

Report To:	LOCAL PENSIONS BOARD
Date:	30 July 2020
Reporting Officer:	Sandra Stewart, Director of Pensions Paddy Dowdall Assistant Director (Local Investments and Property)
Subject:	GMPF STATEMENT OF ACCOUNTS AND ANNUAL REPORT 2019-2020
Report Summary	GMPF Management Panel approved the recommendations in this report at its meeting on 17 July 2020 There are changes this year to the governance procedures for approval of GMPF Annual report and accounts due to the impact of the Covid 19 crisis. In addition to the operational challenges there have been concerns over the valuation of illiquid investments caused by acute public market volatility at the year-end date. The draft accounts are presented at this meeting and the audit process has started.
Recommendations:	Members are asked to note Management Panel's agreement to the following recommendations. <ul style="list-style-type: none"> (i) Note the governance arrangements for approval of GMPF accounts. (ii) Note the Audit Strategy Memorandum from Mazars (iii) Note the unaudited accounts (iv) Approve the Financial Report for later inclusion in Annual reports subject to any audit amendments (v) Approve the Draft Annual Report
Policy Implications:	None.
Financial Implications: (Authorised by the Section 151 Officer)	As the administering authority, Tameside MBC has important responsibilities in relation to the Greater Manchester Pension Fund. As the largest fund in the Local Government Pension Scheme, the Fund also has significant resources it deploys to meet those responsibilities. This paper sets out where the responsibilities lie. The assumptions used for valuing assets will have an impact on the value of assets reported in the accounts. In most circumstances the impact is unlikely to be material.
Legal Implications: (Authorised by the Solicitor to the Fund)	The administering authority must produce an annual report and accounts in line with statutory provisions.
Risk Management:	GMPF's accounts are used to provide information to a variety of users and for a variety of purposes. The accuracy of the statements is critical in the determination of employer costs and there are clearly reputational issues relating to the validity of the accounts. The audit process provides reassurance on the integrity of the statements and mitigates against the possibility of

material misstatement

ACCESS TO INFORMATION:

NON-CONFIDENTIAL

This report does not contain information which warrants its consideration in the absence of the Press or members of the public.

Background Papers:

For further information please contact Paddy Dowdall, Assistant Director – Local Investments and Property, tel 0161 301 7140, email paddy.dowdall@tameside.gov.uk.

1. INTRODUCTION

- 1.1 There are changes this year to the governance procedures for approval of GMPF Annual report and accounts due to the impact of the Covid 19 crisis. In addition to the operational challenges there have been concerns over the valuation of illiquid investments caused by acute public market volatility at the yearend date. The draft accounts are presented at this meeting and the audit process has started.
- 1.2 This report covers four sections:
- Governance Arrangements for the approval of the accounts;
 - Audit Strategy Memorandum
 - Simplified summary of the accounts for this year.
 - Annual Report including draft accounts

2. GOVERNANCE ARRANGEMENTS

- 2.1 The key decision making body for the Council is the Audit Panel which receives accounting policies reports and the report of the external auditor following the audit of the accounts, for both GMPF and the Council. The Council retains overall responsibility for the accounts of both, and the follow-up on the audit reports received for both, but in practice delegates the responsibility for GMPF to GMPF.
- 2.2 The Management Panel approves the GMPF accounts and formal letters required by the external auditor. It also receives external audit reports.
- 2.3 The revised timetable for this year is as follows

Date	Body	Action
9 June 2020	Tameside Audit Panel	Audit Strategy Memorandum approved
17 July 2020	GMPF Management Panel	Approve Draft Accounts and Annual Report and Audit Memorandum
18 September 2020	GMPF Management Panel	Approve Audit Findings Report
November 2020	Tameside Audit Panel	Approval of GMPF Accounts as part of Tameside Accounts

3. AUDIT STRATEGY MEMORANDUM

- 3.1 This is attached for information as Appendix (a).

4. SIMPLIFIED ACCOUNTS SUMMARY

- 4.1 The table below shows the key financial movements during the financial year to 31 March 2020 taken from the accounts:

	<i>£m</i>	<i>£m</i>	<i>£m</i>
<i>Fund Value at 31 March 2019</i>			23,844
<i>Contributions and Benefits</i>			-265
<i>Employee contributions</i>	152		
<i>Employer contributions</i>	460		
<i>Pension benefits Paid</i>		(860)	
<i>Net Transfers</i>		(17)	
<i>Management Costs</i>			35
<i>Investment</i>		(27)	
<i>Administration</i>		(6)	
<i>Oversight</i>		(2)	
<i>Investments</i>			-1,509
<i>Income</i>	520		
<i>Change in market value of investments</i>		(2,029)	
<i>Total change in value of Fund</i>			(1,809)
<i>Fund Value 31 March 2020</i>			22,035

5. ANNUAL REPORT

5.1 The draft annual report is attached as appendix (b) In addition to this report as presented the following items require approval and or audit before inclusion:

- Accounts (Approval by Management Panel and Audit) Appendix (c)
- Financial Report (Approval by Management Panel and Audit Appendix (d)
- Northern LGPS Report (Approval by Northern LGPS Joint Committee)

6. RECOMMENDATIONS

6.1 As set out on the front of the report.