel and 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. These are:

Name	Position in GMPF	Company in which directorship is held
Cllr J Taylor	Management Panel Member	Elisabeth House (General Partner) Limited
Peter Morris	Executive Director - Pensions	GMPF UT (Second Unit Holder) Limited Elisabeth House Nominee 1 Limited Elisabeth House Nominee 2 Limited Elisabeth House (General Partner) Limited Airport City (Asset Manager) Limited
Andrew Hall	Investment Manager	GMPF UT (Second Unit Holder) Limited Matrix Homes (General Partner) Limited Plot 5 First Street GP Limited Plot 5 First Street GP Nominee Limited
Neil Charnock	Head of Legal Services	Hive Bethnal Green Limited
Patrick Dowdall	Assistant Executive Director - Local Investment & Property	Matrix Homes (General Partner) Limited Hive Bethnal Green Limited GLIL Corporate Holdings Limited Plot 5 First Street GP Limited Plot 5 First Street Nominee Limited
Nigel Driver	Investment Manager	Hive Bethnal Green Limited
Steven Pleasant	Chief Executive	Airport City (General Partner) Limited
Daniel Hobson	Senior Investment Manager	GLIL Corporate Holdings Limited Clyde Windfarm (Scotland) Limited

The above receive no remuneration for these directorships.

Under legislation introduced in 2003/04, Councillors were entitled to join the pension scheme. Councillor J Pantall, member of the GMPF Management Panel, and Employee representative F Llewellyn both received pension benefits from GMPF during the financial year. In addition, the following Councillors, members of the GMPF Management and Advisory Panels, members of the Local Board, and employee representatives made pension contributions to GMPF during the financial year:

Name	Position
Cllr K Quinn	Councillor member
Cllr S Quinn	Councillor member
Cllr J Taylor	Councillor member
Cllr G Cooney	Councillor member
Cllr J Fitzpatrick	Councillor member
Cllr J Lane	Councillor member
Cllr M Smith	Councillor member
Cllr A Mitchell	Councillor member
Cllr D Ward	Councillor member
Cllr T Halliwell	Councillor member
D Schofield	Employee representative
J Thompson	Employee representative
M Baines	Employee representative
M Rayner	Employee representative
K Drury	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 membership are listed below:

Name	Position & Organisation	Organisation relationship with GMPF
Cllr K Quinn	Director of New Charter Housing Trust Limited Director of New Academies Education Trust Limited Member of Greater Manchester Combined Authority Director of Museum of Labour and Trades'Union History Director of Mechanics' Centre Limited Non-executive Director of Manchester Airport Group	Contributing employer Contributing employer Contributing employer Contributing employer Contributing employer Contributing employer
Cllr S Quinn	Vice Chair North West Local Authorities Employers Organisation	Contributing employer
Cllr D Ward	Member of General Assembly of University of Manchester	Contributing employer
Cllr J Taylor	Chairman of Tameside Sports Trust	Contributing employer
Cllr M Smith	Employee of Manchester Working Ltd Vice-Chair of Greater Manchester Fire & Rescue Authority	Contributing employer Contributing employer
Cllr G Cooney	Employee of Manchester City Council Director of New Charter Housing Trust Limited Director of Ashton Pioneer Homes Limited Director of Mechanics' Centre Limited	Contributing employer Contributing employer Contributing employer Contributing employer
Cllr A Mitchell	Committee Member of Groundwork Organisations	Contributing employer
Cllr P Dean	Member of Unity Partnership	Contributing employer
Cllr V Ricci	Director of New Charter Housing Trust Limited	Contributing employer
Cllr J Fitzpatrick	Director of Peak Valley Housing Association	Contributing employer
M Rayner	Employee of Manchester City Council	Contributing employer
D Schofield	Employee of Stockport MBC	Contributing employer
R Paver	Employee of Manchester City Council Employee of Greater Manchester Combined Authority Treasurer of Transport for Greater Manchester Member of Executive board of Transport for Greater Manchester Director of Commission for New Economy Director of Manchester Working limited Director of National Car Parks limited Director of One Education limited Director of MIDAS limited Director of Education and Leadership Trust Director of Manchester Central Convention Complex Limited Director of Matrix Homes (General Partner) Limited	Contributing employer Contributing employer Contributing employer Contributing employer Contributing employer Contributing employer Contributing employer Contributing employer Contributing employer Contributing employer Contributing employer Contributing employer Contributing employer *(Investment Company jointly owned by GMPF and MCC. Mr Paver was appointed in his capacity as Treasurer of Manchester City Council).*

The administering authority, Tameside MBC, falls under the influence of the United Kingdom Department of Communities and Local Government. GMPF may have significant holdings of UK Government bonds depending on investment decisions.

19. Employer related investment

As at 31 March 2016, GMPF had amounts totalling £9,000,000 (2015 £5,000,000) on short-term loan to Salford City Council and £5,000,000 (2015 £nil) to Stockport Metropolitan Borough Council. The investments were made as part of GMPF's day-to-day treasury management activities and are detailed, together with other short-term loans, in Note 4 (Credit Risk).

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

Contributions Received 2015 £m	Benefits Paid 2015 £m		Contributions Received 2016 £m	Benefits Paid 2016 £m
(31)	36	Bolton Borough Council	(33)	36
(19)	24	Bury Borough Council	(20)	26
(54)	91	Manchester City Council	(54)	97
(19)	30	Oldham Borough Council	(19)	31
(23)	29	Rochdale Borough Council	(22)	30
(27)	36	Salford City Council	(27)	37
(22)	31	Stockport Borough Council	(24)	28
(20)	29	Tameside Borough Council (administering authority)	(20)	32
(19)	22	Trafford Borough Council	(17)	25
(29)	35	Wigan Borough Council	(32)	38
(174)	177	Other scheme employers*	(197)	205
(122)	97	Admitted bodies*	(131)	120
(559)	**637**		**(596)**	**705**

** A full list of all scheme and admitted bodies can be found in the GMPF Annual Report 2014/15 which will be available at **www.gmpf.org.uk**, following the GMPF Annual General Meeting in September 2016.*

21. Funding Strategy Statement and Statement of Investment Principles

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

22. Actuarial Review of the Fund

GMPF's last actuarial valuation was undertaken as at 31 March 2013. A copy of the valuation report can be found on the GMPF website:
http://www.gmpf.org.uk/documents/policies/actuarialvaluation/2013.pdf.

The funding policy is set out in the Funding Strategy Statement (FSS) dated 7 March 2014. The key funding principles are as follows:

- 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 the 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 ceasing participation or 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; and
- to maintain the affordability of GMPF to employers as far as is reasonable over the longer term.

The valuation revealed that GMPF's assets, which at 31 March 2013 were valued at £12,590 million, were sufficient to meet 90.5% of the present value of promised retirement benefits earned. The resulting deficit was £1,317 million.

The key financial assumptions adopted for the 2013 valuation were:

	31 March 2013	
Financial assumptions	Nominal % p.a.	Real % p.a.
Discount rate	4.80%	2.30%
Pay increases*	3.55%	1.05%
Price inflation/Pension increases	2.50%	-

**plus an allowance for promotional pay increases.*

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 for expected future salary growth to retirement or expected earlier date of leaving pensionable membership.

23. Stocklending

GMPF's custodian, J P Morgan, is authorised to release stock to third parties under a stocklending agreement. Under the agreement, GMPF do not permit J P Morgan to lend UK or US equities.

At the year end the value of stock on loan was £89.1m (31 March 2015: £255.9m) in exchange for which the custodian held collateral at fair value of £93.4 million (31 March 2015: £269.3 million), which consisted exclusively of UK, US, and certain other government bonds.

24. AVC Investments

GMPF provides an 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)(b) of the Local Government Pension Scheme (Management and Investment of Funds) Regulations 2009 (SI 2009 No 3093).

The scheme 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 including with profits, fixed interest, equity, cash, deposit, property, and socially responsible funds, as follows:

Contributions paid	£8,395,506
Units purchased	1,404,232
Units sold	1,020,815
Fair value as at 31 March 2016	**£70,710,313**
Fair value as at 31 March 2015	£69,607,015

25. Actuarial present value of promised retirement benefits

CIPFA's Code of Practice on Local Authority Accounting 2015/16 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.

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 2015/16.

Financial assumptions

31 March 2015 % p.a.	Year ended:	31 March 2016 % p.a.
2.40%	Inflation/Pension increase rate	2.20%
3.55%	Salary increase rate	3.50%
3.20%	Discount rate	3.50%

Mortality

Life expectancy is based on GMPF's VitaCurves with improvements in line with the CMI 2010 model, assuming the current rate of improvements has reached a peak and will converge to a long term rate of 1.25% p.a. Based on these assumptions, the average future life expectancies at age 65 are summarised below:

	Males	Females
Current pensioners	21.4 years	24.0 years
Future pensioners*	24.0 years	26.6 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 80% of the maximum tax-free cash for post-April 2008 service.

Value of promised retirement liabilities

31 March 2015 £m		31 March 2016 £m
24,896	Present value of promised retirement benefits	23,051

Liabilities have been projected using a roll forward approximation from the latest formal funding valuation as at 31 March 2013. The liability as at 31 March 2015 and 31 March 2016 includes the liabilities transferred as part of the Ministry of Justice pension transfer on 1 June 2014. No allowance has been made for unfunded benefits.

Sensitivity analysis

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

31 March 2015			31 March 2016	
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)
7%	1,743	0.5% increase in the Pension Increase rate	7%	1,614
3%	747	0.5% increase in the Salary Increase rate	4%	922
3%	747	1 year increase in member life expectancy	3%	692
10%	2,490	0.5% decrease in Real Discount rate	11%	2,536

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.

Actuarial statement

This statement has been prepared in accordance with Regulation 57(1)(d) of the Local Government Pension Scheme Regulations 2013.

Description of Funding Policy

The funding policy is set out in the administering authority's Funding Strategy Statement (FSS), dated March 2014. In summary, the key funding principles are as follows:

- 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 ceasing participation or 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; and
- to maintain the affordability of GMPF to employers as far as is reasonable over the longer term.

The FSS sets out how the administering authority seeks to balance the conflicting aims of securing the solvency of GMPF and keeping employer contributions stable.

Funding position as at the last formal funding valuation

The most recent actuarial valuation carried out under Regulation 36 of the Local Government Pension Scheme (Administration) Regulations 2008 was as at 31 March 2013. This valuation revealed that GMPF's assets, which at 31 March 2013 were valued at £12,590 million, were sufficient to meet 91% of the liabilities (i.e. the present value of promised retirement benefits) accrued up to that date. The resulting deficit at the 2013 valuation was £1,317 million.

Individual employers' contributions for the period 1 April 2014 to 31 March 2017 were set in accordance with GMPF's funding policy as set out in its FSS.

Principal actuarial assumptions and method used to value the liabilities

Full details of the methods and assumptions used are described in the valuation report dated 27 March 2014.

Method

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

Assumptions

A market-related approach was taken to valuing the liabilities, for consistency with the valuation of GMPF's assets at their market value.

The key financial assumptions adopted for the 2013 valuation were as follows:

Financial Assumptions	31 March 2013	
	% p.a. Nominal	% p.a. Real
Discount Rate	4.80%	2.30%
Pay Increases	3.55%	1.05%
Price Inflation / Pension Increases	2.50%	-

The key demographic assumption was the allowance made for longevity. The life expectancy assumptions are based on GMPF's VitaCurves with improvements in line with the CMI_2010 model, assuming the current rate of improvements has reached a peak and will converge to long term rate of 1.25% p.a.. Based on these assumptions, the average future life expectancies at age 65 are as follows:

	Males	Females
Current Pensioners	21.4 years	24.0 years
Future Pensioners*	24.0 years	26.6 years

*Currently aged 45.

Copies of the 2013 valuation report and FSS are available on request from Tameside Metropolitan Borough Council, the administering authority to GMPF.

Experience over the period since April 2013

Since the last formal valuation, real bond yields have fallen, placing a higher value on the liabilities. However, the effect of this has been partially offset by the effect of strong asset returns. Excluding the effect of any membership movement, funding levels are therefore likely to have worsened and deficits increased over the period.

It should be noted that a significant number of members have transferred into GMPF over the period since March 2013 in relation to the centralisation of the National Probation Services Local Government Pension Scheme arrangements. This will increase the liabilities and assets of GMPF considerably

The next actuarial valuation will be carried out as at 31 March 2016. The FSS will also be reviewed at that time.

Steven Law

Fellow of the Institute and Faculty of Actuaries
For and on behalf of Hymans Robertson LLP

22 June 2016

HYMANS ROBERTSON

20 Waterloo Street
Glasgow
G2 6DB

Scheme administration

Scheme administration

Background to GMPF and LGPS

GMPF is the largest fund in the statutory Local Government Pension Schemes for England and Wales, Scotland and Northern Ireland. Tameside MBC is the administering authority for GMPF.

Employees of all local and joint authorities in the Greater Manchester area and of 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, fire-fighters, 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 present and former probation employees in England and Wales. This includes those who were employed by the former Probation Trusts, plus those who have been or are employed by the National Probation Service or a community rehabilitation company.

There are also some councilors who are members of the Fund, but they must now stop contributing at the end of their current terms of office. A list of employers who contribute to the GMPF can be found later in this report.

The LGPS is a defined benefit scheme. Membership built up prior to 1 April 2014 is known as final salary, whereby someone's membership of the LGPS together with their pay on or near retirement is used to work out their pension benefits. For membership from 1 April 2014 onwards pension benefits are based on pension build-up, which is also called career averaging. This provides, in the Scheme's standard section, for a pension of a 49th of pay per year of membership. Members can join the 50/50 section of the LGPS, which provides for a build-up of 50% of the standard 49th, for 50% of the standard contributions.

Statutory regulations define the benefits to be paid and not GMPF's investment performance or market conditions. A summary of the Scheme 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 of the fund. 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 last valuation took place as at 31 March 2013 and the contribution rates to be applied for the three years from 1 April 2014 were then determined. The employer contribution rates for 2015/16 are shown later in this report.

Members of the LGPS were contracted out of the State Second Pension (S2P) because the Scheme provided at least broadly equivalent benefits to those of S2P. Employee members and their employers paid lower National Insurance contributions as a result. 2015/16 was the last year for contracting-out.

The LGPS is also registered with Her Majesty's Revenue and Customs, giving rise to various tax benefits, including tax relief on employee contributions.

Membership and Employers

The membership continues to grow. The total number of employee, pensioner and deferred members at 31 March 2016 was 352,292 as compared to 341,337 at 31 March 2015.

There has also continued to be an increase in the number of employers contributing to GMPF in 2015/16. The overall number of actively contributing employers now stands at 470, compared to 431 as at 31 March 2015, with the main source of new employers continuing to be academy schools. There have also been a number of new admitted bodies. In most cases, these admission agreements have been made to allow existing LGPS members who are outsourced by a local authority or other Scheme employer to a private contractor to continue as members of the LGPS. In other cases, agreements have been made to reflect an existing body's change of legal status.

The total number of employers at 31 March 2016 is made up of 10 local authorities, 3 higher education corporations, 21 further education corporations, 11 foundation or voluntary schools, 175 academies, a further 29 scheme employers and 221 admitted bodies.

GMPF is the 'one fund' administering pensions for the National Probation Service in England and Wales. Pictured is Petula Herbert, Financial Accountant, National Offender Management Service.

Changes to Scheme rules

The LGPS (Amendment) Regulations 2015 came into effect on 11 April 2015. In the main these provided corrections or clarifications regarding the intentions of the regulations that introduced career averaging into the Scheme on 1 April 2014, being the LGPS Regulations 2013 and the LGPS (Transitional Provisions, Savings and Amendment) Regulations 2014.

Death grants

One of the most contentious areas of work relates to the payment of death grants, due to potential beneficiaries lodging claim and counterclaim. The guidelines for payment are however rigorously applied - sometimes at great length - with the aim of making reasonable awards. There are encouragingly few appeals.

Other Regulatory & Legislative Issues

The Pension Regulator's Code of Practice 14 Governance and Administration of Public Service Pension Schemes came into force in April 2015. This does not have statutory force but nonetheless carries great weight. As its title indicates, it provides guidance on such matters as the knowledge and the understanding required by those acting as trustees as well as the calculation and payment of benefits. Also what to do regarding reporting when a material breach of the law occurs.

Regarding the latter, annual benefit statements were provided to active and deferred members whenever employers had supplied accurate, complete and timely information. In approximately 7,000 instances this did not happen by the statutory deadline however, mainly relating to notifications of the award of deferred benefits not being provided to the GMPF. This non-compliance was reported to the Pensions Regulator, who was satisfied with the corrective actions being taken.

Employer Training & Performance

A variety of training was provided to employers, with two separate seminars being held relating to the provision of year-end data. Drop-in sessions were also provided.

Some employers had staffing changes that affected their capacity to deal with their pension related work and responsibilities. This meant that they tended to struggle with supplying the information required for effective and efficient administration, not least the prompt notification of starters and leavers. The Pensions Office is working with these employers to try and improve the service delivered to members.

Altair

The Pensions Office's main computerised administration system is called Altair. Several releases and patches were loaded through the year, leading to fewer manual calculations and workarounds.

Value for Money

Benchmarking continues via our membership of the CIPFA club for administering authorities. Our administration costs are very competitive, with the annual administration cost per member being £14.40. This compares favourably with the average of £19.17. We also continue to meet with our colleagues from the other five metropolitan funds in order to share ideas and best practice.

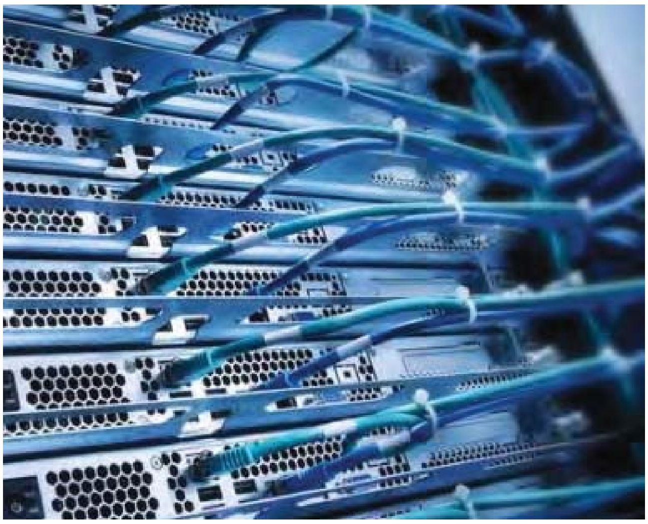
We use a mortality tracing firm to help identify deaths of UK pensioners that have not been notified to the Pensions Office.

Performance Standards

The Pensions Office uses a number of key performance standards in order to measure its work. The table on the following page lists these standards, together with the performance over the year, and includes the total number of cases that were measured.

The requirement is for the Pensions Office to adhere to the standards at a level of 90% or better, with performance during the year being as shown in the table. As can be seen, most tasks were completed in accordance with the 90% or better requirement, but some were not, due to a variety of reasons. These included computing difficulties, staff departures, sickness, peaks in workload and a material quantity of information from employers not being accurate, complete and timely.

Regarding the calculation of deferred benefits, far more cases were processed this year than last – 10,010 as compared to 5,145 during 2014/15. Unfortunately however so many new notifications flooded in that few were processed with two weeks of their receipt. Improvements have been made however and arrears reduced.



The Pensions Office's main computerised administration system is called Altair.

Summary of performance standards

Task	Total number of cases	Standard	Within Standard
1. Written queries answered or acknowledged	6,863	5 days	94.17%
2. New starters processed	18,619	10 days	91.49%
3. Changes in details processed	25,326	10 days	97.66%
4. Helpline telephone calls answered in office hours	59,074	100%	87.46%
5. Pensions forecasts for deferred members	90,290	Issued before 31 May	100.00%
6. Pensions forecasts for active members	106,357	Issued before 31August	69.26%
7. Postings queries for employers issued	458	Within 1 month	78.17%
8. Technical guidance issued to employers	7	Within 2 months	85.71%
9. Pension savings statements	453	Issued before 6 October	83.44%
10. Estimates for divorce purposes	539	10 days	97.03%
11. Non LGPS transfers into the fund processed	135	15 days	98.52%
12. Non LGPS transfer out quotations processed	1,048	10 days	98.85%
13. Non LGPS transfer out payments processed	216	10 days	98.15%
14. Internal and concurrent transfers processed	848	10 days	59.91%
15. Refund payments made	1,328	10 days	85.69%
16. Deferred benefits calculated	10,010	10 days	6.66%
17. Annuity quotations calculated	125	5 days	99.20%
18. APC illustrations calculated	192	10 days	96.88%
19. AVC amendments noted on ALTAIR	1,324	10 days	81.57%
20. New retirements benefit options sent	3,189	10 days	92.00%
21. New retirements processed for payment	2,956	5 days	99.49%
22. Deferred benefits processed for payment	3,379	5 days	96.06%
23. Notifications of death processed	3,820	5 days	90.10%
24. Dependant's pensions processed for payment	1,358	5 days	98.45%
25. Death grants processed for payment	592	5 days	95.61%
26. Retirement lump sum processed by payroll	5,542	5 days	100.00%
27. Payments ceased due to death	3,790	By noon on eve of pay day	100.00%
27. Changes to bank details made	1,963	By payroll cut off date	100.00%

Membership levels

Membership changes over the last three years were as follows:

	March 2014	March 2015	March 2016
Employees	92,912	113,115	111,819
Deferreds (all types)	99,028	117,069	125,855
Pensioners (all types)	94,479	111,153	114,618
Total	286,419	341,337	352,292

Communications

The Pensions Helpline continues to be a popular way for members to communicate with us about their pensions. Over 70,000 calls were received by the Helpline team during the year, with some of the most popular calls being from members informing us of address and bank changes, requesting booklets and forms, and asking questions about tax and their own pension benefits.

Annual benefit statements were issued to employee and deferred members, and two *Pension Power* newsletters were produced, one in June and the other in January. The former majored on:

- the Freedom & Choice changes being introduced by the Government;
- additional contributions; and
- the HMRC's annual allowance and lifetime allowance, which relate to the amount of pension that can be built up without penalty.

Major items in the latter covered:

- the ending of contracting-out;
- the annual and lifetime allowances again; and
- data sharing.

In April the annual *Pensions Grapevine* newsletter for all pensioners was also produced.

A Pensioners Forum was held in October at Lancashire Cricket Club's conference facility, The Point. Over 300 pensioners attended to hear presentations about GMPF and themselves, and to attend the stalls in the Information Centre.

Finally, and by no means least, GMPF was named *Fund of the Decade* in the Local Authority Pension Fund (LAPF) Investment Awards.

The growing band of pensioner members has now reached almost 115,000 in number.

Employer contribution rates

Scheme employers	Contribution Rate	
Academies Pool	**2014-15 %**	**2015-16 %**
Middleton Academy Limited (St Anne's Academy)	16.0	16.5
Great Academies Education Trust	16.0	16.5
Oasis Community Learning (MediaCityUK Academy)	16.0	16.5
Essa Academy	16.0	16.5
Droylsden Academy	16.0	16.5
Bolton St. Catherine's Academy	16.0	16.5
Northern Education Trust (Kearsley Academy)	16.0	16.5
St Bede Church of England Primary Academy	16.0	16.5
Audenshaw School Academy Trust	16.0	16.5
Urmston Grammar	16.0	16.5
Park Road Academy Primary School	16.0	16.5
Lever Edge Primary Academy	16.0	16.5
Wellacre Technology Academy Trust	16.0	16.5
Wellington School	16.0	16.5
Altrincham Grammar School for Boys	16.0	16.5
Sale Grammar School	16.0	16.5
Fairfield High School for Girls	16.0	16.5
Yesoiday HaTorah School	16.0	16.5
Sodexo Limited [Oasis MediaCity]	16.0	16.5
Ashton Pioneer Homes Pool	**2014-15 %**	**2015-16 %**
Ashton Pioneer Homes Ltd	£5k + 23.0	£10k + 23.0
AQA Pool	**2014-15 %**	**2015-16 %**
AQA Education	21.6	23.2
Bamford Academy	**2014-15 %**	**2015-16 %**
Bamford Academy	17.1	17.1
Better Choices Pool	**2014-15 %**	**2015-16 %**
Better Choices Limited (Tfd Staff) (to 31.10.15)	16.7	16.8
Better Choices Limited (New Staff) (to 31.10.15)	16.7	16.8
Employment & Regeneration Partnership Ltd	16.7	16.8
Better Choices Limited [Rochdale] (to 31.10.15)	16.7	16.8
Commission For The New Economy Limited (to 31.03.15)	16.7	n/a
Big Life Schools	**2014-15 %**	**2015-16 %**
Big Life Schools (Longsight Community Primary)	13.0	17.2
Big Life Schools (Unity Community Primary) (from 01.09.15)	n/a	17.2

Scheme employers	Contribution Rate	
Bolton At Home Pool	**2014-15 %**	**2015-16 %**
Bolton at Home Ltd [Trfd Staff]	16.6	17.3
Bolton at Home Ltd [New Staff]	16.6	17.3
Bolton MBC Pool	**2014-15 %**	**2015-16 %**
Bolton MBC	18.7	19.5
Canon Slade C of E School	18.7	19.5
Dawn Construction Limited	18.7	19.5
Bolton Community Leisure Limited	18.7	19.5
Monument Café Limited (Bolton)	18.7	19.5
JW Cleaning Services Ltd [Bolton1]	18.7	19.5
JW Cleaning Services Ltd [Bolton2] (to 05.08.14)	18.7	n/a
Concerted Academies Trust (Smithills School)	18.7	19.5
Agilisys Limited (Ex Bolton)	18.7	19.5
Integral UK Ltd (Bolton MBC) Westhoughton High School (to 01.07.14)	18.7	n/a
Borough Care Pool	**2014-15 %**	**2015-16 %**
Borough Care Ltd	18.3	20.3
Bright Futures Educational Trust Pool	**2014-15 %**	**2015-16 %**
Bright Futures Educational Trust	17.5	18.3
Bright Futures Educational Trust (Cedar Mount Academy)	17.5	18.3
Bright Futures Educational Trust (Gorton Mount Primary Academy)	17.5	18.3
Bright Futures Educational Trust (Melland High School)	17.5	18.3
Bright Futures Educational Trust (Stanley Grove Primary Academy)	17.5	18.3
Bright Futures Educational Trust (Connell 6th Form College)	17.5	18.3
Dataspire Solutions Ltd (Ex Cedar Mount 00534) (to 31.8.15)	17.5	18.3
Sodexo - AGGS	17.5	18.3
Bulloughs Cleaning Services Ltd - BFET (from 01.12.15)	n/a	18.3
Bury College Pool	**2014-15 %**	**2015-16 %**
Bury College	18.6	20.2
Bury College Education Trust Pool	**2014-15 %**	**2015-16 %**
Bury College Education Trust (Radcliffe Primary School)	13.0	13.0
Bury College Education Trust (Elton Community Primary School) (from 01.09.14)	13.0	13.0

Scheme employers	Contribution Rate	
Bury MBC Pool	**2014-15 %**	**2015-16 %**
Bury MBC	18.5	19.2
Six Town Housing Limited	18.5	19.2
Persona Care and Support Ltd.(from 01.10.15)	n/a	19.2
CQC Pool	**2014-15 %**	**2015-16 %**
Care Quality Commission	£96k + 26.1	£149k + 26.1
City South Manchester Pool	**2014-15 %**	**2015-16 %**
City South Manchester Housing Trust Limited [Trfd]	17.3	17.3
City South Manchester Housing Trust Limited [New]	17.3	17.3
CRC Pool (From 01.06.14)	**2014-15 %**	**2015-16 %**
Northumbria CRC	14.0	14.0
Durham Tees Valley CRC	14.0	14.0
Humberside, Lincolnshire and North Yorkshire CRC	14.0	14.0
West Yorkshire CRC	14.0	14.0
Cheshire and Greater Manchester CRC	14.0	14.0
Merseyside CRC	14.0	14.0
South Yorkshire CRC	14.0	14.0
Staffordshire and West Midlands CRC	14.0	14.0
Derbyshire, Leicestershire, Nottinghamshire and Rutland CRC	14.0	14.0
Warwickshire and West Mercia CRC	14.0	14.0
Bristol, Gloucestershire, Somerset and Wiltshire CRC	14.0	14.0
Dorset, Devon and Cornwall CRC	14.0	14.0
Hampshire and Isle of Wight CRC	14.0	14.0
Thames Valley CRC	14.0	14.0
Bedfordshire, Northamptonshire, Cambridgeshire and Hertfordshire CRC	14.0	14.0
Norfolk and Suffolk CRC	14.0	14.0
Essex CRC	14.0	14.0
London CRC	14.0	14.0
Kent, Surrey and Sussex CRC	14.0	14.0
Cumbria and Lancashire CRC	14.0	14.0
Wales CRC	14.0	14.0
RISE Mutual CIC (Ex London CRC)	14.0	14.0
Connexions Cumbria	**2014-15 %**	**2015-16 %**
Inspira Cumbria Limited	£21k + 15.3	£77k + 15.3

Scheme employers	Contribution Rate	
The Dean Trust Pool	**2014-15 %**	**2015-16 %**
The Dean Trust (Ashton On Mersey School)	17.9	17.9
The Dean Trust (Broadoak School)	17.9	17.9
The Dean Trust (Forest Gate Academy)	17.9	17.9
The Dean Trust (Ardwick) (from 01.09.15)	n/a	17.9
Eastlands Homes Partnership Pool	**2014-15 %**	**2015-16 %**
Eastlands Homes Partnership Ltd (2009 Trfd)	17.3	17.3
Elmridge Academy Trust Pool	**2014-15 %**	**2015-16 %**
The Dunham Trust (Elmridge Primary School)	18.9	19.9
The Dunham Trust (Acre Hall Primary School)	18.9	19.9
Enquire Learning Trust Pool	**2014-15 %**	**2015-16 %**
The Enquire Learning Trust (Hawthorns School)	18.3	18.3
The Enquire Learning Trust (Lime Tree Primary Academy) (from 01.05.14)	13.0	13.0
The Enquire Learning Trust (Manchester Road Primary Academy) (from 01.10.14)	19.0	19.6
The Enquire Learning Trust (Linden Road Primary Academy)	19.0	19.0
The Enquire Learning Trust (Moorside Primary School) (from 01.12.15)	n/a	19.6
First Choice Homes Pool	**2014-15 %**	**2015-16 %**
FCHO Ltd (I & P) - Trfd Staff	16.4	17.2
FCHO Ltd (I & P) - New Staff	16.4	17.2
Greater Manchester Fire Pool	**2014-15 %**	**2015-16 %**
Greater Manchester Fire and Rescue Service	20.5	21.5
Greater Manchester Waste Pool	**2014-15 %**	**2015-16 %**
Greater Manchester Waste Disposal Authority	£535k + 19.8	£535k + 19.8
Loreto Grammar School Pool	**2014-15 %**	**2015-16 %**
Loreto Grammar School (Academy)	17.9	17.9
Manchester Airport Pool	**2014-15 %**	**2015-16 %**
Manchester Airport plc	£1,700k + 19.8	£1,700k + 19.8
Manchester Airport Aviation Services Ltd	19.8	19.8

Scheme employers	Contribution Rate	
Manchester City Council Pool	**2014-15 %**	**2015-16 %**
Manchester City Council	17.5	18.3
National Car Parks Manchester Ltd	17.5	18.3
Manchester Sports and Leisure Trust (to 30.09.14)	17.5	n/a
Group 4 Total Security Limited	17.5	18.3
Eastlands Homes Partnership Ltd (Trfd Staff)	17.5	18.3
Wythenshawe Forum Trust Limited (to 30.09.14)	17.5	n/a
Amey Highways Limited	17.5	18.3
Peak Valley Housing Association Ltd	17.5	18.3
Manchester Working Limited	17.5	18.3
Adactus Housing Association Limited	17.5	18.3
Capita IT Services (BSF) Ltd (Ex-Man)	17.5	18.3
SPIE FS Northern UK Limited (Wright Robinson)	17.5	18.3
Enterprise Manchester Partnership Limited	17.5	18.3
Mosscare Housing Limited	17.5	18.3
Jacobs Engineering UK Limited	17.5	18.3
Community Integrated Care	17.5	18.3
Inspirit Care Limited [Ex-Manchester]	17.5	18.3
Manchester Enterprise Academy	17.5	18.3
Manchester Health Academy	17.5	18.3
Manchester Creative And Media Academy	17.5	18.3
East Manchester Academy	17.5	18.3
Manchester Communication Academy	17.5	18.3
The Co-operative Academy of Manchester	17.5	18.3
Manchester Mental Health and Social Care Trust	17.5	18.3
One Education Limited	17.5	18.3
The King David High School	17.5	18.3
Cheetham Church of England Community Academy	17.5	18.3
Trinity Church of England High School	17.5	18.3
Greater Manchester Arts Centre Limited	17.5	18.3
St Barnabas C of E Primary Academy Trust	17.5	18.3
Wise Owl Trust (Briscoe Lane Academy)	17.5	18.3
E-ACT (Blackley Academy)	17.5	18.3
Wise Owl Trust (Seymour Road Academy)	17.5	18.3
Chorlton High School	17.5	18.3
Wythenshawe Catholic Academy Trust (St Anthony's)	17.5	18.3
Children of Success Schools Trust (Haveley Hey)	17.5	18.3
Children of Success Schools Trust (The Willows)	17.5	18.3
Webster Primary School	17.5	18.3
Wythenshawe Catholic Academy Trust (St Paul's)	17.5	18.3
Oasis Community Learning (Harpur Mount)	17.5	18.3

Scheme employers	Contribution Rate	
Manchester City Council Pool *(continued)*	**2014-15 %**	**2015-16 %**
Commission For The New Economy Limited (2)	17.5	18.3
Manchester Central Convention Complex Limited	17.5	18.3
Wythenshawe Catholic Academy Trust (St John Fisher)	17.5	18.3
The King David Primary School	17.5	18.3
Oasis Community Learning (Academy Aspinal)	17.5	18.3
Kingsway Community Trust (Green End Primary School)	17.5	18.3
Kingsway Community Trust (Ladybarn Primary School)	17.5	18.3
Beaver Road Academy Trust	17.5	18.3
Contour Homes Limited	17.5	18.3
Mears Limited	17.5	18.3
Wythenshawe Catholic Academy Trust (St Elizabeth's Primary) (from 01.04.14)	17.5	18.3
Burnage Academy for Boys (from 01.04.14)	17.5	18.3
Crossacres Primary Academy (from 01.04.14)	17.5	18.3
Dataspire Solutions Ltd (Ex MCC - Our Lady's Catholic High)	17.5	18.3
Education and Leadership Trust (Levenshulme High School) (from 01.09.14)	17.5	18.3
Education and Leadership Trust (Whalley Range High School) (from 01.09.14)	17.5	18.3
Bulloughs Cleaning Services Ltd (Ex Manchester CC) (to 31.12.14)	17.5	n/a
Piper Hill Learning Trust (PH Specialist Support School) (from 01.03.15)	17.5	18.3
Manchester Communication Primary Academy (from 01.09.14)	17.5	18.3
Taylor Shaw - Cavendish Primary (Ex MCC)	17.5	18.3
Dolce Limited (MCC) (from 22.04.14)	17.5	18.3
SS Simon and Jude C of E Academy Trust (St James CE Primary) (from 01.03.15)	17.5	18.3
Chorlton High School (Newall Green High School) (from 01.04.15)	n/a	18.3
St James & Emmanuel Academy Trust (Didsbury CE Primary) (from 01.09.15)	n/a	18.3
St James & Emmanuel Academy Trust (West Didsbury CE Primary) (from 01.09.15)	n/a	18.3
BRITE Trust (Newall Green Primary School) (from 01.11.15)	n/a	18.3
KGB Cleaning and Support Services Ltd.(Barlow School Ex MCC)	17.5	18.3
KGB Cleaning & Support Svs Ltd. (Ex M/C Enterprise Academy) (from 01.06.14)	17.5	18.3
Catering Academy - Beaver Road Academy (Ex Manchester) (from 01.09.15)	17.5	18.3
Greenwich Leisure Ltd (Ex Manchester CC - Manchester Sports) (from 01.10.14)	17.5	18.3
Greenwich Leisure Ltd (Ex Manchester CC - Wythenshawe Forum) (from 01.10.14)	17.5	18.3
Biffa Municipal Ltd. (from 04.07.15)	17.5	18.3
Wise Owl Trust (Old Hall Drive Academy) (from 01.12.16)	n/a	18.3
Trinity Sport Services LTD	17.5	18.3
Integral UK Ltd - Cheethams Academy (Ex MCC)	17.5	18.3
Essential Hygiene Ltd - Cavendish School (Ex MCC) (from 01.03.16)	n/a	18.3
Museum of Science and Industry Pool	**2014-15 %**	**2015-16 %**
National Museum of Science and Industry	22.3	22.3

Scheme employers	**Contribution Rate**	
NPS Pool	**2014-15 %**	**2015-16 %**
Greater Manchester Probation Trust (to 31.05.14)	16.9	n/a
National Probation Service (from 01.06.14)	29.4	29.4
Other Local Authorities Pool	**2014-15 %**	**2015-16 %**
Saddleworth Parish Council	19.8	21.3
Manchester Port Health Authority	19.8	21.3
Horwich Town Council	19.8	21.3
The Valuation Tribunal Service	19.8	21.3
Shaw & Crompton Parish Council	19.8	21.3
Shevington Parish Council	19.8	21.3
Oldham MBC Pool	**2014-15 %**	**2015-16 %**
Oldham MBC	17.6	18.2
Oldham Community Leisure Limited	17.6	18.2
The Villages Housing Association Limited	17.6	18.2
Housing 21	17.6	18.2
Kier Facilities Services Limited [Oldham]	17.6	18.2
The Unity Partnership Limited	17.6	18.2
Allied Publicity Services (Manchester) Limited	17.6	18.2
Bullough Cleaning Services Limited	17.6	18.2
Oasis Community Learning (Oldham Academy)	17.6	18.2
E-ACT (The Oldham Academy North)	17.6	18.2
Oldham College Community Academies Trust (Waterhead Academy)	17.6	18.2
NSL Limited	17.6	18.2
Church of England Children's Society	17.6	18.2
E.ON UK PLC [Ex-Oldham] (to 31.12.14)	17.6	n/a
Capita Managed It Solutions Limited (Ex Northgate - Oldham) (to 31.12.14)	17.6	18.2
The Hathershaw College	17.6	18.2
Kier Facilities Services Limited [Oasis Oldham]	17.6	18.2
Crompton House Church of England School	17.6	18.2
Sodexo Limited [Oasis Oldham]	17.6	18.2
Cranmer Education Trust (The Blue Coat School)	17.6	18.2
Oasis Community Learning (Limeside Academy)	17.6	18.2
Wates Construction Limited	17.6	18.2
Great Places Housing Association	17.6	18.2
Taylor Shaw Limited (Kier)	17.6	18.2
SMC Premier Cleaning Limited (to 31.03.15)	17.6	n/a
Sodexo Limited (Limeside Academy)	17.6	18.2

Scheme employers	Contribution Rate	
Oldham MBC Pool *(continued)*	**2014-15 %**	**2015-16 %**
Action For Children	17.6	18.2
New Bridge Multi Academy Trust (New Bridge School)	17.6	18.2
Church of England Childrens Society	17.6	18.2
Oldham Care and Support Limited	17.6	18.2
Oldham College Community Academies Trust (Stoneleigh Academy)	17.6	18.2
Focus Academy Trust (UK) Ltd (Roundthorn Primary Academy)	17.6	18.2
Focus Academy Trust (UK) Ltd (Coppice Primary Academy)	17.6	18.2
St Chad's Church of England Primary School	17.6	18.2
The Harmony Trust Ltd (Greenhill Academy)	17.6	18.2
Bright Tribe Trust (Werneth Primary)	17.6	18.2
North Chadderton School (from 01.09.14)	17.6	18.2
The Harmony Trust Ltd (Alt Academy) (from 01.10.14)	17.6	18.2
The Harmony Trust Ltd (Westwood Academy) (from 01.11.14)	17.6	18.2
The Harmony Trust (Richmond Academy) (from 01.11.14)	17.6	18.2
Blue Support Services (from 01.07.14)	17.6	18.2
Churchill Contract Services	17.6	18.2
Catering Academy Ltd - Waterhead Academy (from 01.06.15)	17.6	18.2
Taylor Shaw Ltd - Blessed John Henry Newman College (to 31.08.15)	17.6	18.2
Taylor Shaw Ltd - Royton and Crompton	17.6	18.2
Engie Services Limited	17.6	18.2
Focus Academy Trust (UK) Ltd (Freehold Community Primary) (from 01.11.15)	n/a	18.2
Cranmer Education Trust (East Crompton St George CE Primary) (from 01.09.15)	n/a	18.2
New Bridge Multi Academy Trust (Hollinwood) (from 01.09.15)	n/a	18.2
Wolseley UK Ltd (from 01.08.15)	n/a	18.2
Cranmer Education Trust (Mayfield Primary School) (from 01.01.16)	n/a	18.2
SMC Premier Cleaning Ltd. (Broadfield Primary Ex OMBC)	17.6	18.2
Parkway Green Housing Trust Pool	**2014-15 %**	**2015-16 %**
Parkway Green Housing Trust (TSF Emp)	18.3	18.3
Parkway Green Housing Group Trust (New Employees)	18.3	18.3
Police & Crime Commissioner Pool	**2014-15 %**	**2015-16 %**
Police and Crime Commissioner for Gtr Manchester	15.7	17.2
Police and Crime Commissioner for Greater Manchester (Ex-Salford)	15.7	17.2

Scheme employers	Contribution Rate	

Prestolee MAT Pool	2014-15 %	2015-16 %
Prestolee Multi Academy Trust (Prestolee Primary School) (from 01.04.15)	n/a	24.3
Prestolee Multi Academy Trust (Bowness Primary School) (from 01.12.15)	n/a	24.3

Reddish Vale Academy Trust Pool	2014-15 %	2015-16 %
Reddish Vale Academy Trust	16.7	16.7

Rochdale Boroughwide Housing Pool	2014-15 %	2015-16 %
Rochdale Boroughwide Housing Limited [I&P][Trfd]	18.0	18.0
Rochdale Boroughwide Housing Limited [I&P][New]	18.0	18.0

Rochdale MBC Pool	2014-15 %	2015-16 %
Rochdale MBC	18.0	18.9
Crossgates School	18.0	18.9
Smithy Bridge Foundation Primary School	18.0	18.9
St James' C of E Primary School	18.0	18.9
Healey Primary School	18.0	18.9
Peopleprint Community Media Workshop	18.0	18.9
Rochdale Boroughwide Cultural Trust	18.0	18.9
Alternative Futures Group Limited	18.0	18.9
Balfour Beatty Workplace Ltd (to 31.05.15)	18.0	18.9
Safeguard Solutions Limited	18.0	18.9
Capita IT Services (BSF) Limited [Ex-Roc]	18.0	18.9
E.ON UK PLC [Ex-Rochdale/Carillion]	18.0	18.9
Grosvenor Facilities Management Limited	18.0	18.9
Carewest (Northern) Limited (to 14.06.15)	18.0	18.9
Carillion Services Limited (Ex Hollingworth]	18.0	18.9
SMC Premier Cleaning Ltd (Ex RMBC) (to 31.07.14)	18.0	n/a
Wardle Academy (from 01.09.13 to 31.01.15 - see Wardle Academy Trust pool)	18.0	n/a
Hollingworth Academy Trust	18.0	18.9
Carillion AMBS Ltd (Ex RMBC - Falinge)	18.0	18.9
Carillion AMBS Ltd (Ex RMBC - Wardle)	18.0	18.9
Rochdale Boroughwide Housing (from 07.07.14)	18.0	18.9
PossAbilities C.I.C. (Ex RMBC) (from 01.04.14)	18.0	18.9
Future Directions	18.0	18.9
Bulloughs Cleaning Services Ltd. (Ex Rochdale MBC) (from 01.04.15)	n/a	18.9
Balfour Beatty Living Places Ltd (from 01.06.15)	n/a	18.9
The Pennine Acute Hospitals NHS Trust (from 01.09.15)	n/a	18.9

Scheme employers	Contribution Rate	
Salford Academy Trust Pool	**2014-15 %**	**2015-16 %**
Salford Academy Trust (Albion High School)	19.0	20.3
Salford Academy Trust (Dukesgate Primary School)	19.0	20.3
Salford Academy Trust (Marlborough Road Primary School)	19.0	20.3
Salford City College Pool	**2014-15 %**	**2015-16 %**
Salford City College	17.1	17.7
Salford City Council Pool	**2014-15 %**	**2015-16 %**
Salford City Council	18.6	19.3
St Ambrose Barlow RC High School	18.6	19.3
The Salfordian Trust Company Limited	18.6	19.3
Salford Community Leisure Limited	18.6	19.3
The Working Class Movement Library	18.6	19.3
Mitie PFI Limited	18.6	19.3
Compass Contract Services (UK) Limited	18.6	19.3
Salix Homes Limited (to 22.03.15)	18.6	19.3
SPIE FS Northern UK Ltd (Salford)	18.6	19.3
City West Housing Trust Limited	18.6	19.3
Inspirit Care Limited [Ex-Salford]	18.6	19.3
RM Education plc	18.6	19.3
SPIE FS Northern UK Limited [Salford2]	18.6	19.3
The Landing at MediaCityUK Limited	18.6	19.3
Chevin Housing Association Limited	18.6	19.3
City West Works Ltd	18.6	19.3
Salix Homes Limited (from 23.03.15)	18.6	19.3
Career Connect (Ex Salford CC)	18.6	19.3
Aspire for Intelligent Care and Support (CIC) (from 01.06.15)	n/a	19.3
SPIE Northern UK Ltd - St Ambrose & St Patrick (Ex SCC)	18.6	19.3
SPIE FS Northern UK Ltd Moorside (Ex SCC)	18.6	19.3
St Ambrose Academy Trust Pool	**2014-15 %**	**2015-16 %**
St Ambrose College Academy Trust	17.8	17.8
Salford University Pool	**2014-15 %**	**2015-16 %**
Salford University	18.1	19.4

Scheme employers	Contribution Rate	
Small Admitted Bodies Pool	**2014-15 %**	**2015-16 %**
National Museum of Labour History	18.1	19.9
Wigan Metrop Development Co (Inv) Ltd	18.1	19.9
Groundwork Oldham & Rochdale	18.1	19.9
APSE	18.1	19.9
Greater Manchester Immig Aid Unit	18.1	19.9
Birtenshaw Hall School	18.1	19.9
North West Local Auth Empl Orgn	18.1	19.9
Rochdale CAB	18.1	19.9
Chethams School Of Music	18.1	19.9
Oldham CAB	18.1	19.9
Manchester CAB	18.1	19.9
CLES	18.1	19.9
UNIAC	18.1	19.9
Manchester Centre For The Deaf	18.1	19.9
Rochdale Development Agency	18.1	19.9
Salford Foundation Ltd	18.1	19.9
Sparth Community Centre	18.1	19.9
Cloverhall Tenants Assoc Co-Op Ltd (to 30.11.15)	18.1	19.9
Stockport CAB	18.1	19.9
Tameside Citizens Advice Bureau	18.1	19.9
Marketing Manchester	18.1	19.9
Council For Voluntary Service Rochdale	18.1	19.9
Mechanics Centre Ltd	18.1	19.9
Midas Limited	18.1	19.9
Greater Manchester Sports Partnership	18.1	19.9
South Manchester Law Centre (to 31.08.14)	18.1	n/a
Rochdale Law Centre	18.1	19.9
Metro Rochdale Employees Credit Union Limited	18.1	19.9
Shopmobility Manchester	18.1	19.9
Dance Initiative Greater Manchester	18.1	19.9
Cash Box Credit Union Ltd	18.1	19.9
Open College Network North West Region	18.1	19.9
Groundwork Msstt [Ex-Manchester]	18.1	19.9
Caritas Diocese Of Salford	18.1	19.9

Scheme employers	Contribution Rate	
Small Further Education Colleges Pool	**2014-15 %**	**2015-16 %**
Holy Cross College	15.6	16.3
Loreto 6th Form College	15.6	16.3
Xaverian 6th Form College	15.6	16.3
Oldham 6th Form College	15.6	16.3
Aquinas College	15.6	16.3
Ashton Under Lyne 6th Form College	15.6	16.3
Winstanley College	15.6	16.3
St John Rigby College	15.6	16.3
Bolton Sixth Form College	15.6	16.3
Rochdale Sixth Form College	15.6	16.3
BaxterStorey Ltd.	15.6	16.3
Southway Housing Trust Pool	**2014-15 %**	**2015-16 %**
Southway Housing Trust (Manchester) Limited [Trfd Staff]	18.6	18.6
Southway Housing Trust (Manchester) Limited [New]	18.6	18.6
Stagecoach Manchester Pool	**2014-15 %**	**2015-16 %**
Stagecoach Manchester	28.2	28.2
Stagecoach Services Limited	£700k + 28.2	£1,500 + 28.2
Stockport College Pool	**2014-15 %**	**2015-16 %**
Stockport College Of Further & Higher Education	17.8	19.3
Stockport MBC Pool	**2014-15 %**	**2015-16 %**
Stockport MBC	17.5	18.3
Life Leisure	17.5	18.3
Pure Innovations Ltd	17.5	18.3
Stockport Homes Ltd	17.5	18.3
Solutions SK Limited	17.5	18.3
Marple Hall School	17.5	18.3
Carillion (AMS) Ltd (Ex NPS Stockport)	17.5	18.3
Tameside College Pool	**2014-15 %**	**2015-16 %**
Tameside College	15.2	16.7

Scheme employers	**Contribution Rate**	
Tameside MBC Pool	**2014-15 %**	**2015-16 %**
Tameside MBC	19.0	19.6
Carillion Services Limited [Ex-Tam]	19.0	19.6
Carillion LGS Limited	19.0	19.6
Carillion AMBS Ltd - Ex Tameside (from 01.03.16)	n/a	19.6
The Manchester College Pool	**2014-15 %**	**2015-16 %**
The Manchester College	15.7	16.9
Trafford College	**2014-15 %**	**2015-16 %**
Trafford College	£255k + 18.7	£264k + 18.7
Trafford MBC Pool	**2014-15 %**	**2015-16 %**
Trafford MBC	18.9	19.7
Sale High School	18.9	19.7
Blessed Thomas Holford Catholic College	18.9	19.7
Trafford Community Leisure Trust (to 30.09.15)	18.9	19.7
Essential Fleet Services Ltd	18.9	19.7
Market Operations (from 01.10.14)	18.9	19.7
Amey LG Ltd (from 04.07.15)	n/a	19.7
Trafford Leisure Community Interest Company (from 01.10.15)	n/a	19.7
Floorbrite Cleaning Contractors Ltd - St Annes (Ex Trafford) (from 20.07.15)	n/a	19.7
Floorbrite Cleaning Contractors Limited, Springfield Primary (from 03.11.14)	18.9	19.7
Transport for Greater Manchester Pool	**2014-15 %**	**2015-16 %**
Transport for Greater Manchester	17.3	18.1
Greater Manchester Public Transport Information (to 01.02.16)	17.3	18.1
United Learning Trust Pool	**2014-15 %**	**2015-16 %**
United Learning Trust (Manchester Academy)	13.9	14.9
United Learning Trust (Salford Academy)	13.9	14.9
United Learning Trust (Stockport Academy)	13.9	14.9
United Learning Trust (William Hulme's Grammar School)	13.9	14.9
United Learning Trust (Abbey Hey Primary)	13.9	14.9
United Learning Trust (Cravenwood Community Primary) (from 01.04.14)	13.9	14.9
University of Manchester Pool	**2014-15 %**	**2015-16 %**
The University of Manchester	£661k + 22.9	£684k + 22.9

Scheme employers	Contribution Rate	
Wardle Academy Trust Pool	**2014-15 %**	**2015-16 %**
Wardle Academy (from 01.02.15 - previously ROC Pool)	23.4	23.4
Wardle Academy (Kentmere Primary School)	23.4	23.4
West Hill School Pool	**2014-15 %**	**2015-16 %**
West Hill School	18.9	19.8
Wigan MBC Pool	**2014-15 %**	**2015-16 %**
Wigan MBC	19.6	19.6
Wigan & Leigh Housing Company Ltd	19.6	19.6
Wigan Leisure & Culture Trust	19.6	19.6
NPS North West Limited	19.6	19.6
Western Skills Centre Limited	19.6	19.6
Always There Homecare Limited	19.6	19.6
Proco Nw Limited [From 01.04.2007]	19.6	19.6
Leigh Sports Village Ltd	19.6	19.6
Lateral Academy Trust	19.6	19.6
Abraham Guest Academy Trust	19.6	19.6
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
Byrchall High School Academy Trust	19.6	19.6
Community First Academy Trust (Platt Bridge)	19.6	19.6
Agilisys Limited (Ex Wigan)	19.6	19.6
Acorn Trust (from 01.09.13)	19.6	19.6
The Learning Together Trust	19.6	19.6
Monument Café (Ex Wigan)	19.6	19.6
Community First Academy Trust (Rose Bridge Academy) (from 01.04.15)	n/a	19.6
The Keys Federation (from 01.01.15)	19.6	19.6
The Rowan Learning Trust (3 Towers Alternative Provision) (from 01.01.15)	19.6	19.6
Mellors Catering Services (Ex Wigan - Hindley High School)	19.6	19.6
Premier Care Limited	19.6	19.6
CRI - Crime Reduction Initiatives (from 01.09.14)	19.6	19.6
Brathay Trust (from 05.01.15)	19.6	19.6
Willow Park Housing Trust Pool	**2014-15 %**	**2015-16 %**
Willow Park Housing Trust	20.4	21.3
Willow Park Housing Trust [2nd Agreement]	20.4	21.3

Scheme employers	Contribution Rate	
Individual Employers	**2014-15 %**	**2015-16 %**
The University of Bolton	20.2	21.7
Manchester Metropolitan University	19.1	20.3
Meridian Healthcare Limited (up to 06.02.15)	£90k + 23.5	n/a
Liverpool Hope University	17.1	18.1
Royal Northern College Of Music	17.2	18.1
Borough Care Services Ltd	£128k + 25.3	£141k + 25.3
First Manchester Ltd	£1,900k + 26.6	£3300k + 26.6
Bolton College	£84k + 18.0	£158k + 18.0
Oldham College	13.8	14.4
Hopwood Hall College	17.6	18.9
Cheadle & Marple 6th Form College	£37k + 21.2	£38k + 21.2
Wigan & Leigh College	18.9	20.8
Tameside Sports Trust	15.9	16.7
New Charter Housing Trust Limited	23.1	24.1
Positive Steps Oldham	14.4	14.4
Eastlands Trust (Formerly The Velodrome Trust)	17.8	20.3
The Ace Centre-North	12.8	12.8
Bowlee Park Housing Association (to 31.03.16)	15.1	15.1
Manchester & District Housing Association	14.3	15.8
Trafford Housing Trust Ltd	£370k + 18.0	£384k + 18.0
Northwards Housing Limited	15.2	16.4
Viridor Waste (Greater Manchester) Limited	20.6	20.6
The Swinton High School Academy Trust	17.8	17.8
Flixton Girls's School Academy Trust	18.5	19.0
Mellor Primary School	16.7	16.7
Broadoak Primary School	17.8	17.8
The Laurus Trust	16.7	16.7
Denton West End Primary School	18.3	18.3
Hazel Grove High School	16.8	16.8
Eagley Infant School	19.3	20.7
Eagley Junior School	19.9	22.0
Harwood Meadows Primary School	20.0	22.1
Oakwood Academy	18.9	20.1
Broughton Jewish Cassel Fox	18.1	18.1
Altrincham College of Arts	18.1	18.1
St Paul's (Astley Bridge) C of E Primary School	18.4	19.0
SS Simon and Jude C of E Academy Trust	17.9	17.9
Chapel Street Community Schools Trust (Atherton Community School)	16.6	16.6
Bright Futures Educational Trust (Wigan UTC)	18.6	18.6
Northern Education Trust (The Ferns)	17.9	17.9

Scheme employers	Contribution Rate	
Individual Employers *(continued)*	**2014-15 %**	**2015-16 %**
St Anselms Catholic Multi Academy Trust	18.3	18.3
Stockport Technical School (to 31.08.15)	14.0	14.0
The Olive Tree Primary Bolton Limited	15.0	15.0
The Manchester Collegiate Education Trust (to 31.08.14)	15.0	n/a
New Islington Free School	15.0	15.0
Park Road Sale Primary	18.3	18.3
Beis Yaakov Jewish High School	26.0	26.0
Chester Diocesan Academies Trust (St Matthew's C of E Primary)	15.8	15.8
Focus Academy Trust (UK) Ltd (Manor Green Primary Academy) (from 01.10.15)	n/a	32.9
Carillion Academies Trust (Inspire Academy) (from 01.09.15)	n/a	17.2
Manchester Creative Academy	17.2	17.2
Collective Spirit Oldham	16.9	16.9
The Kirkstead Education Trust (Hursthead Junior School) (from 01.06.14)	19.7	19.7
Focus Academy Trust (UK) Ltd (Old Trafford Community Primary) (from 01.04.14)	14.4	14.4
Essa Foundation Academies Trust (The Essa Primary) (from 01.09.14)	15.0	15.0
Taylor Shaw Ltd - Moorfield Primary School (Ex SMBC)	22.8	22.8
Taylor Shaw Ltd - Mellor Primary School (Ex SMBC)	16.9	18.3
Taylor Shaw Ltd - Romiley Primary School (Ex SMBC)	21.9	21.9
Kingsway Community Trust (Cringle Brook Primary) (from 22.04.14)	13.6	13.6
The Eddie Davies Educational Trust (Bolton Wanderers FS) (from 01.09.14)	14.5	14.5
Gatley Academy Trust (Gatley Primary School) (from 01.09.14)	21.4	21.4
Greater Manchester Sustainable Engineering UTC (from 01.09.14)	13.0	16.2
Focus Academy Trust (UK) Ltd (Deeplish Primary Academy) (from 01.12.14)	24.5	24.5
Taylor Shaw Ltd - Kingsway High School, Stockport (from 01.12.14)	21.6	21.6
Ashton West End Primary (from 01.03.15)	26.5	26.5
Addiction Dependency Solutions (Ex Bury MBC)	13.2	13.2
Greater Manchester Combined Authority (from 01.04.14)	17.2	17.2
Lever Academy Trust (Little Lever School) (from 01.12.15)	n/a	24.8
Bolton UTC (from 01.09.15)	n/a	17.2
Creative Industries UTC (UTC@MediaCityUK) (from 01.09.15)	n/a	17.2
The Sovereign Trust MAT (Pictor Academy & Manor Academy) (from 01.01.16)	n/a	25.9
Taylor Shaw (St Simons' Primary Ex SMBC)	23.2	23.2
Taylor Shaw (St Mary's - Stockport) (from 24.05.14)	25.1	25.1
Taylor Shaw (Nevill Road Primary Ex SMBC)	23.1	23.1
Taylor Shaw - (Marple Hall High School Ex SMBC)	22.3	22.3
Taylor Shaw (Lisburn - Stockport) (from 24.05.14)	24.5	24.5
Taylor Shaw (Fairway - Stockport) (from 22.04.14)	18.7	18.7
Taylor Shaw (Broadstone Hall - Stockport) (from 05.04.14)	26.6	26.6
Abney Trust (The Kingsway School) (from 01.02.16)	n/a	26.0
KGB Cleaning & Support Services Ltd. (Ex Trafford College)	21.8	21.8

Scheme employers	Contribution Rate	
Individual Employers *(continued)*	**2014-15 %**	**2015-16 %**
Career Connect - (Achieve North West Contract) (from 01.07.15)	n/a	30.0
Catering Academy (Ex Bolton College) (from 01.08.14)	24.7	24.7
CBRE Managed Svs Ltd (Ex OCCAT - Waterhead Academy) (from 01.04.15)	n/a	25.3

The LGPS at a glance

The information below describes the LGPS as it was during 2015/16.
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, etc 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% to 12.5%. 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 permutations thereof. Both APCs and AVCs are paid free of tax.

Retirement benefits

For each year of membership in the main scheme, an employee member builds up a pension of a 49th of the pay received during that year. This pension in 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 a 98th 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 pensions based on 60ths. Membership before that also provides final salary benefits, based on 80ths. Members can normally exchange some annual pension for a larger lump sum at a rate of 1:12, ie. every £1 of annual pension foregone produces £12 of lump sum. HMRC limits apply.

Generally a minimum of two years membership is required to draw 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 grounds of redundancy or business efficiency;
- members who have left employment may request payment of benefits from age 55 onwards, but actuarial reductions may 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 averaging pensions that are being built up, and pensions in payment, are increased annually to protect them from inflation. Pensions increases are currently in line with the Consumer Prices Index. Where a member has a guaranteed minimum pension (which relates to membership during SERPS prior to 5 April 1997), some of the pensions increase may be paid with the State pension.

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April 2014

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Adopted 7 March 2014

For further information contact : Steven.Taylor@gmpf.org.uk

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Funding Strategy Statement

1 Introduction

This is the Funding Strategy Statement (FSS) of the Greater Manchester Pension Fund ("the Fund" or "GMPF"), which is administered by Tameside MBC ("the Administering Authority").

It has been prepared by the Administering Authority in collaboration with the Fund Actuary, Hymans Robertson LLP, and after consultation with the Fund's employers and investment Advisors and is effective from 1 April 2014.

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 currently pay the balance of the cost of delivering the benefits to members. 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 1997(regulations 76A and 77 are particularly relevant);
- the Local Government Pension Scheme (Administration) Regulations 2008 (regulations 35 and 36);
- the Rates and Adjustments Certificate, which can be found appended to the Fund's triennial Actuarial Valuation report;
- actuarial factors for valuing early retirement costs and the cost of buying extra service;
- the Funds policy on admissions; and
- the Statement of Investment Principles.

Operating within this framework, the Fund Actuary carries out triennial 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 the Fund. The FSS applies to all employers participating in the Fund.

The key requirements relating to the FSS are that:

- After consultation with all relevant interested parties involved with the Fund, the administering authority will prepare and publish their funding strategy.
- In preparing the FSS, the Administering Authority must have regard to:
    - FSS guidance produced by CIPFA in 2004 and 2012.
    - Its statement of investment principles published under Regulation 12 of the Local Government Pension Scheme (Management and Investment of Funds) Regulations 2009.
    - 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 Statement of Investment Principles.

The Fund's actuary must have regard to the FSS as part of the fund valuation process.

1.2 Reviewing the FSS

The FSS is reviewed in detail at least every three years in line with triennial valuations being carried out, with the next full review due to be completed by 31 March 2017.

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 Steven J Taylor in the first instance at:

steven.taylor@gmpf.org.uk

telephone: 0161-342 2880.

2 Purpose

2.1 Purpose of FSS

The then Office of the Deputy Prime Minister (ODPM) [now the Department for Communities and Local Government (CLG)] stated that the purpose of the FSS is:

- *to establish a **clear and transparent fund-specific strategy** which will identify how employers' pension liabilities are best met going forward;*
- *to support the regulatory framework to maintain **as nearly constant employer contribution rates as possible**; 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 scheme's liabilities across the range of employers participating in the Fund.

This is the framework within which the Fund's actuary carries out triennial valuations to set employers' contributions and provides recommendations to the Administering Authority when other funding decisions are required, such as when employers join or leave the Fund. The FSS applies to all employers participating in the Fund.

2.2 Purpose of the Fund

The Fund is a vehicle by which scheme benefits are delivered. The Fund:

- receives contributions, transfer payments and investment income;
- 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 pension scheme 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 the Fund 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 ceasing participation or 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; and
- to maintain the affordability of the Fund to employers as far as is reasonable over the longer term.

3 Solvency Issues & Target Funding Levels

3.1 Derivation of employer contributions

Employer contributions are normally made up of two elements:

a) the estimated cost of future benefits being accrued, referred to as the "*future service rate*"; plus

b) an adjustment for the funding position (or "solvency") of accrued benefits relative to the Fund's solvency target, "*past service adjustment*". If there is a surplus there may be a contribution reduction; if a deficit a contribution addition, with the surplus or deficit spread over an appropriate period.

The Fund Actuary is required by the regulations to report the *Common Rate of Employer's Contribution*[1] , for all employers collectively at each triennial valuation. It combines items (a) and (b) and is expressed as a percentage of pay. For the purpose of calculating the Common Contribution Rate, the surplus or deficit under (b) is currently spread over a period of up to 20 years.

The Fund Actuary is also required to adjust the *Common Contribution Rate* for circumstances which are deemed "peculiar" to an individual employer[2]. It is the adjusted contribution rate which employers are actually required to pay. The sorts of peculiar factors which are considered are discussed in Section 3.5.

In effect, the *Common Contribution Rate* is a notional quantity. Separate future service rates are calculated for each employer, and together with individual past service adjustments according to employer-specific spreading and phasing periods, these constitute the "adjusted contribution rate".

Contribution rates for scheduled bodies without council tax raising powers are to be set at the higher of: (i) the future service element of the Common Contribution Rate; and (ii) the employer's adjusted contribution rate, unless otherwise agreed by the Administering Authority.

For some employers it may be agreed by all relevant parties to pool contributions, see Section 3.7.8.

A breakdown of each employer's contributions following the 2010 valuation for the financial years 2011/12, 2012/13 and 2013/14 can be found in the 31/3/10 Actuarial Valuation report (finalised in 2011). It includes a comparison of each employer's rate with the *Common Contribution Rate*. It also identifies which employers' contributions have been pooled with others.

The treatment of any costs of non ill-health and ill-health early retirements differs between employers who are either part of a pool involving a Local Authority employer, or a major employer grouping or not part of any pool, on the one hand, and employers who are part of a pure Non-Local Authority pool, on the other. The former have "early retirement allowances" for non ill-health and for ill-health early retirements built into their employer contribution rate and initially the aggregate of these two allowances are used to fund any such costs. Costs in excess of the aggregate of the "allowances" are met by separate lump-sum employer contributions.

The latter have no "allowance" for non ill-health early retirements but do have an "allowance" for ill-health early retirements built into their contribution rates. For these employers the costs of non ill-health early retirements are met by separate lump-sum employer contributions whilst the costs of ill-health early retirements in excess of the allowance are dealt with via an appropriate adjustment to their contribution rate at the next valuation. (cf Sub-Section 3.9.1)

As an alternative to the approach set out above, the Administering Authority will be permitting employers to take out their own insurance against the cost of ill-health early retirements. Where employers take out such insurance to the satisfaction of the Administering Authority, their contribution rate will be reduced by the lower of: (i) the insurance premium paid; and (ii) the allowance for ill-health early retirements that would otherwise have been included in their contribution rate.

Employers' contributions are expressed as minima, with employers able to pay regular contributions at a higher rate. Employers should discuss with the Administering Authority before making one-off capital payments.

3.2 Solvency and Target Funding Levels

The Fund Actuary is required to report on the "solvency" of the whole fund at least every three years.

"Solvency" for ongoing employers is defined to be the ratio of the market value of assets to the value placed on accrued benefits on the Fund Actuary's ongoing funding basis. This quantity is known as a funding level.

The ongoing funding basis has traditionally been used for each triennial valuation for all employers in the Fund. For those scheme employers where the administering authority believes they have a strong strength of covenant the ongoing funding basis will continue to apply.

1 See Regulation 77(4)

2 See Regulation 77(6)

Where an admission agreement for an Admission Body that is not a Transferee Admission Body and has no guarantor is likely to terminate within the next 5 to 10 years or lose its last active member within that timeframe, the fund reserves the right to set contribution rates by reference to liabilities valued on a gilts basis (i.e. using a discount rate that has no allowance for potential investment outperformance relative to gilts). The target in setting contributions for any employer in these circumstances is to achieve full funding on a gilts basis by the time the agreement terminates or the last active member leaves in order to protect other employers in the fund. This policy will 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.

The Fund also reserves the right to adopt the above approach in respect of those Admission Bodies with no guarantor, where the strength of covenant is considered to be weak but there is no immediate expectation that the admission agreement will cease.

The Fund Actuary agrees the financial and demographic assumptions to be used for each such valuation with the Administering Authority.

The Fund operates an identical target funding level for all ongoing employers of 100% of its accrued liabilities valued on the ongoing basis. The time horizon of the funding target for Community and Transferee Admission Bodies will vary depending on the expected duration of their participation in the Fund. Please refer to Section 3.8 for the treatment of departing employers.

3.3 Ongoing Funding Basis

The demographic assumptions are intended to be best estimates of future outcomes within GMPF as advised by the Fund Actuary, based on past experience of LGPS funds and of GMPF. It is acknowledged that future life expectancy and, in particular, the allowance for future improvements in mortality, is uncertain. 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 the Fund and the statutory guarantee underpinning members' benefits. The demographic assumptions vary by type of member and so reflect the different member profiles of employers.

The key financial assumption is the anticipated return on the Fund's investments. The investment return assumption makes allowance for anticipated returns from equities in excess of gilts. There is, however, no guarantee that equities will out-perform gilts. The risk is greater when measured over short periods such as the three years between formal actuarial valuations, when the actual returns and assumed returns can deviate sharply.

In light of the statutory requirement for the Fund Actuary to consider the stability of employer contributions, it is normally appropriate to restrict the degree of change to employers' contributions at triennial valuation dates.

Given the very long-term nature of the liabilities, a long term view of prospective returns from equities is taken. For the 2013 valuation, the Main Fund assumption is that GMPF's investments will deliver an average real additional return of 1.8% a year in excess of the return available from investing in index-linked government bonds at the time of the valuation. Based upon the asset allocation of the Main Fund as at 31 March 2010, this is equivalent to taking credit for excess returns on equities of 2.4% p.a. over and above the gross redemption yield on index linked gilts on the valuation date and for excess returns of 0.4% p.a. on the non-equity assets (excluding gilts).

The same financial assumptions are adopted for the majority of employers. The anticipated future return on investments may vary between employers who follow different investment strategies. However, only variations which lead to reductions in the anticipated returns as compared with the position of the majority of employers are allowed.

3.4 Future Service Contribution Rates

The future service element of the employer contribution rate is traditionally calculated on the ongoing valuation basis, with the aim of ensuring that there are sufficient assets built up to meet future benefit payments in respect of future service. The approach used to calculate each employer's future service contribution rate depends on whether or not new entrants are being admitted. Employers should note that it is only Admission Bodies and some resolution bodies that may have the power not to admit automatically all eligible new staff to GMPF, depending on the terms of their Admission Agreements and employment contracts. It should be noted that employers within a pool will pay the contribution rate applicable to the pool as a whole.

Where it is considered appropriate the Administering Authority reserves the right to set a future service rate by reference to liabilities valued on a gilts basis (most usually for admission bodies that are not a Transferee Admission Bodies and that have no guarantor in place).

3.4.1 Employers that admit new entrants

The employer's future service rate will be based upon the cost (in excess of members' contributions) of the benefits which employee members earn from their service each year. Technically these rates will be derived using the Projected Unit Method of valuation with a one year control period.

If future experience is in line with assumptions, and the employer's membership profile remains stable, this rate should be broadly stable over time. If the membership of employees matures (e.g. because of lower recruitment) the rate would rise.

3.4.2 Employers that do not admit new entrants

Certain Admission Bodies have closed the scheme to new entrants. This is expected to lead to the average age of employee members increasing over time and hence, all other things being equal, the future service rate is expected to increase as the membership ages.

To give more long term stability to such employers' contributions, the Attained Age funding method is adopted. This will limit the degree of future contribution rises by paying higher rates at the outset. However, the Administering Authority may choose to adopt the Projected Unit Method where the circumstances relating to an employer appear to warrant such treatment and where the employer has been advised of the impact of the use of this basis.

Both funding methods are described in the Actuary's report on the valuation.

Both future service rates will include expenses of administration to the extent that they are borne by the Fund.

3.5 Adjustments for Individual Employers

Adjustments to individual employer contribution rates are applied both through the calculation of employer-specific future service contribution rates and the calculation of the employer's funding level.

The combined effect of these adjustments for individual employers applied by the Fund Actuary relate to:

- past contributions relative to the cost of accruals of benefits;
- different liability profiles of employers (eg mix of members by age, gender, manual/non manual, part-time/full-time);
- the effect of any differences in the valuation basis on the value placed on the employer's liabilities;
- any different deficit/surplus spreading periods or phasing of contribution changes;
- the difference between actual and assumed rises in pensionable pay;
- the difference between actual and assumed increases to pensions in payment and deferred pensions;
- the difference between actual and assumed retirements on grounds of ill-health from active status;
- the difference between actual and assumed amounts of pension ceasing on death;
- the savings in early retirement provisions;
- the effect of more or fewer leavers than assumed;

Over the period between each triennial valuation.

Actual investment returns achieved by following each investment strategy between each valuation are applied proportionately across all relevant employers as appropriate. Transfers of liabilities between employers within the Fund occur automatically within this process, with a sum broadly equivalent to the reserve required on the ongoing basis being exchanged between the two employers, unless the circumstances dictate otherwise.

The Fund Actuary does not allow for certain relatively minor events occurring in the period since the last formal valuation [where Hymans Robertson calculates asset shares – see Section 3.6 below], including, but not limited to:

- the actual timing of employer contributions within any financial year;
- the effect of the premature payment of any deferred pensions on grounds of incapacity.

These effects are swept up within a miscellaneous item in the analysis of surplus, which is split between employers in proportion to their liabilities.

3.6 Asset Share Calculations for Individual Employers

The Administering Authority does not account for each employer's assets separately. The Fund Actuary is required to apportion the assets of the whole fund between the employers at each triennial valuation using the income and expenditure figures provided for certain cash flows for each employer. This process adjusts for transfers of liabilities between employers participating in GMPF, but does make a number of simplifying assumptions. The split is calculated using an actuarial technique known as "analysis of surplus". The methodology adopted means that there will inevitably be some difference 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.

The asset apportionment is capable of verification but not to audit standard. The Administering Authority recognises the limitations of this approach.

Currently, this approach allocates assets to an acceptable level of accuracy across employers. However, due to the increasing number of employers in the Fund and their diversity, the Fund is working with the actuary to develop an accounting system that will track assets for each employer to an auditable standard and will be more transparent than the current approach.

3.7 Stability of Employer Contributions

3.7.1 Solvency Issues and Target Funding Levels

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 Fund. With this in mind, there are a number of prudential 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 deficit recovery periods; [3.7.2 & 3.73]
- phasing in of contribution increases / decreases; [3.7.4 – 3.7.6]
- the pooling of contributions amongst employers with similar characteristics; [3.7.7]
- managing employer contribution rates based on longer term modelling of liabilities ("Managed Rate Approach"); [3.7.8]
- capping of employer contribution rate increases / decreases within a pre-determined range ("Stabilisation"); [3.7.9]

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 a reduced rate of contribution, and extended deficit recovery period, or permission to join a pool with another body (e.g. a relevant and agreeable Local Authority), 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 take into account factors such as:

- the extent of the employer's deficit;
- 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.

After including investment income, the Fund currently has a positive net cash inflow. Therefore, the Fund can take a medium to long term view on determining employer contribution rates to meet future liabilities through operating a fund with an investment strategy that reflects this long term view. This allows short term investment markets volatility to be managed so as not to cause volatility in employer contribution rates.

The LGPS regulations require that the longer term funding objectives are to achieve and maintain assets to meet the projected accrued liabilities. The role of the Fund Actuary in performing the necessary calculations and determining the key assumptions used, is an important feature in determining the funding requirements. The approach to the actuarial valuation and key assumptions used at each triennial valuation forms part of the consultation undertaken with the FSS.

3.7.2 Deficit Recovery Periods

The Administering Authority recommends to the actuary to adopt specific deficit recovery periods for all employers when calculating their contributions.

The deficit recovery period starts at the commencement of the revised contribution rate (1 April 2014 for the 2013 valuation). The Administering Authority would normally expect the same deficit recovery period to be used at successive triennial valuations, but would reserve the right to propose alternative recovery periods, for example to improve the stability of contributions.

Where an employer's workforce/payroll is expected to decline, the Administering Authority may choose to specify that any deficit contributions are payable as periodic lump sum cash amounts rather than as a percentage of payroll.

Type of employer	***Maximum* length of deficit recovery period**
Statutory bodies with tax raising powers and other Govt 'supported' employers	A period not exceeding 20 years
Community Admission Bodies with funding guarantees, subject to the approval of the guarantor and the agreement of the Administering Authority	A period not exceeding 20 years
Transferee (Best Value) Admission Bodies	The period from the start of the revised contributions to the end of the employer's contract or as otherwise agreed with the parent Local Authority letting the contract
Community Admission Bodies that are closed to new entrants e.g. Bus Companies, whose admission agreements continue after the last active member retires	A period equivalent to the expected future working lifetime of the remaining scheme members allowing for expected leavers, or such other period agreed by the employer and approved by the Administering Authority
All other types of employer	a period equivalent to the expected future working lifetime of the remaining scheme members

The Administering Authority normally targets the recovery of any deficit over a period not exceeding 20 years. However, these are subject to the maximum lengths set out in the table above.

This maximum period is used in calculating each employer's minimum contributions. Employers may opt to pay higher regular contributions than these minimum rates. For employers that are in deficit at this valuation, there will be no reduction in contribution rates. This will lead to shorter deficit recovery periods for some employers.

3.7.3 Surplus Spreading Periods

Any employers deemed to be in surplus may be permitted to reduce their contributions below the cost of accruing benefits, by spreading the surplus element over 15 years or such other period agreed with the employer and approved by the Administering Authority.

However, to help meet the stability requirement, employers may prefer not to take such reductions.

3.7.4 Phasing in of Contribution Rises

Phasing in periods will be influenced by the perceived credit worthiness of the employer and this will normally be a maximum of 3 years, and statutory bodies with tax raising powers a maximum of 4 years. Increases of less than 2% will be phased in over a maximum of 3 years.

3.7.5 Phasing in of Contribution Reductions

Any contribution reductions will be phased in over 6 years for all employers except Transferee Admission Bodies who may adopt a shorter period.

3.7.6 The Effect of Opting for Longer Spreading or Phasing-In

Employers which are permitted and elect to use a longer deficit spreading period than was used at the 2010 valuation 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 paying contributions is expected to lead to higher contributions in the long-term (depending on the actual financial and demographic performance of the Fund relative to valuation assumptions).

However any adjustment is expressed for different employers, the overriding principle is that the discounted value of the contribution adjustment adopted for each employer will be equivalent to the employer's deficit.

3.7.7 Pooled Contributions

3.7.7.1 Smaller Employers

The Administering Authority allows smaller employers [of similar types] to pool their contributions as a way of sharing experience and smoothing out the effects of costly but relatively rare events such as ill-health retirements or deaths in service. The normal maximum number of active members to participate in a pool is set at 50.

Community Admission Bodies that are deemed by the Administering Authority to have closed to new entrants are not permitted to participate in a pool except with the approval of the relevant Local Authority and/or Administering Authority. Transferee Admission Bodies may only participate in pooling with the relevant parent Local Authority.

Employers who do not wish to continue with current/historic pooling arrangements have been requested to discuss the issue with the Administering Authority.

As at the 2010 valuation separate pools were operated for FE Colleges, Town and Parish Councils and for smaller Admission Bodies.

3.7.7.2 Other Contribution Pools

In some cases, schools are pooled with their funding Council, subject to their joint agreement.

Some Admission Bodies with guarantors are pooled with their Council.

Those employers that have been pooled are identified in the Rates and Adjustment Certificate which is detailed in the 31/3/13 Actuarial Valuation report (finalised in 2014).

3.7.8 Managed Rate Approach

There can be occasions when, despite the deployment of the foregoing approaches such as pooling, phasing and the extension of deficit recovery periods, the theoretical employer contribution rate is not affordable or achievable. This can occur in times of tight fiscal control or where budgets have been set in advance of new employer contribution rates being available.

To help manage contributions, the Administering Authority has commissioned the Fund Actuary to carry out modelling for a number of employers that are considered to have a sufficient strength of covenant so as not to pose an excessive default risk to the Fund over the deficit recovery period. For such employers the modelling takes into account the deficit recovery period allowed for the employer, the employer status and funding level and any other factors deemed relevant by the Administering Authority and Fund Actuary. The modelling explores and recommends a suitable contribution strategy for an employer such that there is an acceptable likelihood of the employer having sufficient assets to meet all future benefit payments by the end of the relevant deficit recovery period allowed by the Administering Authority for that type of employer.

3.7.9 Stabilisation

In addition, for certain employers where it is considered to be cost effective relative to the benefits to the employer, the Administering Authority can commission the Fund Actuary to carry out more extensive modelling to explore the long term effect on the Fund of capping future contribution increases and decreases. The results of such modelling will indicate whether or not it is justifiable to limit employer contribution rate changes within a fixed range in each future year (for example, +1% / -1% per year change in employers' contribution rates). Stabilisation is considered if the following conditions are met:

- the Administering Authority is satisfied that the status of the employer merits adoption of a stabilised approach; and
- there are no material events occurring after the modelling work is carried out which render the stabilisation unjustifiable.

In the interests of stability and affordability of employer contributions, the Administering Authority, on the advice of the Fund Actuary, believes that this stabilisation approach demonstrates that stabilising contributions as described above can still be viewed as a prudent longer-term approach. However, employers whose contribution rates have/are "stabilised" and are therefore paying less than their theoretical contribution rate should be aware of the risks of this approach and should consider making additional payments to the Fund if possible.

3.8 Admission Bodies ceasing

Admission Agreements for Transferee contractors are assumed to expire at the end of the contract unless otherwise agreed by the relevant local authority and Administering Authority.

Admission Agreements for other employers are assumed to terminate for any of the following reasons unless otherwise agreed by the relevant local authority and Administering Authority:

- Last active member ceasing participation in the LGPS;
- 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 Fund;

- A failure by the admission body to pay any sums due to the Fund within the period required by the Fund; or
- The failure by the admission body to renew or adjust the level of the bond or indemnity or to confirm appropriate alternative guarantor as required by the Fund.

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 (or parties in the case of a Transferee Admission Body).

If an Admission Body's admission agreement is terminated, the Administering Authority may instruct the Fund Actuary to carry out a special valuation to determine whether there is any deficit depending on the circumstances and terms of the admission agreement.

The assumptions adopted to value the departing employer's liabilities for this valuation will depend upon the circumstances. For example:

(a) For Transferee Admission Bodies, the assumptions would be those used for an ongoing valuation to be consistent with the assumptions used to calculate the initial transfer of assets to accompany the active member liabilities transferred. Where a lower risk investment strategy has been adopted, the assumptions used in the calculation of the cessation liabilities will be consistent with that investment strategy.

(b) For admission bodies that are not Transferee Admission Bodies where its participation is voluntarily ended either by themselves or the Fund, or which triggers a cessation event, the Administering Authority must look to protect the interests of other ongoing employers and will require the actuary to adopt valuation assumptions which, to the extent reasonably practicable, protect the other employers from the likelihood of any material loss emerging in future. Where there is a guarantor, the cessation valuation will normally be calculated using an ongoing valuation basis appropriate to the investment strategy. Where a guarantor does not exist then, in order to protect other employers in the Fund, the cessation liabilities and final deficit will normally be calculated using a "gilts cessation basis" with no allowance for potential future investment outperformance and with an allowance for further future improvements in life expectancy. 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.

(c) For Admission Bodies with guarantors, it is possible that any deficit could be transferred to the guarantor in which case it may be possible to simply transfer the former Admission Bodies members and assets to the guarantor, without needing to crystallise any deficit.

Under (a) and (b), any shortfall would be levied on the departing Admission Body as a capital payment.

In the event that the Fund is not able to recover the required payment in full directly from the Admission Body or from any bond or indemnity or guarantor, then:

(a) In the case of Transferee Admission Bodies the awarding authority will be liable. At its absolute discretion, the awarding 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 admission bodies that are not Transferee Admission Bodies 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.

As an alternative to (b) above where the ceasing Admission Body is continuing in business the Fund, at its absolute discretion, reserves the right to enter into an agreement with the ceasing Admission Body to accept an appropriate alternative security to be held against any funding deficit and to carry out the cessation valuation on an ongoing valuation basis.

This approach would be monitored as part of each triennial valuation and the Fund reserves the right to revert to a "gilts cessation basis" and seek immediate payment of any funding shortfall identified.

3.9 Early Retirement Costs

3.9.1 Non Ill Health early retirements

The overall position in relation to non ill-health early retirements is as set out in Section 3.1.

It is assumed that members' benefits on age retirement are payable from the earliest age that the employee could retire without incurring a reduction to their benefit and without requiring their employer's consent to retire. Members receiving their pension unreduced before this age other than on ill-health grounds are deemed to have retired "early".

The additional costs of premature retirement are calculated by reference to these ages.

Any additional lump-sum contributions which are required to be made under Section 3.1 arising from non ill-health early retirements become due immediately upon the award of an early retirement. The Administering Authority may agree that an employer be permitted to spread the payment over a period not exceeding 3 years (or the period until the member's normal retirement date if this is shorter). The Administering Authority reserve the right to require payment of these costs over a shorter period, and possibly immediately, depending on the circumstances of the employer.

3.9.2 Ill health early retirement and death in service costs

The Fund monitors each employer's, or pool of employers, ill health early retirement experience on an ongoing basis. This information is used to determine any necessary lump-sum employer contributions pursuant to the practice outlined in section 3.1.

3.10 Employers with no remaining actives

In general an employer ceasing in the Fund due to the departure of the last active member, will pay a cessation debt on an appropriate basis and consequently have no further obligation to the Fund. 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 other Fund employers will be required to contribute to pay all remaining benefits: this will be done by the Fund actuary apportioning the remaining liabilities on a pro-rata basis at successive formal valuations;

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 Fund's actuary to the other Fund.

In exceptional circumstances the Fund may permit an employer with no remaining active members to continue contributing to the Fund. This would require the provision of a suitable security or guarantee, as well as a written ongoing commitment to fund the remainder of the employer's obligations over an appropriate period. The Fund would reserve the right to invoke the cessation requirements in the future, however. The Administering Authority may need to seek legal advice in such cases, as the employer would have no contributing members.

3.11 Policies on bulk transfers

Each case will be treated on its own merits, but in general:

- The Fund will seek the most cost effective method of transfer to keep professional and administration costs as low as possible;
- The maximum amount the Fund will pay on a bulk transfer is an amount equal to the asset share held by the transferring employee's employer and is capped at the value of the transferring employee's liabilities;
- When a transfer takes place such that the transferring employer will no longer have any active membership then the transfer amount may be limited by the need for the Fund to meet the liabilities of any ex-employees of the employer;
- The Fund will not grant added benefits to members bringing in entitlements from another Fund unless the asset transfer is sufficient to meet the added liabilities;
- The Fund may permit shortfalls to arise on bulk transfers if the Fund employer has suitable strength of covenant and commits to meeting that shortfall in an appropriate period. This may require the employer's Fund contributions to increase between valuations.

4 Links to Investment Strategy

Funding and investment strategy are inextricably linked. Investment strategy is set by the Administering Authority, after consultation with the employers and after taking investment advice.

4.1 Investment Strategy

The investment strategies currently being pursued are described in GMPF's Statement of Investment Principles.

The investment strategies are set for the long-term, but the principal strategy (for the "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 2013, the proportion to be held in equities and property was broadly 75% of the total Main Fund assets.

The investment strategy of lowest risk would be that which provides cashflows which replicate the expected benefit cashflows (ie the liabilities). Equity investment would not be consistent with this. This strategy informs policy for part of the Fund where liabilities are mature and employers have agreed such an approach.

The Main Fund's benchmark includes a significant holding in 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 all employers covered by the Main Fund. The Administering Authority offers employers the opportunity to pursue a more cautious investment strategy than the Main Fund norm.

4.2 Consistency with Funding Basis

For employers covered by the Main Fund, the funding basis adopts an asset outperformance assumption of 1.8% pa over and above the redemption yield on index linked gilts. The Main Fund's current bespoke investment strategy is broadly 75% held in real assets and 25% in monetary assets. For employers pursuing a more cautious investment strategy than the Main Fund norm, a lower asset outperformance assumption may be adopted as appropriate. Both the Fund Actuary and the investment adviser to the Fund 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 equities 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 outperformance target. The stability measures described in Section 3 will damp down, but not remove, the effect on employers' contributions.

The Fund does not hold a contingency reserve to protect it against the volatility of equity investments.

4.3 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 yielding, 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.

In the light of the admission of Transferee contractors on different terms to other employers and the 2010 valuation results which showed the sensitivity of individual employers' contributions to changes in investment returns, the Administering Authority is reviewing whether its "dual strategy" approach should be refined. Enabling other investment strategies will require investment in new systems and 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. The Fund is currently considering the option of more bespoke investment strategies.

4.4 Intervaluation Monitoring of Funding Position

The Administering Authority monitors investment performance on a quarterly and annual basis. There is also detailed monitoring of new liabilities arising from early and ill-health retirements, the costs of which are met by employers. In addition, the Fund Actuary routinely assesses the funding position quarterly, taking account of actual experience compared to the financial assumptions underlying the valuation. Formally, the Administering Authority reports back to employers at the GMPF Annual General Meeting.

5 Key Risks & Controls

5.1 Types of Risk

The Administering Authority's has an active risk management programme in place. The measures that the Administering Authority has in place to control key risks are summarised below under the following headings :

- financial;
- demographic;
- regulatory; and
- governance.

5.2 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 risk of under-performing.* *Analyse progress at three yearly valuations for all employers.* *Use of interim valuations.*
Inappropriate long-term investment strategy	*Set Fund-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.*
Fall in risk-free returns on Government bonds, leading to rise in value placed on liabilities	*Some investment in bonds helps to mitigate this risk and there is scope for employers to increase bond exposure.*
Active investment manager under-performance relative to benchmark	*Short term (quarterly) investment monitoring analyses market performance and active managers relative to their index benchmark.* *Regular reporting to employers describes Main Fund performance. If appropriate, the Fund Actuary will be asked to evaluate the implications.*
Pay and price inflation significantly more 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, also helps to mitigate this risk.* *Employers pay for 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 deficit spreading and phasing in of contribution rises.* *Consult employers on possibility of paying more (extra administration and higher regular contributions) to enable employer-specific investment strategies to give greater certainty of cost.*
Orphaned employers give rise to added costs for the Fund	*The Fund seeks a cessation debt (or security/guarantor) to minimise the risk of this happening in the future.* *If it occurs, the Actuary calculates the added cost spread pro-rate among all employers.*

5.3 Demographic Risks

Risk	Summary of Control Mechanisms
Pensioners living longer.	*Set mortality assumptions with some allowance for future increases in life expectancy.* *Fund Actuary monitors combined experience of around 50 LGPS funds to look for early warnings of lower pension amounts ceasing than assumed in funding.* *Administering Authority encourage any employers concerned at costs to promote later retirement culture. Each 1 year rise in the average age at retirement would save roughly 5% of pension costs.*
Deteriorating patterns of ill health and other early retirements	*The Fund has adopted a compulsory self-insurance mechanism to meet the strains that arise from ill-health early retirement costs.*

5.4 Regulatory Risk

Risk	Summary of Control Mechanisms
Changes to regulations, e.g. more favourable benefits package, potential new entrants to scheme, e.g. part-time employees	*The Administering Authority is alert to the potential creation of additional liabilities and administrative difficulties for employers and itself.*
Changes to national pension requirements and/or HM Revenue and Customs rules e.g. changes arising from Public Sector Reform	*The Administering Authority considers all consultation papers issued by CLG and comments where appropriate.* *It will consult employers where it considers that it is appropriate.* *The results of the most recent reforms have been built into the 2013 valuation. 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 all submissions are available for employers to see at www.gmpf.org.uk with effect from January 2005.*

5.5 Governance Risk

Risk	Summary of Control Mechanisms
Administering Authority unaware of structural changes in an employer's membership (e.g. large fall in employee members, large 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.*
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 38) between triennial valuations.* *Deficit contributions may be expressed as monetary amounts (see Actuarial Valuation report).*

5.5 Governance Risk continued

Risk	Summary of Control Mechanisms
Administering Authority failing to commission the Fund 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 Transferee Admission Agreements to inform it of forthcoming changes.* *It also operates a diary system to alert it to the forthcoming termination of Transferee Admission Agreements.*
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, where-ever possible.* • *Alerting the prospective employer to its obligations and encouraging it to take independent actuarial advice.* • *Vetting prospective employers before admission.* • *Where permitted under the regulations requiring a bond to protect the scheme from the extra cost of early retirements on redundancy if the employer failed.* • *Offering lower risk investment strategies – with higher employer contributions - for Transferee Admission Bodies to reduce the risk of volatile contributions and a significant debt crystallising on termination.*

END OF MAIN BODY OF FSS

ADOPTED BY THE PENSION FUND MANAGEMENT PANEL : 7 March, 2014

Annex - Responsibilities of Key Parties

The Administering Authority should:

- operate the Fund as per the LGPS Regulations;
- effectively manage any potential conflicts of interest arising from its dual role as Administering Authority and a Fund employer;
- collect employer and employee contributions, and investment income and other amounts due to the Fund;
- ensure that cash is available to meet benefit payments as and when they fall due;
- pay from the Fund the relevant benefits and entitlements that are due;
- invest surplus monies (i.e. contributions and other income which are not immediately needed to pay benefits) in accordance with the Fund's Statement of Investment Principles (SIP) and LGPS Regulations;
- communicate appropriately with employers so that they fully understand their obligations to the Fund;
- take appropriate measures to safeguard the Fund against the consequences of employer default;
- manage the valuation process in consultation with the Fund's actuary;
- prepare and maintain a FSS and a SIP, after consultation;
- notify the Fund's actuary of material changes which could affect funding (this is covered in a separate agreement with the actuary); and
- monitor all aspects of the fund's performance and funding and amend the FSS/SIP 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;
- exercise discretions within the regulatory framework;
- make additional contributions in accordance with agreed arrangements in respect of, for example, augmentation of scheme benefits, early retirement strain; and
- notify the administering authorities promptly of all changes to membership or, as may be proposed, which affect future funding.

The Fund 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 the Fund, 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 the Fund; 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 the Fund's SIP remains appropriate, and consistent with this FSS;
- investment managers, custodians and bankers will typically all play their part in the effective investment (and dis-investment) of Fund assets, in line with the SIP;
- auditors will comply with their auditing standards and sign off annual reports and financial statements as appropriate;
- governance advisers may be appointed to advise the Administering Authority on efficient processes and working methods in managing the Fund;
- legal advisers (either internal or external) will assist in ensuring the Fund's operation and management remains fully compliant with all regulations and broader local government requirements, including the Administering Authority's own procedures.

END OF ANNEX

Governance Policy

2015

Governance Policy

Greater Manchester Pension Fund (GMPF) – Governance Policy Statement

1. Constitution

The Administering Authority operates within the Council's Governance arrangements.

The statutory officer roles required are an integral part of the Fund's governance arrangements, these are:

- Head of Paid Service (Chief Executive);
- Monitoring Officer (Executive Director Governance, Resources and Pensions); and
- Chief Finance Officer (Assistant Executive Director – Finance [Borough Treasurer])

Further details of the Council's Governance arrangements can be found on the Council's website at www.tameside.gov.uk/constitution.

2. Delegation

Tameside MBC delegates its function in relation to maintaining the GMPF to the following:

- Pension Fund Management Panel
- Pension Fund Advisory Panel
- Pension Fund Working Groups

l The Executive Director Governance, Resources and Pensions.

3. Frequency of meetings

The Pension Fund Management Panel, the Pension Fund Advisory Panel and the Pension Fund

Working Groups meet at least quarterly.

4. Pension Fund Management Panel

Terms of Reference

Carries out a similar role to that of the trustees of a pension scheme. It is the key decision maker for:

- Investment Management
- Monitoring investment activity and performance
- Overseeing administrative activities
- Guidance to officers in exercising delegated powers.

The detailed terms of reference are reviewed annually by Tameside MBC and the current detailed delegations are contained in the Tameside MBC Constitution referred to below under the heading "ACCESS TO INFORMATION".

Structure

Consists of local Councillors, plus a representative of the Ministry of Justice (following selection of the Fund as the sole administering authority for the probation service's LGPS interests). The majority of the Councillors are drawn from Tameside MBC and the other Councillors nominated by the remaining 9 local authorities within Greater Manchester acting through the Association of Greater Manchester Authorities. Currently all local authorities are represented on the Management Panel.

All members have voting rights.

5. Pension Fund Advisory Panel

Terms of Reference

To work closely with the Pension Fund Management Panel and to advise on all matters.

The detailed terms of reference are reviewed annually by Tameside MBC and the current detailed delegations are contained in the Tameside MBC Constitution referred to below under the heading "ACCESS TO INFORMATION".

Structure

Consists of 10 local Councillors one drawn from each of the 10 Greater Manchester local authorities, a representative of the Ministry of Justice and a minimum of 2 employee representatives nominated by the North West T.U.C. Current and long standing practice is to have 6 employee representatives.

All the elected members and employee representatives have voting rights.

6. Pension Fund Working Groups

Terms of reference

The Fund utilises Working Groups to consider in detail specific aspects of the Fund's activities and the monitoring of performance.

There are currently six Working Groups which consider particular areas of GMPF activities and make recommendations to the Pension Fund Management and Advisory Panels. The GMPF activities covered by the working groups are:

- Policy and Development
- Investment Monitoring and ESG
- Pensions Administration
- Alternative Investments
- Employer Funding and Viability
- Property

Structure

Membership of the Working Groups is drawn from the members of the Management and Advisory Panels. Each Working Group is chaired by a Tameside MBC Councillor.

7. Executive Director Governance, Resources and Pensions

Terms of Reference

- Responsible for implementing the decisions of the Pension Fund Management Panel and for the day-to-day management of the affairs of the GMPF;
- The Executive Director Governance, Resources and Pensions is the administrator of the Fund and acts as the link for members, advisers and investment managers between meetings; and
- The delegated powers of the Executive Director Governance, Resources and Pensions are reviewed annually and the current powers are contained in the Tameside MBC Constitution referred to below under the heading "ACCESS TO INFORMATION".

In addition GMPF also has the following governance arrangements in place

8. External advisers

Three external advisers assist the Pension Fund Advisory Panel in particular regarding investment related issues.

9. Internal control

Tameside MBC provide internal audit arrangements to GMPF both as a tool of management and with direct reporting to the relevant Working Group, Panel and the Local Board.

10. External review

Tameside MBC including the GMPF is subject to external audit. The external auditors are appointed by 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 the Fund's Annual Report and Accounts.

11. Annual Report and Accounts, Annual General Meeting and Bi Annual Pensioner Forum

Annually a Report and Accounts is produced for approval by the Pension Fund Management Panel at its meeting in September each year. The report currently includes the following sections:

- Chair's Introduction
- Management Structure
- Investment Report
- Statement of Accounts
- Scheme Administration
- Actuarial Statement and Employer Contributions
- Scheme at a glance

The Policy Statement comprising:

- Funding Strategy
- Statement of Investment Principles
- Governance Policy
- Governance Compliance Statement
- Core Belief Statement
- Communications Policy
- Pensions Administration Strategy

The Annual Report and Accounts is published on the Fund's website.

An Annual General Meeting, to which all employers are invited, is held within 7 months of the year end, usually early September.

Every two years GMPF hosts a Pensioners Forum. The Annual Report and Accounts are a key element of the Pensioner Forum.

12. GMPF Local Board

The GMPF Local Pension Board has been established to assist the Management Panel. In particular to assist:

- 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; and
- ensure the effective and efficient governance and administration of the Scheme.

13. Risk management

Risk awareness is embedded into the performance management process. Risk Management will continue to feature in the training planned for all GMPF managers. Working Groups, Panel and the Local Board consider risk management issues.

14. Communication with employers

Meetings are held with GMPF employers at which administrative matters are discussed and updates provided on funding, investment matters and other key issues. Training events are also provided for employers and support is also provided by the Pensions Office.

15. Access to information

Via the GMPF website at ***www.gmpf.org.uk*** the GMPF Annual Report and Accounts can be accessed:

Via the Tameside MBC website at ***www.tameside.gov.uk*** Tameside MBC Constitution may be accessed which contains the Terms of Reference and Scheme of Delegation relating to the GMPF.

All of the above mentioned documents are also available in hard copy form upon request.

** This is now Public Sector Audit Appointments Limited.*

Governance Compliance Statement

2014

GMPF Governance Compliance Statement

Principle A - Structure

	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.	✓
(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.	✓
(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.	✓

Principal A(b) – Structure

Reason for non-compliance:

In addition to the 10 local authorities within the Greater Manchester area the GMPF also has in excess of 300 non-local authority employers whose activities are diverse. It is considered impractical for each or groups of the non-local authority organisations to be separately represented on the GMPF.

To compensate for the lack of direct participation, the Fund holds an AGM to which all employers are invited and they have the opportunity to ask questions. For non local authority employers, meetings are held half yearly. This provides an opportunity for administrative, investment and funding issues to be raised.

Meetings can also be held with individual or groups of employers as required.

At the Advisory Panel, there are 6 representatives of Scheme Members appointed by the North West TUC. These representatives also participate in the Fund's Working Groups.

Additionally, all members of the Pension Board are invited to attend as observers at all decision making committees to ensure adequate oversight, scrutiny and challenge through the Pension Board.

Principle B - Representation

	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;	
(iii) where appropriate, independent professional observers; and	Partial ✓
(iv) expert advisors (on an ad-hoc basis).	
(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.	✓

Principal B – Representation

Reason for non-compliance:

Principle B(a)(i) – see explanation provided previously at Principle A(b).

Principle B(a)(ii)&(iii) – GMPF considers that the roles envisaged by DCLG for an independent professional observer are already adequately catered for within the Fund's current governance arrangements through the participation in the Advisory Panel of 3 expert external advisors from diverse professional backgrounds and the invitation and right of all Pension Board members who include non-scheme employers and pensioner representatives to attend all meetings to ensure adequate oversight, scrutiny and challenge through the Pension Board.

Principle C - Selection and role of lay members

	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.	✓
(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.	✓
C(a) 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.	✓

Principle D - Voting

	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.	✓

Principle E - Training/facility/time/expenses

	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.	✓
(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.	✓
(c) That the administering authority considers the adoption of annual training plans for committee members and maintains a log of all such training undertaken.	✓

Principle F - Meetings (frequency/quorum)

	Fully compliant
(a) That an administering authority's main committee or committees meet at least quarterly.	✓
(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.	✓
(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.	✓

Principle G - Access

	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.	✓

Principle H - Scope

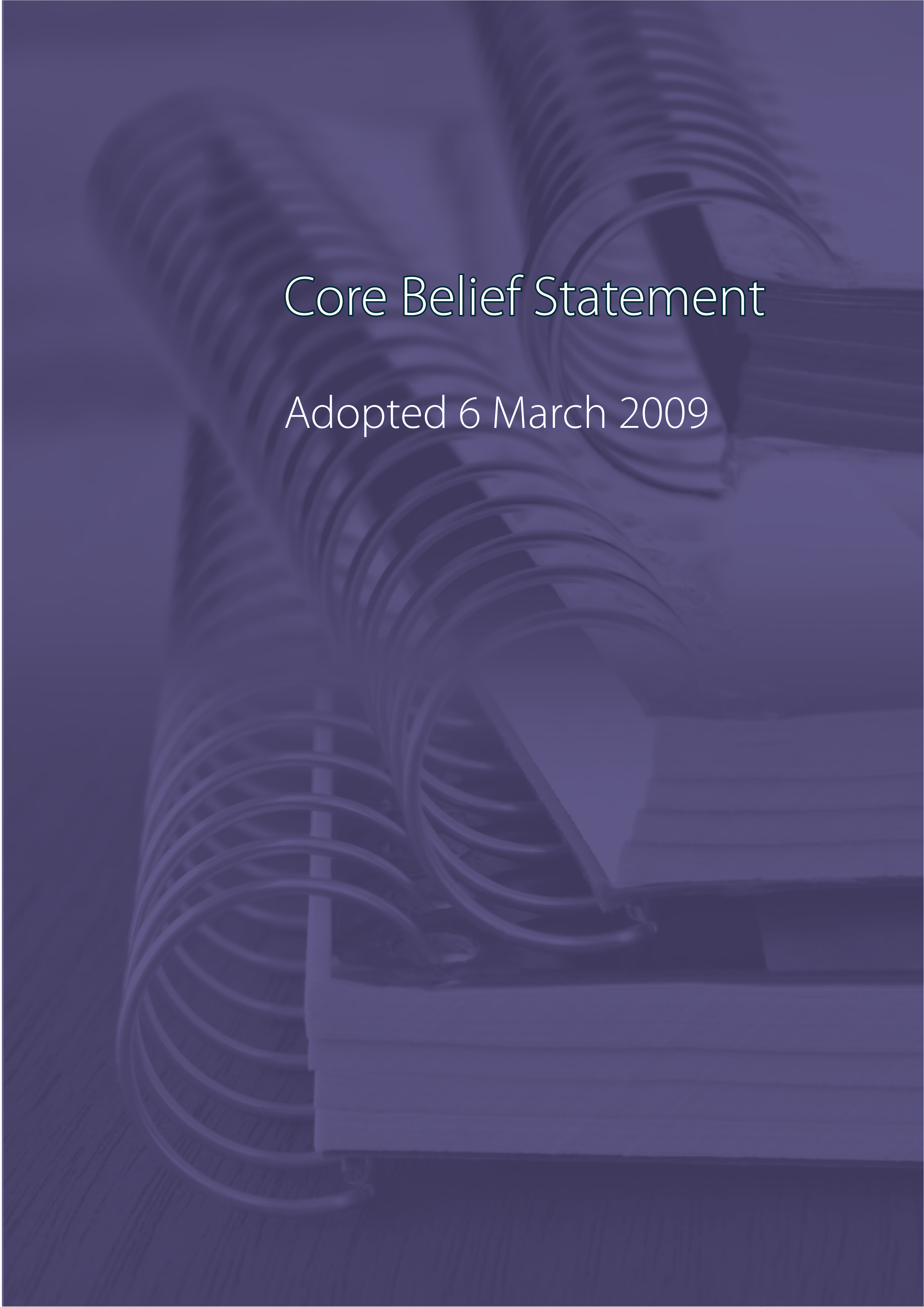
	Fully compliant
(a) That administering authorities have taken steps to bring wider scheme issues within the scope of their governance arrangements.	✓

Principle I - Publicity

	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.	✓

Core Belief Statement

Adopted 6 March 2009



Core Belief Statement

This is the Core Belief Statement ("the Statement") of the Greater Manchester Pension Fund ("the Fund" or "GMPF"), which is administered by Tameside MBC ("the Administering Authority").

It has been prepared by the Administering Authority in collaboration with the Fund Actuary, Hymans Robertson LLP, and after consultation with the Fund's investment Advisors and Managers.

The objective of the Statement is to set out the Fund's key investment beliefs. These beliefs will form the foundation of discussions, and assist decisions, regarding the structure of the Fund, strategic asset allocation and the selection of investment managers.

1. Investment governance

1.1 The Fund has the necessary skills, expertise and resources to internally manage some assets, such as property, private equity and cash.

1.2 Investment consultants, independent advisors and officers are a source of expertise and research to inform Management Panel decisions.

1.3 The Fund is developing its governance structure in order to implement tactical views more readily, but acknowledges that market timing is very difficult.

1.4 There can be a first mover advantage in many areas, but it is difficult to exploit and requires the Fund to be willing to take on 'unconventional risks'.

2. Long term approach

2.1 The strength of the employers' covenant allows a longer term deficit recovery period and for the Fund 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.

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 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 the Fund 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 Fund 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, the Fund does pursue a bond driven liability based strategy.

4. Management strategies

4.1 Passive management provides low cost exposure to equities and bonds and is especially attractive in efficient markets.

4.2 Active managers can add value over the long-term, particularly in relatively inefficient markets and the Fund believes that by following a rigorous approach it is possible to identify managers who are likely to add value.

4.3 The Fund believes that the case for value investing is compelling, but that it may result in prolonged periods of over and underperformance in comparison to a style neutral approach.

4.4 Active managers are expensive and fees should be aligned to the interests of the Fund rather than performance of the market.

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 overall Fund returns but can also reduce overall outperformance.

Version 1.0, adopted by the Pension Fund Management Panel for Tameside MBC as administering authority for Greater Manchester Pension Fund : March 6, 2009.
SJT/PFIG, March 2009.

Statement of Investment Principles

December 2015

Statement of Investment Principles

Version 2.1
Adopted: 11 December 2015

For more information please contact
steven.taylor@gmpf.org.uk

Statement of Investment Principles

1. Background

1.1 This Statement has been prepared in accordance with the Local Government Pension Scheme (Management and Investment of Funds) Regulations 2009 as amended ("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 are required to include a provision that the investment manager must take account of, and shall not contravene, this Statement in undertaking its management role.

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 MBC ("the Council") became the administering authority of the Greater Manchester Pension Fund ("the Pension Fund" or "the Fund") in 1987 after the abolition of the Greater Manchester County Council in 1986. The Fund covers all ten district 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 the Pension Fund. In preparing the Statement, the Council has consulted those persons it considered appropriate.

2. Organisation and Management Arrangements of the Fund

2.1 The investment powers of the Council under the Scheme are given in the Regulations. Amongst other matters, the Regulations require the Council 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 the Fund.

2.2 The Council has delegated all its functions as administering authority of the Pension Fund 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 the Council'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 the Fund 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 Executive Director of Pensions exercises certain delegated powers as specified in the Constitution and provides the link between the Panel, the external professional Advisors and the Fund's investment managers. Each year a Fund "Business Plan" is submitted by the Executive Director of Pensions to the Management Panel for consideration.

2.5 A primary objective of the Council 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 the Fund 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 the Fund and that of a small number of other employers of the Fund.

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 the Fund'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, infrastructure, local investments, elements of the Special Opportunities Portfolio and UK cash), together with the Designated Fund, is managed internally by Officers of the Fund. The 'Treasury Management' of all UK cash is undertaken by Officers of Tameside MBC.

2.9 The Main Fund is largely actively managed but has a significant element, which is passively managed on a pooled basis. Three of the appointed external securities managers have been given individual differing active multi-asset (ex property) discretionary benchmarks reflecting their perceived skills and the relative efficiency of markets. The fourth appointed external securities manager has a single broad equity market benchmark reflecting its specialist mandate. These individual benchmarks are detailed in the Investment Management Agreements and have been chosen so as to be consistent with the overall bespoke benchmark determined for the Main Fund.

2.10 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 Fund anticipates that in two years out of three the external active multi-asset securities managers' annual performance will be within 4½% of the annual performance of their individual benchmark. The equivalent range for the specialist securities manager is +/-7%.

2.11 The fees of two of the three 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 of the third external active securities manager consists of a fixed base fee with no performance element. The fees of the Main Fund's external passive securities manager 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 passively managed on a segregated basis.

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 the Council.

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 the Fund is monitored annually by the Panel.

3. The Types of Investments to be Held

3.1 The Regulations require the Council to have regard to the suitability of investments and define the types of investments which the Fund is permitted to hold. The Fund operates with the lower limits on investments as defined by Regulation 14(2), except for "contributions to partnerships" and "any single insurance contract" where it has resolved to work to limits of 10% and 35% respectively under regulation 14(3). The former decision was taken in order to facilitate the Fund implementing its strategic allocation to private equity, infrastructure, property and other investments where pooled vehicles offer the preferred access. The latter decision was taken as a contingency arrangement, so that the Fund would be able to act quickly and have the option of effecting any restructuring of investment management arrangements via an approach involving the external passive securities manager. Both decisions comply with the Regulations and will remain in place until revoked.

3.2 In addition to the Regulations, the Council 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 Fund assets currently include a UK and overseas spread of equity, fixed interest bonds (including those issued by Governments, companies and other entities), index linked bonds, private equity, infrastructure and property. The Main Fund's external active multi-asset securities managers are permitted limited use of certain derivatives. The Fund supplements its investment income by participating in a Commission Recapture program.

4. The Balance between different Types of Investments

4.1 The Regulations require the Council 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 (broadly 75% real assets and 25% monetary assets) which is sufficient to provide adequate diversification for the Main Fund. The Fund'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 managers who must operate within asset class and country restrictions which are documented in a Schedule to the Investment Management Agreements.

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 the Fund's financial assets provided by a regulated, external, third party, professional custodian appointed directly by the Council with control and liability issues thoroughly addressed in a Global Custody Agreement;
- Having the deeds of direct property investments held securely by the Fund'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 the Fund's securities portfolios;
- Officers of the Council's Internal Audit and of the Fund's Investments Group receiving reports on and reviewing the internal operating procedures of the appointed external custodian, securities managers and accounting provider; 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, the Fund employs the relevant approach to measurement. The Fund 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 twenty 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. Pension payments are expected to exceed employer and employee contributions by around £200m per year over the coming three years. During this period, investment income, outwith that which is automatically reinvested within pooled vehicles, is anticipated to generate around £300m per year of receipts to the Fund. 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 the Pension Fund'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 the Fund. However, over the coming couple of years, Officers of the Fund will be investigating options for dealing with the deteriorating cash-flow position of the Fund.

7.3 The Council 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. Socially Responsible Investment

8.1 The Fund holds a general policy of not interfering in the day to day investment decisions of its investment managers. However, the Fund 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 the Fund.

8.2 As a responsible investor, the Fund wishes to promote corporate social responsibility, good practice and improved company performance amongst all companies in which it invests. On environmental issues, the Fund wishes to promote and encourage compliance with its own "UK Environmental Investment Code". The Fund's appointed external securities managers are encouraged to operate a policy of constructive shareholder engagement with companies.

8.3 The Fund 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.

8.4 From time to time the Fund 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', its membership of the 'Institutional Investors Group on Climate Change', as a signatory to the 'UN Principles for Responsible Investment' or by means of other ad-hoc groupings.

9. The Exercise of Investment Rights

9.1 The exercise of rights which are not voting rights (eg dividend entitlements, rights issues etc) are delegated by the Council to the investment managers of the Pension Fund as part of their normal investment responsibilities.

9.2 The Fund wishes to exercise the voting rights attaching to its investments to promote and support good corporate governance principles.

9.3 The Fund requires the appointed external active securities managers to vote on behalf of the Fund at every opportunity in the UK and when reasonably practicable and commercially prudent overseas.

9.4 In casting the Fund's votes in the UK, the appointed external active securities managers are mandated to implement the Fund's bespoke "UK Voting Guidelines". Any overseas votes exercised must be cast in line with the spirit of the Guidelines.

9.5 The appointed external passive securities manager votes in respect of the Fund 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.

9.6 In casting votes in respect of the Fund 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 the Fund according to the Fund's instructions on a case by case basis should the Fund so require.

10. Stocklending

10.1 The Fund itself has participated in a prudently structured Stocklending program via its Custodian since March 2003. However, the Fund suspended its Stocklending program between September 2008 and May 2011 in the wake of the 2008 financial crisis.

10.2 The Fund 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 lower level than the Regulations permit. All loans must be pre-collateralised and be subject to recall upon demand.

10.3 Certain pooled vehicles within which the Fund 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. The Fund considers this aspect of the pooled vehicle when making investment decisions.

11. Compliance with the guidance given by the Secretary of State (Six CIPFA/Myners Principles)

11.1 The Appendix hereto states the extent to which the Fund complies with the guidance given by the Secretary of State and the six principles of investment practice set out in the CIPFA document: "Investment Decision Making and Disclosure in the Local Government Pensions Scheme : A Guide to the Application of the Myners Principles" (2009).

11.2 The Appendix also gives reasons for not complying where the Fund does not do so.

Version 2.1

Adopted by the Pension Fund Management Panel for Tameside MBC as administering authority of the Greater Manchester Pension Fund: December 11, 2015

SJT/PFIG

December, 2015

Appendix to Statement of Investment Principles

The Secretary of State guidance
(Six CIPFA/Myners Principles for Investment Decision Making and Disclosure in the LGPS)

Principle	Compliance
Effective decision making	**The Fund considers that it is compliant with this principle.** See Section 2) [in particular 2.1 - 2.4]. The Management Panel has decided against a focused 'investment subcommittee' approach to investment decision-making in favour of maintaining the Fund's long-standing inclusive approach. The training needs of Panel members are periodically considered by the Panel and suitable training arrangements are made. The Fund is developing its approach to the CIPFA skills and knowledge framework for members of the Management Panel and to the adoption of training plans.
Clear objectives	**The Fund considers that it is compliant with this principle.** See Sections 2) [in particular 2.5 - 2.12], 3), 4) and 5). The Management Panel is developing a performance measurement framework to measure the overall performance of its advisors.
Risk and liabilities	**The Fund considers that it is compliant with this principle.** See Sections 2) [in particular 2.7], 3), 4) and 5). The Management Panel has an active risk management programme in place. The key risks and the measures to control them are detailed in the Fund's Funding Strategy Statement. The Fund is considering how to further develop its approach to assessing overall risk, mitigating unrewarded risk wherever possible, and identifying any residual risk.
Performance assessment	**The Fund considers that it is not fully compliant with this principle.** See Sections 2) [in particular 2.10, 2.13, and 2.14] and 5.4. The Management Panel currently undertakes informal assessment of its own decisions and the advice of the advisors to, and officers of, the Fund and is developing its approach to formal assessment in these areas.
Responsible ownership	**The Fund considers that it is not fully compliant with this principle.** See Sections 8) and 9). Each appointed external securities manager reports on its policy and activity in this area to the Fund's specialist "Investment Monitoring and ESG Working Group" on an annual basis. The Fund is developing its approach to measuring the effectiveness of its strategy. The Fund is a member of the Local Authority Pension Fund Forum (LAPFF) which promotes the investment interests of local authority pension funds and seeks to maximise their influence as shareholders while promoting corporate social responsibility and high standards of corporate governance among the companies in which they invest. The Fund has adopted a Statement of Compliance with the Financial Reporting Council's UK Stewardship Code (the successor to the Institutional Shareholders Committee's Code on the Responsibilities of Institutional Investors), as have the Fund's external securities managers. The Fund is a signatory to the UN Principles for Responsible Investment.
Transparency and reporting	**The Fund considers that it is fully compliant with this principle.** See Sections 2), 4) and, in particular, 6). The Fund's Statement of Investment Principles, Funding Strategy Statement, Core Belief Statement and Governance Compliance Statement are published on the Fund's website together with a full list of the Fund's holdings at year end. The results of monitoring the Fund's investment managers are contained in the Fund's Annual Report and Accounts which is also published on the website. The availability of all five documents is publicised widely amongst scheme members.

End of Appendix (11/12/15)

Communications Policy

2014

Communications Policy

Introduction

This statement is published to state the Greater Manchester Pension Fund's strategy of engagement with its stakeholders and to satisfy legislation(1) to prepare, maintain and publish a written statement setting out our policy concerning the following aspects of our communications activities:

1: Communications with contributing members

2: Communications with deferred members

3: Communications with pensioner members

4: Member self service (Mypension)

5: Communications with members' representatives

6: Communications with prospective members

7: Communications with employing authorities

8: Consultation & engagement strategy

The Statement of Communications Policy will be revised and republished following any material change in policy.

1 Communications with contributing members

1.1: Pension Statements
Once a year we send all members a pension statement direct to their home address. This summarises the basic information we hold about them such as date of birth, pay for pension purposes and normally gives estimates of the current and future value of the member's benefits. It also includes an estimate of the current value of survivors' pension benefits.

1.2: Pension Power newsletter
Usually twice a year we produce a newsletter, the main purpose of which is to satisfy disclosure requirements(2) by informing contributing members about changes in the regulations of the LGPS. Because of its nature, this publication is not produced at fixed times, but rather in response to changes in the regulations, with reference to the time restrictions imposed by the Disclosure Regulations. It is supplied as a link to an on online 'e-magazine' or mailed to members' home addresses, depending on their mailing preferences.

1.3: Website
Information about the Scheme is held on the website. We also publish newsflashes and bulletins on the website to provide topical updates about the Scheme, and members can sign up for our email alert service to keep abreast of these.

1.4: Twitter account
GMPF has a Twitter account, and from time to time we tweet snippets of information. You can find it at: @GMPF_LGPS.

1.5: Roadshows & seminars
We run information sessions in members' places of work. These are run on demand in conjunction with employers, for a minimum of 20 employees. We run more specialist sessions for members affected by issues such as a public services transferring to a private organisation. We also participate in pre-retirement courses, which are organised by a number of our employers.

1.6: Literature
The main point of reference for members to find out about the key aspects of the LGPS is our Members Guide. This is supported by a range of literature, which goes into more detail on topics such as making a nomination or topping up benefits. A different Guide is produced for councillor members to whom different rules apply, regarding the calculation of benefits.

1.7: Pensions helpline
We provide two helplines: 0161 301 7100 for pensioners and 0161 301 7000 for other members.

2 Communications with deferred members

A member who has left their employer and who has left their benefits on hold is classed as a deferred member. The two main ways of communicating with this class of member are as follows:

2.1: Pension statements
Once a year we send deferred members a pension statement direct to their home address. This summarises the basic information we hold about them and gives the up to date value of their benefits.

2.2: Newsletters
As the need arises we send a separate newsletter to all deferred members. This satisfies disclosure requirements by informing them about those changes in the regulations of the LGPS that affect them. Because of its nature, this publication

(1) Local Government Pension Scheme Regulations 2013.
(2) Occupational and Personal Pension Schemes (Disclosure of Information) Regulations 2013.

is not produced at fixed times, but rather in response to changes in the regulations, with reference to the time restrictions imposed by the Disclosure Regulations. This newsletter is mailed to home addresses.

2.3: Pensions helpline
Deferred members can also telephone the helpline.

3 Communications with pensioner members

Pensioner members include retired members and dependants, for example widows. The main ways we communicate with this class of member are as follows:

3.1: Pensions Payslip
All pensioners receive a combined payslip and P60 when the April pension payment is made. Mailed with this is the Pensions Grapevine newsletter (see 3.2). All pensioner members will receive a May payslip and will also receive a payslip at any other time where the amount of net pension changes by more than £5.

3.2: Pensions Grapevine newsletter
This newsletter is mailed direct to home addresses. It is produced once a year and is sent with the April payslips. It includes information regarding the amount of pensions increase, tax codes, a summary of the Fund's finances and other information of relevance to pensioners.

3.3: Pensioners' Forum
This event is held every other year and gives pensioners an opportunity to visit information stands staffed by specialists in various fields such as tax, State benefits and will making. Presentations are made by staff from GMPF and visiting speakers, covering the Fund's finances, pensioner matters and other items.

3.4: Pensioners' helpline
Pensioners can telephone 0161 301 7100.

4 Member self service (Mypension)

There are currently issues with the third party software which facilitates our member self service. Once these are remedied, members will be able to register for Mypension, allowing them, via a PIN, to see data relating to themselves, such as pension payments.

5 Communications with members' representatives

Materials available to members are available on request to their representatives. Also, as new literature is produced, samples are sent to the six employee representatives that are members of the Pension Fund Advisory Panel.

6 Communications with prospective members

6.1: Basic information
It is a requirement under the Disclosure Regulations that all prospective members are given basic information about the Scheme. In view of this we ask all GMPF employers to give a copy of the Members' Guide (see 1.6) to every prospective member, either in hard copy form or as a website link. This should be done with their letter of appointment.

7 Communications with Employing Authorities

7.1: Annual General Meeting
We hold our AGM within 7 months of year end (generally in September) and an invitation is extended to every employer. The AGM includes a presentation summarising the Annual Report & Accounts.

7.2: Meetings/employer training
We host meetings to keep our employing authorities up to date with developments in the Scheme, and - for Local Authorities - to give them a forum to discuss common issues, good practice and so on.

As the need arises we host more specialist seminars on subjects such as auto-enrolment, and open these to representatives from all employers.

7.3: Employers' Website
We have a separate website for employers where they can access information of a more technical nature and download forms, copies of some presentations and so on.

7.4: Employer alerts
We issue employer alerts, which cover many aspects of the Scheme Regulations.

7.5: Employers' helpline
Employers also have a dedicated helpline which they can call upon for guidance: 0161 301 7200.

8 Consultation & engagement strategy

8.1: The strategy
The different types of member are consulted from time to time. A selection of each member group receives a questionnaire, in order to express satisfaction levels with our service, to make suggestions for improvement and any other comments.

8.2: Member groups
Representative groups are selected and up to 2000 questionnaires issued. The groups are:

- New Members
- Long-term active members
- New pensioners
- Long-term pensioner members
- Deferred Members
- Non-members & Leavers

8.3: Results
The results are reported to the Pensions Administration Working Group and published on the GMPF and Tameside websites. Recommendations for service improvement are considered and added to the Business Plan if appropriate.

Pensions Administration Strategy

2015

Pension Administration Strategy

1: The Regulations

2: Review of the Pensions Administration Strategy (PAS)

3: Scheme employer duties & responsibilities

4: Pensions Office duties & responsibilities

5: Unsatisfactory performance

Commencement date for this revised PAS: 1 April 2015.

This PAS recognises that for administration costs to be minimised, and the mutual service to the member to be maximised, Scheme employers[1] and the administering authority must co-operate closely.

1 The Regulations

1.1 This Strategy is made under regulation 59 of the Local Government Pension Scheme (LGPS) Regulations 2013. Related legislation includes:

- The LGPS (Benefits, Membership & Contributions) Regulations 2007
- The LGPS (Administration) Regulations 2008
- the LGPS (Transitional Provisions, Savings & Amendments) Regulations 2014
- the LGPS Regulations 1997
- the Local Government (Early Termination of Employment) (Discretionary Compensation) (England and Wales) Regulations 2000
- the Occupational and Personal Pension Schemes (Disclosure of Information) Regulations 2013 ("the Disclosure Regulations")
- the Pensions Act 1995
- the Pensions Act 2004
- the Pensions Act 2008
- the Data Protection Act 1998
- the Occupational Pension Schemes (Preservation of Benefit) Regulations 1991
- the Occupational Pension Schemes (Scheme Administration) Regulations 1996
- the Finance Act 2004
- the Automatic Enrolment (Miscellaneous Amendment) Regulations 2013
- the Public Service Pensions (Record Keeping and Miscellaneous Amendments) Regulations 2014

including amendments to any of these Regulations.

This PAS is complemented by the *Pensions Office Guide to the Local Government Pension Scheme*[2].

2 Review of the PAS

2.1 This PAS will be reviewed at least triennially and will be revised following any material change in policies that relate to the PAS.

[1] Scheme employer means a body listed in Schedule 2 of the LGPS Regulations 2013 employing an employee who is eligible to be a member and includes an admission body.

[2] A Pensions Office Guide 2014 will be developed.

3 Scheme employer Duties & Responsibilities

3.1 Each Scheme employer *(the employer)* shall nominate a person who will act as the Pensions Office's primary contact. There may be separate contact persons for Pension Fund Accountancy.

3.2 Authorised officers whose names and specimen signatures are held by the Pensions Office (the Office) must sign all documents and/or instructions received from an employer. In signing a document an authorised officer is not merely certifying that the form comes from the employer stated, but also that the information being provided is correct. Consequently if an authorised officer is certifying information that someone else has compiled, for example leaving information including a final salary pay, career average pay, assumed pay, (s)he should satisfy him/herself that the information is correct.

3.3 It is the employer's responsibility to ensure that details of the nominated representative and authorised signatures are correct, and to notify the Office of changes to either immediately.

3.4 The employer shall provide the Office with year-end information to 31 March each year in an approved format no later than 7 May or the next working day. Such information should be accompanied by a statement, duly signed by an authorised officer. This statement must show for each employment of each of the Scheme employers, employees who have been active members of Greater Manchester Pension Fund (GMPF) during the Scheme year (1 April to 31 March), the information needed for each employment, (for example, employee and employer contributions and additional contributions, cumulative pensionable pay etc.)[3]. The information should distinguish those amounts representing deductions for voluntary contributions, with those for ARCs and APCs/SCAPCs being differentiated, and the employees paying those voluntary contributions.

3.5 During the year the employer should forward notifications to the Office, with 90% compliance or better (excluding retirements), as summarised in the table on the following page:

[3] This is to check the sum of the amounts on the statements provided during the scheme year tally with the amounts shown on the year-end statement. The information is also needed to ensure the member's pension record is correct and up to date and because the information may be needed to produce the annual benefit statements and pension savings statements.

Summary of Scheme employer Duties & Responsibilities

New starters [P1, New starter validation spreadsheet]	Within two months of the employee joining, or such shorter period as required by any auto-enrolment obligations (generally this tends to be before or within six weeks of the employee's automatic enrolment date).
Change in member's details [FORM P5]	Within 2 months of the event. Changes that are notified electronically, either on-line or via the P5s spreadsheet should also be made within two months of the event.
Early leavers [FORM P48 & EM48]	Outside of 3 months of joining: within 2 months of the employee leaving their employment or opting out of the scheme.
Early leavers [Spreadsheet PF48s or P1 or form P48]	Within 3 months of joining: within 1 month of the employee opting out or if leaving their employment, within two months of the event.
Retirements generally	With retirements it is recognised that some members retire with little or no notice and so the 90% performance standard will not apply. Nonetheless where possible it is the mutual desire of employer and Office to pay the tax-free retirement lump sum (cleared funds), into the member's bank account on the first day of retirement. Consequently, retirement notifications (Forms P71, P71f, P71i and EM71e) should be received by the Office at least a month before the member's retirement date where possible. Where the statutory underpin applies, notifications should be received a further two weeks earlier.
Ill health retirement	Regarding ill health retirements, some employers give notice whilst others make payments in lieu instead. With the latter it is understood that P71i or EM71e forms will be sent necessarily after the member has left. When a P71i or EM71e is not forwarded prior to retirement, it should be forwarded as soon as possible thereafter.
Early retirement at member's choice	Regarding early retirement at member's choice, if we receive a P71 for a member who has left their employment and is 55+ we will assume the employer has received an election on the Office's behalf from the member to receive immediate payment of benefits. This also applies for retirement after normal pension age (NPA)[4].
Flexible retirement	Regarding flexible retirement, if we receive a P71f for a member where their employer has agreed, under their discretion policy, to flexible retirement, we will assume the employer has received an election on the Office's behalf from the member to receive immediate payment of all or part of that member's benefits[5].
Disclosure Regulations	Great care must also be taken to avoid breaking the Disclosure Regulations. Consequently when a retirement takes place before NPA the latest a P71, P71f, P71i or EM71e is to be received in the Office is no later than one month after the date of retirement. Where a retirement takes place on or after NPA, the Office must receive the P71, P71f, P71i or EM71e no more than ten working days after the date of retirement.
Death in service [FORMS 74a to 74d]	within 3 working days of all the information being gathered, for example birth and marriage certificates.

[4] Under Regulation 32 of the LGPS Regulations 2013, written notices to receive the immediate payment of benefits in these cases are to the administering authority. In the actuality however the member will usually sign to receive immediate benefits as part of the employer/ employee retirement process.

[5] See footnote 4.

3.6 Regarding the Data Protection Act 1998, the employer will protect from improper disclosure any information about a member contained (where applicable) on Altair, and also notifications of a member's pension details and any other item sent from the Office. It will also only use information supplied or made available by the Office for the operation of the LGPS.

3.7 Regarding the Disclosure Regulations, the employer will issue to all new employees eligible to join GMPF, at the time of appointment, a copy of the members' guide to the pension scheme (*your pension – a simple guide for new members*). This may be in the form of:

- directing all new members to GMPF's Members' website, where the guide is available to view and/or download; or
- issuing a booklet; or
- issuing a PDF.

Text for inclusion in appointment emails/letters is referred to in section 2.17 of the Pensions Office Guide to the LGPS 2008[6].

3.8 The employer will ensure that both employee and employer contributions are deducted at the correct rate, including any contributions that are due on leave of absence with reduced or no pay and any additional contributions GMPF request the employer to collect. Contributions (but not additional voluntary contributions) should be paid to GMPF on a monthly basis by BACS payment to GMPF's bank account. (Bank details are provided on the form P8 – Payment Advice). The P8 form should be completed (there are guidance notes on the form), certified by an authorised officer and emailed to contributions@tameside.gov.uk in advance of the payment. All contributions (but **not** additional voluntary contributions) should be paid to GMPF by the first working day of the month following the month of deduction. If a completed P8 is not provided for the payment then it cannot be allocated. This will register as a late payment and interest may be charged. If payment of contributions is overdue by more than one month the employer will be required to pay interest. Under the Pensions Act 2004 and the Public Service Pensions (Record Keeping and Miscellaneous Amendments) Regulations 2014, the Pensions Regulator may be notified if contributions are not received by the 19th of the month (or 22nd of the month if paid electronically) following that in which they were deducted.

3.9 The employer will pay any additional voluntary contributions to the in-house additional voluntary contributions provider within one week of them being deducted. Under the Pensions Act 2004 and the Occupational Pension Schemes (Scheme Administration) Regulations 1996, the Pensions Regulator may be notified if contributions are not received by the 19th of the month (or 22nd of the month if paid electronically) following that in which they were deducted.

3.10 In the event of the Office being fined by the Pensions Regulator, this fine will be passed on to the relevant employer where that employer's action or inaction (for example the failure to notify a retirement within the time limits described above), caused the fine.

3.11 From time to time Tameside MBC auditors may request member data or may ask to attend at employer offices to carry out audits regarding, for example, the calculation of final salary pays, career average pays and assumed pays. Employers are requested to co-operate with these activities.

3.12 Employers' discretions policies: employers are required to formulate, publish and keep under review a policy statement in relation to the exercise of a number of discretions under the LGPS. The policies need to be in place and published at employers by 30 June 2014. A copy of the policies should be forwarded to GMPF as soon as possible thereafter and by no later than two months after 30 June 2014. Any subsequent revisions to the policies must be published and copied to GMPF within one month of the change in policy.

3.13 The employer will act on behalf of the administering authority regarding receiving elections for looking back in time pay figures. Ordinarily these elections should be made no later than one month prior to the date on which the member stops active membership. However, in the event of a member leaving with less than a month's notice, this requirement will be waived.

3.14 The employer will reply:

(i) to postings queries raised by the Office by 6 July each year[7];

(ii) to queries about pay (excluding retirements[8]), within 15 working days; and

(iii) other queries, especially those raised at the point of retirement, as soon as possible.

3.15 Employers with a link into Altair will be expected to use all of its features, for example, to calculate early retirement estimates and to answer queries that have been raised via *Work Flow* (formerly known as *Task Manager*).

4 Pensions Office Duties & Responsibilities

4.1 The Office will act for the employer regarding:

- the issue of notifications of a member's pension details, with the employer continuing to be responsible for employer decisions, and the Office for administering authority decisions;
- the determination of benefits following the death of a deferred beneficiary or pensioner;
- the payment of annual or spouses' compensation, and any adjustments due arising from, for example, re-employment;
- asking the member, within 3 months of joining GMPF (or us being notified), for a statement in writing listing all the person's previous periods of membership of a public service pension scheme.

4.2 To issue forms, newsletters, booklets and such other materials as are necessary for the administration of the Scheme and compliance with disclosure requirements.

4.3 To support employers by way of:

- employer bulletins/alerts;
- the *Pensions Office Guide to the Local Government Pension Scheme*;
- technical notes;
- the GMPF employers' website;
- Pensions Officer Meetings, with employers being invited to submit agenda items;
- day to day contact.

4.4 To provide technical guidance by way of an employer bulletin within 2 months of any Regulatory changes.

4.5 There is also an open invitation for employer Pensions Officers and other representatives to visit the Office, subject to notice, to discuss any aspect of co-operation.

4.6 To produce postings queries for employers within one month of the receipt of a complete and correct year-end return.

4.7 To produce annual benefit statements for despatch to contributors by 31 August each year (assuming receipt of accurate year-end information from the employer by 7 May).

4.8 Pension savings statements to be issued each year to members who have exceeded the annual allowance, within six months of the end of the tax year, by 6 October (assuming receipt of all information needed from the employer by 6 July), or if requested by the member, pension savings statements to be issued by the later of three months from the request and six months from the end of the tax year (6 October).

4.9 Annual benefit statements to be issued to deferred members by 31 May.

4.10 Regarding the standards shown on the following page, to operate at 90% (or better) performance for non-statutory standards and 100% for statutory standards. A day is a working day:

[7] This is derived from a HMRC requirement and is needed to enable GMPF to generate pension savings statements in relation to the annual allowance where members have exceeded the annual allowance in GMPF. This deadline is also needed to enable GMPF to issue annual benefit statements by the statutory deadline of 31 August.

[8] Pay queries in relation to retirements should be responded to as soon as possible from the date the query was made by GMPF and by no later than 15 working days.

	Work flow	Standard
1	Letters/emails from members (or member's representatives) answered or acknowledged	**5 days**
2	New starters processed	**10 days**
3	Changes in details processed	**10 days**
4	Calls to the Helpline answered in office hours	**100%**
5	Annual benefit statements for deferred members issued	**By 31 May**
6	Annual benefit statements for active members issued	**By 31 August**[9]
7	Postings queries for employers issued	**Within 1 month**[10]
8	Technical guidance issued to employers via bulletins	**Within 2 months of any Regulatory changes**
9	Pension savings statements issued	**By 6 October**[11]
10	Estimates for divorce processed	**10 days**
11	Non-LGPS transfers into GMPF processed	**15 days**
12	Non-LGPS transfer out quotations processed	**10 days**
13	Non-LGPS transfer out payments processed	**10 days**
14	Internal and concurrent transfers processed	**10 days**
15	Refund payments made	**10 days**
16	Deferred benefits calculated	**10 days**
17	Annuity quotations calculated	**5 days**
18	APC/SCAPC illustrations calculated	**10 days**
19	AVC amendments noted on Altair	**10 days**
20	New retirement benefit options sent	**10 days**[12]
21	New retirements processed for payment	**5 days**[13]
22	Deferred benefits processed for payment	**5 days**[14]
23	Notification of a death processed	**5 days**
24	Dependants' pensions processed for payment	**5 days**
25	Death grants processed for payment	**5 days**
26	Tax-free retirement lump sum processed by Payroll	**5 days**
27	Payments recalled due to death	**By noon on the eve of payday**
28	Changes to bank details made	**By payroll cut off date**

5 Unsatisfactory performance

5.1 Where an employer materially fails to operate in accordance with the standards described in this PAS, which leads to extra costs being incurred by the administering authority, the administering authority may issue a written notice to the employer requiring that these extra costs be met by the employer.

[9] Where year-end returns have been received on time.

[10] Where complete and correct year-end returns have been received.

[11] Where the member has exceeded the annual allowance (limit currently £40,000) and information needed has been received on time, or where member has requested a statement, by the later of three months from the request and 6 October.

[12] Or within 20 days of the retirement date if the retirement notification is received sufficiently in advance.

[13] Or within 10 days of the retirement if the election is received sufficiently in advance.

[14] See footnote 13.

Useful contacts

General members' enquiries	Greater Manchester Pension Fund Guardsman *Tony Downes* House 5 Manchester Road Droylsden, M43 6SF Visit **www.gmpf.org.uk** for general information or to send us a message. 0161 301 7000
Governance, Resources and Pensions	Executive Director Governance, Resources and Pensions, Sandra Stewart. 0161 342 3028 sandra.stewart@tameside.gov.uk
Pensions Administration	Assistant Executive Director, Pensions Administration, Ged Dale. 0161 342 7227 ged.dale@gmpf.org.uk
Investments	Assistant Executive Director, Investments, Steven J Taylor . 0161 301 7144 steven.taylor@gmpf.org.uk
Property, Local Investments, Accountancy and Legal	Assistant Executive Director, Property, Local Investments, Acountancy and Legal, Paddy Dowdall. 0161 301 7140 paddy.dowdall@tameside.gov.uk
Employer Funding and Business Development	Assistant Executive Director, Employer Funding and Business Development, Euan Miller. 0161 301 7141 euan.miller@tameside.gov.uk

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Administered by Tameside Metropolitan Borough