
Greater Manchester Pension Fund

Statement of Accounts

2020/21

DRAFT UNAUDITED

(Full Report)

June 2021

Greater Manchester Pension Fund Statement of Accounts 2020/21

Fund Account for the year ended 31 March 2021			
31 March 2020 £000		Note	31 March 2021 £000
	Contributions and benefits		
(152,068)	Contributions from employees	5	(158,377)
(460,162)	Contributions from employers	5	(754,571)
(612,230)			(912,948)
0	Transfers in (bulk)	5a	(53,583)
(25,694)	Transfers in (individual)		(19,090)
(637,924)			(985,621)
860,201	Benefits payable	6	882,095
42,351	Payments to and on account of leavers	7	33,147
34,734	Management expenses	8	39,702
937,286			954,944
	Returns on investments		
(523,587)	Investment income	9	(472,608)
2,029,030	(Increase) / decrease in fair value of investments	11	(4,356,033)
3,973	Taxation	10	2,718
56	Loss on foreign currency		5,204
1,509,472	Net (profit) / loss on investments		(4,820,719)
1,808,834	Net (increase)/decrease in the Fund during the year		(4,851,396)
(23,843,623)	Net assets of the Fund at start of year		(22,034,789)
(22,034,789)	Net assets of the Fund at end of year		(26,886,185)

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Net Assets Statement at 31 March 2021

31 March 2020 £000		Note	31 March 2021 £000
2,832,381	UK equities		4,537,657
4,996,751	Overseas equities		6,924,661
1,433,695	Bonds	11	1,458,153
416,356	Overseas index linked government bonds		273,032
835,885	Investment property	11	843,166
13,975	Derivative contracts	11	356
10,783,943	Pooled investment vehicles	11	12,043,960
484,347	Cash and deposits	11	663,516
186,718	Other investment assets	11	196,639
21,984,051	Investment assets		26,941,140
(1,354)	Derivative contract liabilities	11	(8,099)
(6,219)	Other investment liabilities	11	(95,567)
(7,573)	Investment liabilities		(103,666)
78,517	Current assets	11	74,694
(20,206)	Current liabilities	11	(25,983)
58,311	Net current assets		48,711
22,034,789	Net assets of Fund		26,886,185

Notes to Greater Manchester Pension Fund

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 2020/21 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.

1b. The Management and Membership of the Greater Manchester Pension Fund

Tameside MBC is the statutory Administering Authority for the Greater Manchester Pension Fund (GMPF). The administration and investment performance of GMPF is considered and reviewed every quarter by the Management Panel, which consists of 21 elected Members (12 from Tameside MBC, being the Administering Authority, and nine from other Greater Manchester local authorities) and a representative from the Ministry of Justice.

The Management Panel is advised in all areas by the Advisory Panel. Each of the ten Greater Manchester local authorities and the Ministry of Justice are represented on the Advisory Panel and there are six employee representatives nominated by the North West TUC. There are also four External Advisors who assist the Advisory Panel, in particular, regarding investment related issues.

As a result of the Public Service Pensions Act 2013 and subsequent Local Government Pension Scheme Regulations, each public sector pension fund has been required to establish a Local Pension Board from 1 April 2015.

The GMPF Local Pensions Board is not a decision-making body. However, it is required to assist the Administering Authority in complying with regulations and ensuring that appropriate governance is in place.

GMPF also currently has three Working Groups, which consider particular areas of its activities and make recommendations to the Management Panel. Governance arrangements for GMPF are continually under review. The Working Groups in operation in 2020/21 covered:

- Policy and Development
- Investment Monitoring and Environment, Social and Governance
- Pensions Administration, Employer Funding and Viability

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There are three Officers to GMPF:

- Director of Governance & Pensions – administrator of GMPF and link for Panel Members, advisors and investment managers between meetings
- Chief Executive and Director of Governance & Pensions (Solicitor and statutory monitoring officer) – jointly responsible for the provision of legal and secretarial services to the Management and Advisory Panels
- Director of Finance – responsible for preparation of Administering Authority's accounts, which includes GMPF's Statement of Accounts

GMPF's investment strategy is implemented by management arrangements, which include:

- one external investment manager that manage multi asset briefs
- two external managers with a global equity brief
- one external manager with a global credit brief
- two external managers with a direct and indirect UK property brief, i.e. one discretionary UK and one advisory local
- Internal management of cash, private equity, infrastructure, generalist pooled property funds, local and other unquoted investments

GMPF subscribes to an industry performance measurement service run by Portfolio Evaluation Ltd in order to analyse/benchmark GMPF's performance relative to market returns and relevant industry comparators. In addition to this, GMPF also subscribes to the Local Authority Pension Performance Analytics Service supplied by Pensions Investment Research Consultants Ltd (PIRC) to enable assessment of its performance relative to all other funds that operate under the same regulations.

GMPF is a pension fund which administers the statutory Local Government Pension Scheme (LGPS), set up to provide death and retirement benefits for local government employees other than teachers, fire fighters and police officers for whom separate arrangements exist. In addition, other qualifying bodies, which provide similar services to that of local authorities, have been admitted to GMPF.

GMPF operates a career average scheme whereby as each year goes by members build up a set portion of pay as a pension. It is funded by contributions from employees, which are set out in regulations, and variable contributions from employers, which take account of the relationship of assets held to liabilities accrued (see Actuarial Review of GMPF – Note 22). The benefits of the Scheme are prescribed nationally by Regulations made under the Public Service Pension Schemes Act 2013.

The membership of GMPF as at 31 March 2021 and the preceding year is shown below:

31 March 2020		31 March 2021
112,274	Contributors	112,593
132,068	Pensioners	135,268
140,153	Deferred Members *	142,791
376,023	Total Membership	390,652
597	Employers with Contributing Members	591

* Includes former contributors who have retained a right to a refund of contributions or a transfer of pension benefits to another scheme.

The contributions received from GMPF employers can be found in Note 20.

Further information is published in the Greater Manchester Pension Fund Annual Report 2020/21 and Funding Strategy Statement (FSS). The FSS is available from www.gmpf.org.uk and the Annual Report will be published on the website following the completion of the external audit of GMPF's Statement of Accounts 2020/21.

2. Accounting policies

Basis of preparation:

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

Financial assets and liabilities:

On initial recognition, GMPF is required to classify financial assets and liabilities into amortised cost, fair value through profit and loss, fair value through other comprehensive income investments. Financial assets may be classified as at fair value through profit and loss only if such classification eliminates or significantly reduces a measurement or recognition of inconsistency.

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 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 20210.

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Foreign Investments:

Foreign investments are translated at the exchange rate applicable at 31 March 2021. 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 2021 are determined as follows:

At 31 March 2021	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 March 2021. The Greater Manchester Property Venture Fund portfolio has been valued as at 31 March 2021 by Avison Young. 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.
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.

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At 31 March 2021	Valuation basis / technique	Main assumptions
Derivatives	<p>Derivative contracts are valued at fair value.</p> <p>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.</p> <p>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.</p>	
Private equity, infrastructure and special opportunities portfolios	<p>The funds are valued either in accordance with Accounting Standards Codification 820 or with International Financial Reporting Standards (IFRS). The valuation basis, determined by the relevant fund manager, may be any of quoted market prices, broker or dealer quotations, transaction price, third party transaction price, applying earnings multiples of comparable public companies to projected future cash flows, third party independent appraisals or pricing models. The valuation of these assets can take up to six months to come through. GMPF practice when closing accounts is to use the latest available valuation and adjust for cashflows.</p>	<p>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.</p>

Financial instruments at fair value through the profit and loss:

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 classified as at fair value through the profit and loss are recognised in the Fund account as they arise. The carrying values are therefore the same as fair values.

Loans and 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.

Transaction costs of investments:

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

Management Expenses:

Investment management expenses paid directly by GMPF are included within Management Expenses within the Fund account on page XXX. 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 11a 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 comprise the change in value of short-term deposits due to exchange rate movements during the year.

Actuarial present value of promised retirement benefits:

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

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, due to uncertainty over final settlement and timing of payments, are recognised on a received or paid basis.

Taxation:

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

2a. Critical judgements in applying accounting policies

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

- 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 2021 was £3,623,513,000 (£2,942,866,000 at 31 March 2020).

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

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.

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	At 31 March 2021		
	Designated as fair value through profit and loss £000	Loans and receivables £000	Financial liabilities at amortised cost £000
Financial assets:			
Equities	11,462,318	0	0
Bonds	1,458,153	0	0
Index linked	273,032	0	0
Derivatives	356	0	0
Pooled investment vehicles	12,043,960	0	0
Cash	0	663,516	0
Other investment assets	0	196,639	0
Current assets	0	74,694	0
	25,237,819	934,849	0
Financial liabilities:			
Derivatives	0	0	(8,099)
Other investment liabilities	0	0	(95,567)
Current liabilities	0	0	(25,983)
	0	0	(129,649)
Total	25,237,819	934,849	(129,649)

	At 31 March 2020		
	Designated as fair value through profit and loss £000	Loans and receivables £000	Financial liabilities at amortised cost £000
Financial assets:			
Equities	7,829,132	0	0
Bonds	1,433,695	0	0
Index linked	416,356	0	0
Derivatives	13,975	0	0
Pooled investment vehicles	10,783,943	0	0
Cash	0	484,347	0
Other investment assets	0	186,718	0
Current assets	0	78,517	0
	20,477,101	749,582	0
Financial liabilities:			
Derivatives	0	0	(1,354)
Other investment liabilities	0	0	(6,219)
Current liabilities	0	0	(20,206)
	0	0	(27,779)
Total	20,477,101	749,582	(27,779)

Note: the above tables do not include investment property.

Net Gains and Losses on Financial Instruments

All gains and losses on financial instruments were at fair value through the profit and loss. The net profit for the year ending 31 March 2021 was £4,400,000 (£1,947,000 net loss as at 31 March 2020).

3a. Valuation of assets carried at fair value

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

	At 31 March 2021			
	Level 1 £000	Level 2 £000	Level 3 £000	Total £000
Financial assets:				
Equities	11,462,318	0	0	11,462,318
Fixed interest	0	1,458,153	0	1,458,153
Index linked	0	273,032	0	273,032
Derivatives	0	356	0	356
Pooled investment vehicles	0	6,275,382	5,768,578	12,043,960
Non-financial assets (at fair value through profit & loss):				
Directly held investment property	0	0	843,166	843,166
Total	11,462,318	8,006,923	6,611,744	26,080,985

	At 31 March 2020			
	Level 1 £000	Level 2 £000	Level 3 £000	Total £000
Financial assets:				
Equities	7,829,132	0	0	7,829,132
Fixed interest	0	1,433,695	0	1,433,695
Index linked	0	416,356	0	416,356
Derivatives	0	13,975	0	13,975
Pooled investment vehicles	0	5,997,916	4,786,027	10,783,943
Non-financial assets (at fair value through profit & loss):				
Directly held investment property	0	0	835,885	835,885
Total	7,829,132	7,861,942	5,621,912	21,312,986

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

Level 1

Inputs to Level 1 are quoted prices on the asset being valued in an active market where there is sufficient transaction activity to allow pricing information to be provided on an ongoing basis. Financial instruments classified as Level 1 predominantly comprise actively traded shares. There have been no transfers in year between Level 1 and Level 2.

Level 2

Level 2 prices are those other than Level 1 that are observable 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 applying earnings multiples from comparable public market companies to estimated future cash flows.

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

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

31 March 2020 £000		31 March 2021 £000
4,839,471	Opening balance	5,621,912
1,134,685	Acquisitions	1,358,778
(470,917)	Disposal proceeds / Return of capital	(587,346)
0	Transfer in of Level 3	0
	Total gains/losses included in the Fund account:	
173,172	- on assets sold	225,268
(54,498)	- on assets held at year end	(6,868)
5,621,912	Closing balance	6,611,744

Non-Financial Instrument Assets

GMPF has cash, other investment assets and liabilities. 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 at least every 3 years in line with triennial valuations being carried out. A full review was completed by 31 January 2020.

GMPF's approach to investment risk measurement and its management is set out in its Investment Strategy Statement (ISS). The overall approach is to reduce risk to a minimum where it is possible to do so without compromising returns (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 ISS (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 ISS and by restricting the freedom of its fund managers to deviate from benchmark allocations. The asset allocation has been made with regard to the balance between expected returns and expected volatility of asset classes and using advice from GMPF's investment advisor, Hymans Robertson LLP.

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

Asset Type	Potential Market Movements (+/-)	
	31 March 2020 p.a.	31 March 2021 p.a.
UK equities	27.5%	16.7%
Overseas equities	28.0%	17.4%
Fixed interest - gilts	7.6%	7.3%
Index linked gilts	7.4%	7.5%
Corporate bonds	9.8%	8.0%
High yield debt	8.7%	5.9%
Investment property	14.2%	14.2%
Private equity	28.4%	28.5%
Infrastructure	15.6%	15.3%
Cash and other liquid funds	0.3%	0.3%
GMPF	15.2%	9.3%

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.

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The overall GMPF volatility has been calculated based on GMPF's target asset split as at 31 March 2020 and 2021. The calibration of the model is based on a combination of historical data, economic theory and expert opinion.

If the market price of GMPF's investments increases or decreases over a period of a year in line with the data within the table above, the change in the market value of the net assets available to pay benefits as at 31 March 2020 and 2021 would have been as shown in the tables below.

Asset Type	31 March 2021 £000	% Change p.a.	Value on increase £000	Value on decrease £000
UK equities	4,559,795	16.7%	5,321,281	3,798,309
Overseas equities	8,849,602	17.4%	10,389,433	7,309,771
Fixed interest bonds	1,735,440	7.3%	1,862,127	1,608,753
Index linked bonds	1,009,038	7.5%	1,084,716	933,360
Corporate bonds	1,770,787	8.0%	1,912,450	1,629,124
High yield debt	1,434,133	5.9%	1,518,747	1,349,519
Investment property	1,995,715	14.2%	2,279,107	1,712,323
Private equity	2,988,367	28.5%	3,840,052	2,136,682
Infrastructure	1,627,661	15.3%	1,876,693	1,378,629
Cash and other liquid funds	970,602	0.3%	973,514	967,690
GMPF	26,941,140	9.3%	29,446,666	24,435,614

Asset Type	31 March 2020 £000	% Change p.a.	Value on increase £000	Value on decrease £000
UK equities	2,898,333	27.5%	3,695,375	2,101,291
Overseas equities	6,906,510	28.0%	8,840,333	4,972,687
Fixed interest bonds	950,169	7.6%	1,022,382	877,956
Index linked bonds	1,323,200	7.4%	1,421,117	1,225,283
Corporate bonds	1,958,368	9.8%	2,150,288	1,766,448
High yield debt	1,255,301	8.7%	1,364,512	1,146,090
Investment property	1,864,851	14.2%	2,129,660	1,600,042
Private equity	2,364,324	28.4%	3,035,792	1,692,856
Infrastructure	1,392,737	15.6%	1,610,004	1,175,470
Cash and other liquid funds	1,070,258	0.3%	1,073,469	1,067,047
GMPF	21,984,051	15.2%	25,325,627	18,642,475

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

Interest rate risk

GMPF invests in financial assets for the primary purpose of obtaining a return on investments whilst recognising that there is a risk that returns will not be as expected. Changes in the level of interest rates will contribute to the volatility of returns in all asset classes. The table in the section on market risk shows the expected volatility over one year for GMPF's investment portfolio. One area directly affected by interest rate changes is the level of income expected from floating rate cash instruments. As at 31 March 2021, GMPF had £193,394,000 (2019/20 £153,187,000) invested in this asset via pooled investment vehicles. Therefore, a 1% change in interest rates will increase or reduce GMPF's return by £1,934,000 (2019/20 £1,532,000) 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 2021 was £506,700,000 (31 March 2020 £391,100,000). This was held with the following institutions:

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Summary	Rating	Balance at 31 March 2020 £000	Balance at 31 March 2021 £000
Money market Funds			
Aberdeen Assets	AAA	75,000	75,000
DB Advisors	AAA	0	75,000
Federated	AAA	0	75,000
Morgan Stanley	AAA	15,100	75,000
Invesco	AAA	0	71,700
Banks			
Bank of Scotland	A+	30,000	20,000
Close Brothers	A+	10,000	0
Barclays	A+	50,000	50,000
Local authorities & public bodies			
Aberdeenshire Council	N/A	10,000	0
Cambridgeshire County Council	N/A	20,000	15,000
Eastleigh Council	N/A	10,000	10,000
Falkirk Council	N/A	10,000	0
GM Combined Authority	N/A	50,000	0
Kingston Upon Hull Council	N/A	10,000	0
Leeds City Council	N/A	10,000	25,000
London Borough of Enfield	N/A	10,000	0
Mid Suffolk DC	N/A	5,000	0
North Lanarkshire Council	N/A	10,000	0
PCC West Mercia	N/A	10,000	0
Plymouth Council	N/A	10,000	0
Rotherham Council	N/A	20,000	0
Slough Council	N/A	10,000	0
Somerset West Taunton	N/A	0	10,000
Surrey Council	N/A	10,000	0
Tewkesbury Borough Council	N/A	6,000	5,000
Total		391,100	506,700

Liquidity risk

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

TMBC has immediate access to the GMPF cash holdings, with the exception of investments placed with other local authorities – where periods are fixed when the deposit is placed. GMPF had in excess of £506 million cash balances at 31 March 2021.

All financial liabilities at 31 March 2021 are due within one year.

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

31 March 2020 £000	Liquidity terms	31 March 2021 £000
16,126,139	Assets realisable within 7 days	20,194,397
96,000	Assets realisable in 8-30 days	50,000
0	Assets realisable in 31-90 days	15,000
5,761,912	Assets taking more than 90 days to realise	6,681,743
21,984,051	Total	26,941,140

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 2020 £000		31 March 2021 £000
(152,068)	Employees contributions	(158,377)
	Employers:	
(445,468)	Normal contributions	(743,915)
(14,694)	Deficit recovery contributions	(10,656)
(460,162)	Total employers contributions	(754,571)
(612,230)	Total contributions	(912,948)

By Authority

31 March 2020 £000		31 March 2021 £000
(372,796)	Part 1 Schedule 2 Scheme Employers	(664,611)
(123,258)	Designating bodies	(137,045)
(95,521)	Community admission bodies	(91,792)
(20,655)	Transferee admission bodies	(19,500)
(612,230)	Total contributions	(912,948)

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

At the 2019 Actuarial Valuation, GMPF was assessed as 102% funded. The employer contribution rates specified are minimum rates. Some employers make voluntary payments in excess of these minimum rates and some make contributions in excess of their future service rate in order to help repay a deficit position over a period. In addition, a small number of employers were required to make explicit lump sum deficit payments – details of these can be found in the 2019 Actuarial Valuation report located www.gmpf.org.uk.

5a. Bulk Transfers

Greater Manchester Combined Authority (GMCA) appointed Suez Recycling & Recovery UK Ltd with effect from 1 June 2019 to carry out the waste management services previously provided by Viridor Waste.

As part of the agreement, employees who were previously earning benefits in the Citrus Pension Plan (a trust-based defined benefit scheme providing similar benefits to the LGPS specifically created for outsourced waste providers) became contributing members of GMPF with effect from 1 June 2019.

During 2020/21 GMPF accepted a bulk transfer of £53,583,000, representing members' benefits earned under the Citrus Plan, in order to help simplify arrangements for members and minimise the costs to GM Authorities of terminating the previous contract.

6. Benefits Payable

By Category

31 March 2020 £000		31 March 2021 £000
707,822	Pensions	733,944
133,258	Commutation & lump sum retirement benefits	125,319
19,121	Lump sum death benefits	22,832
860,201	Total	882,095

By Authority

31 March 2020 £000		31 March 2021 £000
641,407	Part 1 Schedule 2 Scheme Employers	652,158
38,412	Designating bodies	41,907
161,833	Community admission bodies	166,843
18,549	Transferee admission bodies	21,187
860,201	Total	882,095

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 enough 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 of contributions by employer is contained in Note 20 of these statements.

7. Payments to and on account of leavers

31 March 2020 £000		31 March 2021 £000
0	Group transfers to other schemes	2,052
40,726	Individual transfers to other schemes	30,109
(54)	Payments for members joining state scheme	0
(12)	Income for members from state scheme	(28)
1,691	Refunds to members leaving service	1,014
42,351	Total	33,147

8. Management Expenses

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

Investment management expenses:

31 March 2020 £000		31 March 2021 £000
1,491	Employee costs	1,516
315	Support services including IT	173
5,967	Transaction costs (public managers) *	8,414
18,977	Management fees	20,089
253	Custody fees	403
27,003	Total	30,595

* Transaction costs are incremental costs directly attributable to the sale and purchase of UK and Overseas equities. They comprise £1,526,000 (2020 £2,002,000) Commissions and £6,888,000 (2020 £3,965,000) Other Costs which included UK stamp duty and market levies.

Administrative costs:

31 March 2020 £000		31 March 2021 £000
4,610	Employee costs	4,937
1,553	Support services including IT	2,325
101	Printing and publications	123
6,264	Total	7,385

Oversight and governance costs:

31 March 2020 £000		31 March 2021 £000
376	Employee costs	447
137	Support services including IT	219
143	Governance and decision making costs	157
11	Investment performance monitoring	28
74	External audit fees *	74
114	Internal audit fees	121
108	Actuarial fees - investment consultancy	331
504	Actuarial fees	345
1,467	Total	1,722

* Total fee paid to external auditors in 2020/21 is £73,383 (2019/20 73,743) of which £30,000 (2019/20 £30,360) was paid in relation to work carried out on behalf of GMPF's main scheme employers. The above costs include set up costs for Northern LGPS Pool – see Note 8a for further details.

8a. Costs related to the Northern LGPS Pool

	At 31 March 2021			
	Direct £000	Indirect £000	Total In Year £000	Cumulative £000
Set up costs:				
Legal	0	0	0	71
Procurement	0	0	0	30
Other costs	93	0	93	239
Total set up costs	93	0	93	340
	At 31 March 2020			
	Direct £000	Indirect £000	Total £000	Cumulative £000
Set up costs:				
Legal	6	0	6	71
Procurement	0	0	0	30
Other costs	64	0	64	146
Total set up costs	70	0	70	247

9. Investment income

31 March 2020 £000		31 March 2021 £000
(41,230)	Fixed interest (corporate and government bonds)	(39,919)
(319,926)	Equities	(248,750)
(2,801)	Index linked	(957)
(118,040)	Pooled investment vehicles	(150,275)
(38,650)	Investment property (gross)	(35,653)
5,630	Investment property non-recoverable expenditure	5,450
(7,799)	Interest on cash deposits	(1,993)
(771)	Stocklending	(511)
(523,587)	Total	(472,608)

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

10. Taxation

GMPF is exempt from UK income tax on interest and from capital gains tax on the profits resulting from the sale of investments. GMPF is exempt from United States withholding tax on dividends and can recover all or part of the withholding tax deducted in some other countries. The amount of withholding tax deducted from overseas dividends which GMPF is unable to reclaim in 2020/21 amounts to £2,718,000 (2019/20 £3,973,000) 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 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.

Change in fair value is reconciled in the table below:

	£000	31 March 2021 £000
Unrealised losses at 31 March 2021	323,675	(2,904,275)
Unrealised (profits) at 31 March 2021	(3,227,950)	
Realised losses 1 April 2020 to 31 March 2021	528,944	(678,609)
Realised (profits) 1 April 2020 to 31 March 2021	(1,207,553)	
Less:		
Unrealised (profits) at 31 March 2020	1,251,107	(773,149)
Unrealised losses at 31 March 2020	(2,024,256)	
Reduction/(Increase) in fair value of investments year ending 31 March 2021		(4,356,033)

	£000	31 March 2020 £000
Unrealised losses at 31 March 2020	2,024,256	773,149
Unrealised (profits) at 31 March 2020	(1,251,107)	
Realised losses 1 April 2019 to 31 March 2020	198,425	(933,305)
Realised (profits) 1 April 2019 to 31 March 2020	(1,131,730)	
Less:		
Unrealised (profits) at 31 March 2019	2,346,455	2,189,185
Unrealised losses at 31 March 2019	(157,270)	
Reduction/(Increase) in fair value of investments year ending 31 March 2020		2,029,030

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

Value at 31 March 2020 £000		Purchases £000	Sales £000	Change in fair value £000	Value at 31 March 2021 £000
	Designated as at fair value through the Fund Account				
7,829,132	Equities	3,925,830	(3,377,656)	3,085,012	11,462,318
1,433,695	Bonds	555,784	(522,121)	(9,205)	1,458,153
416,356	Index linked	123,221	(263,881)	(2,664)	273,032
835,885	Investment property	81,607	(30,769)	(43,557)	843,166
12,621	Derivatives	109,089	(137,927)	8,474	(7,743)
10,783,942	Managed and unitised funds	1,705,753	(1,763,708)	1,317,973	12,043,960
21,311,631		6,501,284	(6,096,062)	4,356,033	26,072,886
	Loans and receivables				
484,347	Cash				663,516
238,810	Other investments and net assets				149,783
22,034,788	Total				26,886,185

Value at 31 March 2019 £000		Purchases £000	Sales £000	Change in fair value £000	Value at 31 March 2020 £000
	Designated as at fair value through the Fund Account				
7,189,192	Equities	6,897,858	(4,066,936)	(2,190,982)	7,829,132
1,003,365	Bonds	622,254	(232,791)	40,867	1,433,695
369,914	Index linked	145,998	(143,858)	44,302	416,356
881,991	Investment property	75,702	(40,166)	(81,642)	835,885
0	Derivatives	112,941	(56,833)	(43,487)	12,621
13,453,499	Managed and unitised funds	2,757,475	(5,628,944)	201,912	10,783,942
22,897,961		10,612,228	(10,169,528)	(2,029,030)	21,311,631
	Loans and receivables				
755,437	Cash				484,347
190,225	Other investments and net assets				238,810
23,843,623	Total				22,034,788

Bonds

31 March 2020 £000		31 March 2021 £000
52,049	UK public sector quoted	49,542
442,782	Overseas public sector quoted	326,674
541,544	UK corporate quoted	590,284
397,320	Overseas corporate quoted	491,653
1,433,695	Total	1,458,153

Investment Property

31 March 2020 £000		31 March 2021 £000
671,430	UK - Main investment property portfolio	678,035
164,455	UK - Greater Manchester Property Venture Fund	165,131
835,885		843,166

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

Following the purchase of the freehold interest in Whitehall Place, London on 25 March 2021, no directly held investment property has restrictions on its realisation, remittance of income or disposal proceeds.

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

In accordance with the Investment Property Strategy, hold/sell decisions for the investment properties remain under active review, subject to business plan progress and investment market sentiment. Three properties were either being prepared for sale, being marketed or prices had been agreed at 31 March 2021 (combined valuation: £21,150,000). These properties are

- Waitrose, Gerrards Cross (£10.7 million valuation);
- Parliament Street, York (£1.4 million);
- The Exchange, Ransomes Europark, Ipswich (£9.05 million)

We sold one investment property during the 2020/21 financial year: ALPHA, Airport City, Manchester (industrial scheme), valued at £12,900,000 at 31 March 2020.

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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 2020/21	£000
Balance at 1 April 2020	835,885
Purchases	37,608
Expenditure during year	43,999
Disposals	(30,769)
Net gains/ (losses) from fair value adjustments	(43,557)
Balance at 31 March 2021 *	843,166

* 3 properties were either being prepared for sale, marketed or prices had been agreed at 31 March 2021

Movement in the fair value of investment properties in 2019/20	£000
Balance at 1 April 2019	881,991
Purchases	32,809
Expenditure during year	42,892
Disposals	(40,166)
Net gains/ (losses) from fair value adjustments	(81,641)
Balance at 31 March 2020 *	835,885

* No properties were being marketed at 31 March 2020

Future operating lease rentals receivable

31 March 2020 £000		31 March 2021 £000
36,599	Not later than 1 year	38,984
123,091	Later than 1 year, but not later than 5 years	156,437
194,836	Later than 5 years	260,497
354,526	Total	455,918

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

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

- Where a lease contains a “tenant’s break” clause, it is only up to this point that the aggregation is made.
- Only direct properties have been included. GMPF's share of club deals, joint ventures and indirect holdings are excluded.
- Given the significant impact of the COVID-19 pandemic on the portfolio's occupiers, a proportion of the rental payments that are due may never be received.
- Some (predominantly retail) tenancies contain provisions for rent concessions during periods of enforced store closures. These have not been modelled above, due to the unknown extent and timing of any such periods.
- For tenancies where the rent is linked to turnover and there is no base rent element, the rent has been modelled as zero as no further sums are guaranteed to be received.

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Derivatives

31 March 2020 £000		31 March 2021 £000
	Investment assets:	
4,878	Forward currency contracts	356
14,041	Financial futures	332
18,919		688
	Investment liabilities:	
(6,232)	Forward currency contracts	0
(66)	Financial futures	(8,431)
12,621	Net (liability)/asset	(7,743)

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

31 March 2021	Settlement Date	Currency	Currency Bought 000	Currency	Currency Sold 000	Assets £000	Liability £000
Contract							
Forward Currency Contract	Within one month	GBP	137,574	USD	189,355	342	0
Forward Currency Contract	Within one month	USD	6,500	GBP	4,697	14	0
Total						356	0

31 March 2021	Settlement Date	Currency	Economic Exposure 000	Market Value £000
Contract				
UK Equity Futures	Less than one year	GBP	(31,594)	144
Overseas Equity Futures	Less than one year	GBP	(28,535)	188
UK Commodity Futures	Less than one year	GBP	735	(3)
Overseas Equity Futures	Less than one year	GBP	(639,933)	(8,428)
Total			(699,327)	(8,099)

The above tables analyse the derivative contracts held at 31 March 2021 by maturity date. The Forward Currency Contracts were all traded on an over-the-counter-basis.

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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 2020 £000		31 March 2021 £000
419,001	UK Property	358,885
242,209	Overseas property	225,618
1,057,994	Global credit	1,241,582
419,780	Overseas equity	448,419
999,337	UK private equity, infrastructure & debt *	1,240,941
2,205,407	Overseas private equity, infrastructure & debt **	2,735,176
34,648	UK special opportunities portfolio	37,417
371,329	Overseas special opportunities portfolio	437,110
5,749,705	Managed funds	6,725,148
466,833	Property	684,526
466,833	Unit trusts	684,526
47,263	Property	48,904
63,965	UK quoted equity	21,782
226,982	UK fixed interest	250,177
688,631	UK index linked securities	736,007
605,060	UK corporate bonds	688,850
372,686	UK cash instruments	193,394
1,477,991	Overseas quoted equity	1,476,523
228,356	Overseas fixed interest	254,628
414,445	Overseas corporate bonds	489,555
218,213	Overseas index linked securities	250,236
197,306	Global credit	192,551
26,507	Inflation funds	31,679
4,567,405	Insurance policies	4,634,286
10,783,943	Total pooled investment vehicles	12,043,960

* includes £593,768,000 GLIL investment via the Northern LGPS Pool vehicle (2020 476,208,000)

** includes £167,503,000 NPEP investment via the Northern LGPS Pool vehicle (2020 £57,014,000)

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Cash

31 March 2020 £000		31 March 2021 £000
390,684	Sterling	527,227
93,663	Foreign currency	136,289
484,347	Total	663,516

Other investments balances and net assets

31 March 2020 £000		31 March 2021 £000
6,156	Amounts due from broker	(16,390)
61,806	Outstanding dividends and recoverable withholding tax	61,244
17,588	Gross accrued interest on bonds	16,721
4,384	Gross accrued interest on loans	10,200
68,381	Investment loans	71,980
26,374	Variation margin	50,007
2,029	Other accrued interest and tax reclaims	2,877
186,718	Other investment assets	196,639
(4,454)	Amounts due to broker	(93,802)
(1,765)	Irrecoverable withholding tax	(1,765)
(6,219)	Other investment liabilities	(95,567)
44,861	Employer contributions - main scheme	35,586
944	Employer contributions - additional pensions	519
13,215	Property	19,702
466	Admin & investment management expenses	411
19,031	Other	18,476
78,517	Current assets	74,694
(8,700)	Property	(8,450)
(19)	Employer contributions - main scheme	(20)
(1,390)	Employer contributions - additional pensions	(1,683)
(5,620)	Admin & investment management expenses	(5,112)
(4,477)	Other	(10,718)
(20,206)	Current liabilities	(25,983)
58,311	Net current assets	48,711
238,810	Other investment balances and net assets	149,783

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

Public managers

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

Directly held property

Transaction costs continue to be capitalised and are implicit within the value of the assets concerned. These amounted to £2,457,000 for 2020/21 (2019/20 £1,999,000).

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

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.

31 March 2020 £000		31 March 2021 £000
	Private market and alternative investments	
64,237	- performance related	89,516
66,948	- non-performance related	66,417
	Pooled Investments	
37	- performance related	4,669
4,843	- non-performance related	10,580
	Indirect investment property	
12,502	- performance related	10,078
25,544	- non-performance related	20,098
174,111	Total	201,358

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 2020 £000		31 March 2021 £000
164,455	Greater Manchester Property Venture Fund	165,131

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 2020 £000		31 March 2021 £000
173,485	UK corporate bond	188,982
473,287	UK Index linked	481,174
21,074	Cash instruments	21,287
53,622	Cash	32,773
26,507	Inflation funds	31,679
197,306	High yield debt	192,551
945,281	Total	948,446

14. Summary of managers' portfolio values at 31 March

2020			2021	
£m	%		£m	%
		Externally managed		
7,119	32.3%	UBS Global Asset Management	9,064	34.0%
4,520	20.5%	Legal & General	4,585	17.2%
1,912	8.7%	Sci Beta	2,659	10.0%
1,430	6.5%	Investec	1,912	7.2%
1,058	4.8%	Stone Harbor	1,242	4.7%
880	4.0%	LaSalle	678	2.5%
164	0.7%	Avison Young (advisory mandate)	165	0.6%
17,083	77.5%		20,305	76.2%
		Internally managed		
3,615	16.4%	Private equity	4,450	16.7%
54	0.2%	Designated funds	33	0.1%
964	4.4%	Property (indirect)	1,318	4.9%
318	1.5%	Cash, other investments and net assets	564	2.10%
4,951	22.5%		6,365	23.8%
22,034	100.0%	Total	26,670	100.0%

15. Concentration of investment

As at 31 March 2021, GMPF held, respectively, 13.67% and 0.01% 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:

31 March 2020 £000	POLICY MF32950	31 March 2021 £000
1,325,995	Overseas equities	1,475,957
217,765	UK fixed interest	504,738
413,617	UK corporate bonds	499,800
219,088	Overseas fixed interest	0
206,607	UK Index linked	254,798
209,385	Overseas index linked	250,202
333,740	UK cash instruments	172,040
397,219	Overseas corporate bonds	489,488
3,323,416		3,647,023

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31 March 2020 £000	POLICY MF36558	31 March 2021 £000
63,965	UK equities	239
151,996	Overseas equities	566
9,217	UK fixed interest	33
17,958	UK corporate bonds	67
9,268	Overseas fixed interest	34
8,737	UK Index linked	35
17,872	UK cash instruments	67
8,828	Overseas index linked	34
17,226	Overseas corporate bonds	68
305,067	Total	1,143

16. Notifiable interests

As at 31 March 2021 GMPF had holdings of 3% or over in the ordinary share capital of the following quoted companies:

UK Equity 31 March 2020 %		UK Equity 31 March 2021 %
0.0	Babcock International Group PLC	3.4
3.7	Balfour Beatty PLC	4.3
7.7	Brown (N) Group PLC	0.0
0.0	Carnival PLC	3.1
0.0	Dixons Carphone PLC	5.3
3.3	Intu Properties PLC	3.3
4.7	Man Group PLC	6.3
6.7	Mothercare PLC	4.5
0.0	National Express Group PLC	3.0
0.0	Pagegroup PLC	3.5
3.6	Royal Mail PLC	0.0
6.1	RPS Group PLC	5.9
5.3	SIG PLC	3.7
5.1	STV Group PLC	0.0
3.4	Volusion GRP PLC	0.0

17. Undrawn commitments

31 March 2020 £000	Asset type	Nature of commitment	31 March 2021 £000
275	Directly held investment property	Commitments re demolition or refurbishment work	3,131
33,898	Directly held investment property	Commitments regarding purchases	2,098
2,106,524	Indirect private equity and infrastructure	Commitments to fund	1,992,967
311,845	Special Opportunities portfolio	Commitments to fund	345,622
184,380	Property managed funds	Commitments to fund	245,781
3,761	Property unit trusts	Commitments to fund	27,280
10,699	Commercial/domestic based property unit trust	Commitments to fund	2,410
16,651	Local Investment 4 Growth fund	Commitments to fund	4,751
196,469	Local Impact Portfolio	Commitments to fund	193,527
6,038	Greater Manchester Property Venture Fund	Commitment to lend	32,704
514,238	Private debt portfolio	Commitment to fund	684,102
3,384,778	Total		3,534,373

The above expenditure was contractually committed as at 31 March and a series of staged 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) of £8,106,000 on behalf of GMPF and reclaimed from HMRC VAT of £3,930,000 net. Total payments due to Tameside MBC therefore, amounted to £4,176,000 (2019/20 £2,359,000). As GMPF reimbursed Tameside MBC £1,416,000 for these charges during the year, there is a Creditor of £393,000 at the year-end owing to Tameside MBC, after offsetting the debtor brought forward from 2019/20 £2,367,000. This creditor has been settled since the year-end.

There is no direct charge to GMPF for the services of the Director of Governance & Pensions. This is also the case for the Chief Executive and the Director of Finance but a contribution towards their cost is included in the recharge as detailed above. They receive no additional salary or remuneration for undertaking these roles. Details of the total remuneration of these officers will be published on the Tameside MBC website. The remuneration of the Chair of the Management Panel can be found by accessing the following link: <http://www.tameside.gov.uk/constitution/part6>

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

	Salary Entitlement (Full Time Equivalent)	Salary, Fees & Allowances (Paid in year)	Employers Pensions Contributions (Paid in year)	Total (Paid in year)
Assistant Director of:				
	£	£	£	£
Pensions (Special Projects)	94,859	48,308	10,145	58,453
Pensions (Investments)	94,859	94,859	19,920	114,779
Pensions (Funding & Business Development)	94,859	94,859	19,920	114,779
Pensions (Local Investments & Property)	94,859	94,859	19,920	114,779
Pensions (Administration)	83,736	83,736	17,585	101,321

Note: There were no payments for Compensation for Loss of Office in 2020/21

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).

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

Name	Position in GMPF 2020/21	Company in which directorship is held	Company Registration Number
Steven Pleasant	Chief Executive	Airport City (General Partner) Ltd	08723477
Sandra Stewart	Director of Governance & Pensions	Northern Pool GP (No1) Ltd	11360203
Neil Charnock	Head of Pension Fund Legal	Hive Bethnal Green Ltd	09362438
Patrick Dowdall	Assistant Director of Pensions (Local Investments & Property)	Matrix Homes (General Partner) Ltd Hive Bethnal Green Ltd GLIL Corporate Holdings Ltd Plot 5 First Street Nominee Ltd Plot 5 First Street GP Ltd GMPF UT (Second Unit Holder) Ltd Airport City (Asset Manager) Ltd Manchester Charles Street Residential (ELP GP) Ltd Manchester Charles Street Residential (SLP GP) Ltd Manchester New Square (General Partner) Ltd Semperian PPP Investment Partners Holdings Ltd (Jersey Registration)	08980059 09362438 10046509 09919396 09904743 08725454 08723467 10977358 SC576947 11082473 98327
Daniel Hobson	Head of Real Assets	GLIL Corporate Holdings Ltd GLIL Corporate Holdings 2 Ltd Rock Rail East Anglia (Holdings) 1 Ltd Rock Rail East Anglia (Holdings) 2 Ltd Rock Rail East Anglia PLC GLIL Renewable Holdings Clyde Windfarm (Scotland) Ltd Camulodunum Investments Ltd GLIL Blue Comet Holdings Limited Agility Trains East Limited Agility Trains East (Midco) Limited Agility Trains East (Holdings) Limited	10046509 10824179 10266130 09918883 10360543 12315576 SC281105 11108175 12880831 07930598 07930515 07930434
John Douglas	Investment Manager	GLIL Renewable Holdings	12315576

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Name	Position in GMPF 2020/21	Company in which directorship is held	Company Registration Number
Kevin Etchells	Investment Manager	Island Site (General Partner) Ltd Island Site (Nominee) Ltd	11532059 11532379
Andrew Hall	Investment Manager	GMPF UT (Second Unit Holder) Ltd Matrix Homes (General Partner) Ltd Plot 5 First Street GP Ltd Plot 5 First Street Nominee Ltd Manchester Charles Street Residential (ELP GP) Ltd Manchester Charles Street Residential (SLP GP) Ltd Island Site (General Partner) Ltd Island Site (Nominee) Ltd Manchester New Square (General Partner) Ltd	08725454 08980059 09904743 09919396 10977358 SC576947 11532059 11532379 11082473
David Olliver	Investment Manager	GLIL Corporate Holdings 3 Ltd	12932522

The above receive no remuneration for these directorships.

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

The following members of the Management and Advisory Panels were consequently deferred pensioners during 2020/21:

Name	Position
Cllr J Fitzpatrick	Councillor member (resigned November 2020)
Cllr C Patrick	Councillor member
Cllr L Drennan	Councillor member
Cllr A Jabbar	Councillor member

The following members of the Management and Advisory Panels are in receipt of pension benefits:

Name	Position
Cllr G Cooney	Councillor member
Cllr M Smith	Councillor member
Cllr D Ward	Councillor member
Cllr K Cunliffe	Councillor member
Cllr A Mitchell	Councillor member

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The following member of the Management and Advisory Panels and the Local Board is a deferred pensioner by virtue of his membership of GMPF in current or previous employments:

Name	Position
Cllr C Patrick	Councillor member

The following members of the Management and Advisory Panels and the Local Board, by virtue of their membership of GMPF in previous employments, are in receipt of pension benefits:

Name	Position
Cllr V Ricci	Councillor member
Cllr M Smith	Councillor member
Cllr J Taylor	Councillor member
Cllr A Jabbar	Councillor member
Cllr P Andrews	Councillor member
J Thompson	Employer representative
F Llewellyn	Employee representative
M Fulham	Employee representative
J Hammond	Scheme member representative
P Catterall	Scheme member representative

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

Name	Position & Organisation	Organisation relationship with GMPF
Cllr B Warrington	Member of Greater Manchester Combined Authority	Contributing employer
Cllr G Cooney	Employee of Manchester City Council	Contributing employer
	Trustee of Jigsaw Homes Group Limited (Reg No 29433R)	Contributing employer
	Director of Ashton Pioneer Homes Ltd (Reg No 03383565)	Contributing employer
	Director of Pioneer Homes Services Ltd (subsidiary of Ashton Pioneer Homes Ltd) (Reg No 06546606)	Contributing employer
	Director of APH Developments Ltd (subsidiary of Ashton Pioneer Homes Ltd) (Reg No 03989251)	Contributing employer
	Director of Mechanics' Centre Ltd (Reg No 01983373)	Contributing employer

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Name	Position & Organisation	Organisation relationship with GMPF
Cllr G Newton	Employee of SUEZ Recycling & Recovery UK Ltd (Reg No 002291198)	Contributing employer
Cllr T Sharif	Director of Homestart Oldham, Stockport and Tameside Limited	Contributing employer
Cllr B Fairfoull	Member of Manchester Airport Consultative Committee	Contributing employer
Cllr K Cunliffe	Director of Wigan Metropolitan Development Company Limited (Co No: 01486410)	Contributing employer
Cllr A Jabbar	Deputy - Greater Manchester Combined Authority External Member - Oldham College	Contributing employer Contributing employer
Cllr M Barnes	Employee of University of Salford	Contributing employer
Cllr P Andrews	Member of Manchester Airport Consultative Committee Member of Manchester Port Health Authority Governor of Newall Green Primary School Director of Mechanics' Centre Ltd (Reg No 01983373)	Contributing employer Contributing employer Contributing employer
P Herbert	Employee of Ministry of Justice	Contributing employer
K Drury	Employee of University of Manchester	Contributing employer
A Flatley	Employee of Bolton MBC	Contributing employer
P McDonagh	Employee of Manchester City Council	Contributing employer
M Fulham	Employee of Bury MBC	Contributing employer
P Taylor	Employee of LTE Group	Contributing employer
M Rayner	Employee of Stockport MBC	Contributing employer
D Schofield	Employee of Manchester City Council	Contributing employer
J Hammond	Employee of Bury MBC	Contributing employer
C Lloyd	Employee of Tameside MBC	Contributing employer
C Goodwin	Employee of University of Manchester	Contributing employer
M Cullen	Employee of Stockport MBC	Contributing Employer

19. Employer related investment

As at 31 March 2020 GMPF had £50,000,000 on short-term loan to Greater Manchester Combined Authority. This was repaid during 2020/21. There was £nil on loan to any contributing employers at 31 March 2021.

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

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

As at 31 March 2021 Greater Manchester Property Venture Fund includes a standing investment of office accommodation. Part of this property is leased to Irwell Valley Housing Association who are a contributing employer to GMPF.

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

A number of local authorities have brought forward their payment of pension (total £217 million) to make efficient use of their cash balances.

Contribn from Employers	Contribn from Employees	Benefits Paid		Contribn from Employers	Contribn from Employees	Benefits Paid
2020 £m	2020 £m	2020 £m		2021 £m	2021 £m	2021 £m
(23)	(7)	43	Bolton Borough Council	(24)	(7)	45
(15)	(5)	29	Bury Borough Council	(15)	(5)	30
(47)	(16)	107	Manchester City Council	(130)	(16)	107
(3)	(5)	36	Oldham Borough Council	(48)	(6)	38
(20)	(6)	37	Rochdale Borough Council	(20)	(6)	37
(20)	(6)	43	Salford City Council	(21)	(7)	45
(3)	(7)	35	Stockport Borough Council	(58)	(7)	36
(3)	(6)	36	Tameside Borough Council (administering authority)	(53)	(6)	36
(2)	(5)	28	Trafford Borough Council	(43)	(5)	27
(27)	(9)	45	Wigan Borough Council	(29)	(9)	45
(204)	(55)	241	Other scheme employers *	(225)	(61)	248
(92)	(25)	180	Admitted bodies *	(89)	(23)	188
(459)	(152)	860	Total	(755)	(158)	882

* A full list of all scheme and admitted bodies can be found in the GMPF Annual Report 2020/21 which will be available at www.gmpf.org.uk.

21. Investment Strategy Statement and Funding Strategy Statement

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

22. Actuarial Review of GMPF

GMPF's last Actuarial valuation was undertaken as at 31 March 2019. A copy of the valuation report can be found on the GMPF website

<https://www.gmpf.org.uk/getmedia/ae7f4bbc-efb5-4c0d-9715-58be74eaafe9/Greater-Manchester-Pension-Fund-2019-Valuation-Report.pdf>

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

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

The valuation revealed that GMPF's assets, which at 31 March 2019 were valued at £23,844 million, were sufficient to meet 102% of the present value of promised retirement benefits earned. The resulting surplus was £529 million. The present value of promised retirement benefits at 31 March 2021 can be found in Note 25.

The key financial assumptions adopted for the 2019 valuation were:

Financial Assumptions	31 March 2019	
	% p.a. Nominal	% p.a. Real
Discount rate	3.60%	1.30%
Pay Increases	3.10%	0.80%
Price Inflation / Pension increases	2.30%	0.00%

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

23. Stock Lending

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

At the year end the value of stock on loan was £456.4 million (31 March 2020: £313.8 million) in exchange for which the custodian held collateral at fair value of £474.2 million (31 March 2020: £333.7 million), which consisted exclusively of government bonds and government guaranteed bonds.

24. AVC Investments

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

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

Note: The annual update from the Provider was not available at time of producing these accounts.

Contributions paid		£0
Units purchased	0	
Units sold	0	
Fair value as at 31 March 2021		£0
Fair value as at 31 March 2020		£72,333,546

25. Actuarial Present Value of Promised Retirement Benefits

CIPFA's Code of Practice on Local Authority Accounting 2020/21 requires administering authorities of LGPS funds to disclose the actuarial present value of promised retirement benefits in accordance with IAS26 Accounting and Reporting by Retirement Benefit Plans.

Allowance has been made for the Government's decision to make full indexation, relating to the ruling on the equalisation of Guaranteed Minimum Pensions (GMPs) between men and women, the permanent solution for public service pension schemes including the LGPS. No allowance has been made in respect of the impact of GMP equalisation on LGPS funds as the guidance on calculation is yet to be confirmed.

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

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

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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 2020/21.

Financial Assumptions

31 March 2020 % p.a.	Year ended:	31 March 2021 % p.a.
1.9%	Inflation/pension increase rate	2.9%
2.7%	Salary increase rate	3.6%
2.3%	Discount rate	2.0%

Mortality

Life expectancy is based on GMPF's VitaCurves with improvements in line with the CMI 20208 model, assuming the current rate of improvements has reached a peak and will converge to a long-term rate of 1.5% p.a. Based on these assumptions, the average future life expectancies at age 65 are summarised below:

	Males	Females
Current pensioners	20.5 years	23.3 years
Future pensioners*	21.9 years	25.3 years

* future pensioners are assumed to be currently aged 45

Commutation

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

Value of promised retirement liabilities

31 March 2020 £m		31 March 2021 £m
28,264	Present value of promised retirement benefits	37,007

Liabilities have been projected using a roll forward approximation from the latest formal funding valuation as at 31 March 2019.

Sensitivity analysis

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

31 March 2020		Change in assumptions at year ended 31 March	31 March 2021	
Approximate % increase to promised retirement benefits	Approximate monetary amount (£m)		Approximate % increase to promised retirement benefits	Approximate monetary amount (£m)
9%	2,544	0.5% increase in the Pension Increase Rate	9%	3,331
1%	283	0.5% increase in the Salary Increase Rate	1%	370
3%	848	1 year increase in member life expectancy	3%	1,110
10%	2,826	0.5% decrease in Real Discount Rate	10%	3,701

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.