
Tameside MBC

Statement of Accounts

2024/25

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Independent auditor's report to the members of Tameside Metropolitan Borough Council

Report on the audit of the financial statements

Disclaimer of opinion on the financial statements

We were appointed to audit the financial statements of Tameside Metropolitan Borough Council ("the Council") for the year ended 31 March 2025, which comprise the Comprehensive Income and Expenditure Statement, the Movement in Reserves Statement, the Balance Sheet, the Cash Flow Statement, Collection Fund statement and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and the CIPFA/LASAAC Code of Practice on Local Authority Accounting in the United Kingdom 2024/25.

We do not express an opinion on the financial statements. Because of the significance of the matter described in the Basis for Disclaimer of Opinion section of our report, we have not been able to obtain sufficient appropriate audit evidence to provide a basis for an audit opinion on these financial statements.

Basis for disclaimer of opinion

On 30 September 2024, the Accounts and Audit (Amendment) Regulations 2024 ('The Amendment Regulations') came into force. The Amendment Regulations specify the date by which the Council is required to publish its Accountability Statements, which include the financial statements and the auditor's opinion, for each financial year. The Council is required to publish its Accountability Statements for the year ended 31 March 2025, by 27 February 2026 ('the 2026 backstop date').

On 28 February 2025 a disclaimer of opinion was issued in relation to the financial statements for the year ended 31 March 2024. The disclaimer of opinion was issued as there was insufficient time to perform all necessary audit procedures to obtain sufficient appropriate evidence upon which to form an opinion before the relevant backstop date specified in the Amendment Regulations.

The National Audit Office issued guidance to auditors on rebuilding assurance following backstop-related disclaimers of opinion through Local Audit Reset and Recovery Implementation Guidance 06 ("LARRIG 06") in June 2025. We have had regard to LARRIG 06 and other relevant guidance and determined that there is not sufficient time to carry out the procedures we deem necessary to rebuild assurance. As a result, we are not able to obtain sufficient appropriate evidence upon which to form an opinion on the financial statements for the year ended 31 March 2025 before the 2026 backstop date.

Responsibilities of the Strategic Director of Finance for the Financial Statements

As explained more fully in the Statement of the Strategic Director of Finance's Responsibilities, the Strategic Director of Finance is responsible for the preparation of the Statement of Accounts, which includes the financial statements, in accordance with proper practices as set out in the CIPFA/LASAAC Code of Practice on Local Authority Accounting in the United Kingdom 2024/25, and for being satisfied that they give a true and fair view. The Strategic Director of Finance is also responsible for such internal control as the Strategic Director of Finance determines is necessary

to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

The Strategic Director of Finance is required to comply with the CIPFA/LASAAC Code of Practice on Local Authority Accounting in the United Kingdom 2024/25 and prepare the financial statements on a going concern basis on the assumption that the functions of the Council will continue in operational existence for the foreseeable future. The Strategic Director of Finance is responsible for assessing each year whether or not it is appropriate for the Council to prepare its accounts on the going concern basis and disclosing, as applicable, matters related to going concern.

Auditor's responsibilities for the audit of the financial statements

Our responsibility is to conduct an audit of the Council's financial statements in accordance with International Standards on Auditing (UK) and to issue an auditor's report. However, because of the matter described in the Basis for Disclaimer of Opinion section of our report, we were not able to obtain sufficient appropriate audit evidence to provide a basis for an audit opinion on these financial statements. In reaching this judgement we have complied with the requirements of the Code of Audit Practice and have had regard to the Local Audit Reset and Recovery Implementation Guidance published by the National Audit Office and endorsed by the Financial Reporting Council.

We are independent of the Council in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at www.frc.org.uk/auditorsresponsibilities. This description forms part of our auditor's report.

Report on the Council's arrangements for securing economy, efficiency, and effectiveness in its use of resources

Matter on which we are required to report by exception

We are required to report to you if, in our view we are not satisfied that the Council has made proper arrangements for securing economy, efficiency and effectiveness in its use of resources for the year ended 31 March 2025.

Significant weakness in arrangements

Head of Internal Audit Limited Assurance Opinion
The Annual Internal Audit Report for 2024/25 issued by the Head of Internal Audit gave a limited assurance opinion, reflecting a combination of significant weaknesses, including previously identified issues within Children's Services, a limited assurance rating from the July 2024 ICO audit, weaknesses in the Council's risk management framework, the disclaimer of opinion issued on the Council's 2023/24 accounts. This was compounded by reduced internal audit coverage due to resourcing pressures.

Recommendation

The Council should ensure that robust arrangements are in place to strengthen and maintain the adequacy and effectiveness of the internal audit function. The Council should ensure that the transition to third party Internal Audit Services is effectively implemented and closely overseen, using the new arrangement to stabilise capacity, strengthen governance, and address the weaknesses evidenced by consecutive limited assurance opinions.

In our view this is indicative of a significant weakness in the Council's arrangements in relation to the governance.

In June 2024 we identified a significant weakness in relation to governance and improving economy, efficiency and effectiveness for the 2021/2022 year. In our view this significant weakness remains for the year ended 31 March 2025.

Significant weakness in arrangements

OFSTED Inspection: Children's Services

OFSTED is the Office for Standards in Education, Children's Services and Skills. It inspects and regulates services that care for children and young people. The most recent full inspection of Children's Services by OFSTED was carried in December 2023 and assessed the Council's service as "Inadequate". In our view this is indicative of a significant weakness in the Council's arrangements in relation to the governance and improving economy, efficiency and effectiveness reporting criteria.

Recommendation

We recommend the Council puts in place arrangements to ensure the actions taken in response to OFSTED's findings are being delivered on time and have a sustainable impact on the quality of service provided to, and the safety of, children in Tameside.

Responsibilities of the Council

The Council is responsible for putting in place proper arrangements to secure economy, efficiency, and effectiveness in its use of resources, to ensure proper stewardship and governance, and to review regularly the adequacy and effectiveness of these arrangements.

Auditor's responsibilities for the review of arrangements for securing economy, efficiency, and effectiveness in the use of resources

We are required under Section 20(1)(c) of the Local Audit and Accountability Act 2014 to satisfy ourselves that the Council has made proper arrangements for securing economy, efficiency, and effectiveness in its use of resources. We are not required to consider, nor have we considered, whether all aspects of the Council's arrangements for securing economy, efficiency, and effectiveness in its use of resources are operating effectively.

We have undertaken our work in accordance with the Code of Audit Practice, having regard to the guidance issued by the Comptroller and Auditor General in November 2024.

Matters on which we are required to report by exception under the Code of Audit Practice

We are required by the Code of Audit Practice to report to you if:

- we issue a report in the public interest under section 24 of the Local Audit and Accountability Act 2014;
- we make a recommendation under section 24 of the Local Audit and Accountability Act 2014; or
- we exercise any other special powers of the auditor under sections 28, 29 or 31 of the Local Audit and Accountability Act 2014.

We have nothing to report in these respects.

We are also required by the Code of Audit Practice, to give an opinion on whether other information published together with the audited financial statements, is consistent with the financial

statements. Because of the matter described in the Basis for Disclaimer of Opinion section we do not express an opinion on the financial statements. We also do not express an opinion on whether other information published together with the audited financial statements is consistent with the financial statements.

Use of the audit report

This report is made solely to the members of Tameside Metropolitan Borough Council, as a body, in accordance with part 5 of the Local Audit and Accountability Act 2014 and the Statement of Responsibilities of Auditors and Audited Bodies published by Public Sector Audit Appointments Limited. Our audit work has been undertaken so that we might state to the members of the Council 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 members of the Council, as a body, for our audit work, for this report, or for the opinions we have formed.

Delay in certification of completion of the audit

We cannot formally conclude the audit and issue an audit certificate until we have received confirmation from the NAO that the group audit of the Whole of Government Account has been completed and that no further work is required to be completed by us



Daniel Watson, Key Audit Partner
For and on behalf of Forvis Mazars LLP
One St Peter's Square
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27 February 2026

Narrative Report and Financial Summary

This section identifies and briefly explains each part of the document and includes an overview by the Director of Finance (Section 151 Officer) on the Council's financial performance during the accounting period.

Narrative Report and Financial Summary

1) Executive Summary

The following pages present the Council's accounts for the financial year ended 31 March 2025. By producing this report, the Council aims to give all stakeholders – electors, local residents, Council Members, partners, local businesses and others – confidence that the public money that has been received and spent has been properly accounted for and that the financial standing of the Council is secure.

The purpose of this Narrative Report is to provide an overall explanation of the Council's financial position, including major influences affecting the accounts, and to enable readers to understand and interpret the accounting statements. It sets out in the following sections:

- 2) **Corporate Leadership and Strategy;**
- 3) **The Profile of the Borough;**
- 4) **The year in review: Financial Performance in 2024/25;**
- 5) **Financial Strategy: Outlook for 2025/26 and future years;**
- 6) **The Financial Statements: basis of preparation, purpose and summary; and**
- 7) **Significant transactions in 2024/25.**

It should be noted that although the Statement of Accounts is produced annually, the Members and senior officers of the Council receive regular financial reports and updates throughout the year on overall performance against revenue and capital budgets. These monthly and quarterly reports are considered by Executive Cabinet and are available on the Council's website. The Medium-Term Financial Strategy (MTFS), which sets out the financial plan for the next five years, is also updated during the year and reported formally to both Members and officers, and is available on the Council's website. The figures presented in the accounts are consistent with the other reports that have been published during the year.

2) Corporate Leadership and Strategy

The Council's political leadership is responsible for delivering on priorities, and the Executive Cabinet determines where investment and resources will be allocated in line with these priorities. This process culminates in the annual Budget Report through which the Executive Cabinet recommends to the Council the overall budget. The same principles are applied to the formulation of the capital programme.

At the heart of the leadership structure is the Executive Leader, supported by the Executive Cabinet Members. In turn, they are supported by the Executive Team led by the Chief Executive. Plans drawn up for each service area identify the priorities for that area within the context of the Council's overall priorities.

More information on the activities, leadership structure and governance of the Council (including the Constitution, management structure, meeting agendas and minutes) can be found on the Council's website, located at www.tameside.gov.uk. The Council's Annual Governance Statement, published alongside the Statement of Accounts, provides further information on the governance arrangements in place to ensure proper discharge of its functions.

The Corporate Plan 2024-27 was agreed at Council in March 2024. The Plan sets out the aspirations we have to deliver improved outcomes for our community. The Plan is set out across the life course of our residents and reflects the importance of a vibrant place and economy in delivering our aspirations. The Plan is built around five key priorities for the people of Tameside:

1. Best Start in Life
2. Opportunity to Learn and Earn
3. Safe, Green & Supportive Communities
4. Healthy and Active Lives
5. Financially Sustainable Public Services

Each of the key priorities is supported by a number of core objectives to support the delivery of the Corporate Plan priorities. As part of the Corporate Plan, we have also developed a number of priority projects that are seen as key to delivering on the ambitions for Tameside. We want to be transparent about how we are performing against the objectives of the Corporate Plan, with key outcomes and performance measures being tracked through our quarterly corporate performance reports which are published on the Council's website.

3) The Profile of the Borough

The profile of the Borough in terms of its population and economy is a key driver of the scope and type of services the Council provides to local people. Set out below are some key facts which provide some context.

POPULATION

Tameside covers an area of 103.5 square kilometres. Tameside's population was estimated to be 234,666 people in mid-2023: equal to approximately 8% of Greater Manchester's population. Of Tameside's population, 146,894 (62.6%) were of working age, 16-64; 46,215 were aged between 0-15 years (19.7%); and 41,557 were aged 65 or over (17.7%).

Compared to the population of England overall, Tameside's residents are comparatively young; 18.7% of England's population were 65 years old or older and 18.5% are under the age of 16.

As of the 2021 Census of England and Wales, 49.1% of Tameside's residents are male and 50.9% are female. Less than 0.05% of Tameside's population are non-binary. 94.7% of the population state that their gender identity is the same as their sex assigned at birth.

90.8% of Tameside residents identify as straight or heterosexual; 1.8% identify as gay or lesbian; all other sexual orientations make up 1.4% of the population (5.9% declined to answer).

In terms of ethnicity, Tameside is predominantly White, which makes up 90.9% of the population. 6.65% of the population are Asian, 1.4% are Mixed, 0.08% Black and 0.2% of the population are other ethnicities.

The main language in Tameside is English (94.1%), the next most used languages are Urdu (1%), Polish (0.9%) and Bengali (0.7%).

For males in Tameside, Life Expectancy is 76.5 years and Healthy Life Expectancy is 55.6, compared to 80.6 years for Life Expectancy and 56.2 for Healthy Life Expectancy for women.

Nationally, these numbers are higher: male Life Expectancy and Healthy Life Expectancy are 79.1 and 61.5 respectively. Female Life Expectancy and Healthy Life Expectancy are 83.1 and 61.9 respectively.

72.0% of adults in Tameside are classified as overweight or obese (higher than the 64.5% national value); 37.2% of children in year 6 are classified as overweight or obese (higher than the national value of 35.8%); and 28.9% of adults (16+) are inactive, more than the national figure of 22.0%.

ECONOMIC

Tameside has an employment rate of 73.8%, lower than the national rate of 75.5%. The largest employment sectors in Tameside are human health and social work activities (21.6%); followed by wholesale and retail trades, and repair of motor vehicles and motorcycles (18.7%); and manufacturing (13%).

21.9% of full-time workers in Tameside earn below the Living Wage Foundation Rate (compared to 16.2% across Greater Manchester). The median annual income for full-time workers living in Tameside is £33,297, compared to the national median of £37,617.

58.2% of residents are qualified to RQF level 3 or above.

Tameside is ranked as the 28th most deprived of 317 local authority districts in England, and the 5th most deprived in Greater Manchester. 11 of the Borough's Lower Layer Super Output Areas (LSOAs) are in the most deprived 5% of LSOAs nationally.

EDUCATION

Tameside has 76 primary schools, 16 secondary schools, 6 special schools and 4 colleges/sixth forms. 93.4% of Tameside's primary schools are rated Good or Outstanding by Ofsted and 62.5% of Tameside's secondary schools are Good or Outstanding.

According to the latest census data, as their highest qualification; 11.25% of the population has a Level 1 qualification, 15.2% Level 2, 6.9% Apprenticeship, 17.7% Level 3, and 24.4% Level 4 or above. 21.8% have no qualifications and 2.7% have other qualifications.

The Borough's percentage of residents with no academic qualifications is higher than the England percentage at 18.1%.

62% of children at the Early Years Foundation Stage are achieving a 'good' level of development compared to the 67.7% national average.

In Tameside, 60% of pupils met the expected standard in reading, writing and maths at Key Stage 2 compared to 61% nationally.

HOUSING

The majority of tenure in the Borough are owned outright (30.5%), while the remaining are owned with a mortgage (30.3%), social rents (21.2%), private rents (17.5%), shared ownerships (0.3%) and living rent free (0.1%).

The most common dwelling type in Tameside is semi-detached (38.6%) followed by: terraced (34.1%), flats or tenement (12.9%), detached (12%) and other (2.4%).

In terms of household amenities, 1.5% of dwellings in Tameside have no central heating. The proportion of households with access to a car or van is also relatively low in Tameside with 26.1% of people having no access compared to 23.5% in England.

6.47% of households experience bedroom overcrowding.

LIFESTYLE

Tameside has over 60,000 trees; over 30,000 trees have been planted since 2020. There are 26 parks and 37 playgrounds in the Borough. 52.6% of waste in the Borough is recycled. Tameside has

11 leisure centres, 8 libraries, 1 museum and 1 art gallery. 48.96km² of the Borough is green belt and approximately 10.53km² is protected green space.

4) The Year in Review: Financial Performance in 2024/25

Council Revenue Outturn Position by Directorate 2024/25

Outturn Position	Net Expenditure Budget	Month 12 Outturn	Variance
	£m	£m	£m
Adults	70.354	75.067	4.713
Children's Social Care	70.254	86.641	16.388
Education	10.343	11.938	1.595
Public Health	14.334	14.188	(0.146)
Place	36.385	35.853	(0.532)
Chief Executive's Office	10.303	10.155	(0.148)
Resources	55.012	50.062	(4.950)
Totals	266.984	283.904	16.920

The final outturn position for 2024/25 was an overspend of £16.920m on the revenue budget. The overspend of £16.920m was a call on reserves and funded from budget resilience reserves. After funding this overspend, available reserves (those not ringfenced or committed) are £34.141m at 31 March 2025.

The overspend was predominantly driven by Children's Social Care, where expenditure on external cared-for children's placements was £10.664m in excess of budget, and staffing costs exceeded budget by £6.659m. There were also overspends in Education, where demand for SEN Home to School Transport continued to be driven by pressures in SEND; and in Adults' Services, where increased demand for residential and nursing care, combined with complexity of need and a shortage of local provision, resulted in expenditure in excess of budget.

The 2024/25 budget included significant savings targets. Of the total savings target of £8.828m, £5.270m was achieved in year, leaving a balance of £3.703m. Of the unachieved balance, £2.935m is still expected to be delivered in 2025/26 and £0.786m is undeliverable.

The overspends and unachieved savings have been mitigated in part by underspends across other directorates, including Resources, where release of contingency budgets, additional income from the Business Rates Levy Surplus, Manchester Airport Investment Income and a rebate on the GM Waste Levy have resulted in a significant overall underspend.

The Statement of Accounts covers the budgets of Tameside Metropolitan Borough Council but also includes other adjustments in accordance with statutory rules. The Expenditure and Funding Analysis Note 1 provides a reconciliation between the overspend of £16.920m on the revenue budget for TMBC expenditure and the net surplus/deficit on the provision of services reported on the face of the Comprehensive Income and Expenditure Statement (CIES). The CIES includes a number of non-cash items which are required under accounting standards but are not costs that can be charged to Council Taxpayers.

Section 75 Pooled Budget

The Council pools budgets with NHS Greater Manchester, Tameside Locality Integrated Care Board (ICB) as part of an agreement under Section 75 of the National Health Service Act (2006). In 2024/25 the Section 75 Pooled budget incurred spend of £43.139m against Income of £43.139m.

Pooled Budget Revenue Income and Expenditure Position 2024/25

Section 75	Funding			Expenditure		
	Council £m	ICB £m	Total £m	Council £m	ICB £m	Total £m
Revenue						
Better Care Fund	13.889	7.848	21.737	13.889	7.848	21.737
Improved Better Care Fund	12.585	0	12.585	12.585	0.000	12.585
Discharge Fund	2.941	2.340	5.281	2.941	2.340	5.281
Capital						
Disabled Facilities Grant (DFG)	3.108	0	3.108	3.108	0	3.108
DFG – Additional	0.428	0	0.428	0.428	0	0.428
Section 75 Total	32.950	10.188	43.139	32.950	10.188	43.139

Tameside Metropolitan Borough Council 2024/25

COLLECTION FUND

Collection Fund Outturn 2024/25

The table below shows the 2024/25 budget and outturn for the Collection Fund. The Collection Fund is a separate ringfenced account for Council Tax and Business Rates. This account holds all Council Tax and Business Rates which have been collected. The account also distributes the Council Tax and Business Rates to Tameside Council's revenue fund and to Greater Manchester Combined Authority.

Collection Fund for the year ended 31 March 2025	BUDGET 31 MARCH 2025			OUTTURN 31 MARCH 2025			VARIANCE £000
	Council Tax £m	NDR £m	Total £m	Council Tax £m	NDR £m	Total £m	
Income							
Income from Council Tax	(145.401)	0	(145.401)	(145.108)	0	(145.108)	0.293
Transfers from General Fund (S13A relief)	0	0	0	0	0	0	0
Income from NDR	0	(60.424)	(60.424)	0	(54.714)	(54.714)	5.710
Total Income	(145.401)	(60.424)	(205.825)	(145.108)	(54.714)	(199.823)	6.002
Expenditure							
<u>Council Tax</u>							
The Council	117.903	0	117.903	117.903	0	117.903	0
Mayoral Police and Crime Commissioner	16.588	0	16.588	16.588	0	16.588	0
GM Fire and Rescue Authority	7.310	0	7.310	7.310	0	7.310	0
<u>NDR</u>	0	0	0	0	0	0	
The Council	0	58.372	58.372	0	58.372	58.372	0
Central Government	0	0	0	0	0	0	0
GM Fire and Rescue Authority	0	0.590	0.590	0	0.590	0.590	0
Allowance for cost of collection	0	0.287	0.287	0	0.287	0.287	0
Transitional Protection Payments	0	(1.683)	(1.683)	0	(1.683)	(1.683)	0
Increase/(decrease) in:	0	0	0	0	0	0	
Allowance for non-collection	3.635	2.417	6.052	3.684	0.003	3.687	(2.365)
Provision for appeals	0	0.757	0.757	0	(3.857)	(3.857)	(4.614)
<u>Surplus/deficit (allocated)/paid out in year:</u>	0	0	0	0	0	0	

Tameside Metropolitan Borough Council 2024/25

Collection Fund for the year ended 31 March 2025	BUDGET 31 MARCH 2025			OUTTURN 31 MARCH 2025			VARIANCE £000
	Council Tax £m	NDR £m	Total £m	Council Tax £m	NDR £m	Total £m	
The Council	(0.540)	8.827	8.287	(0.540)	8.827	8.287	0
Central Government	0	0	0	0	0	0	0
Mayoral Police and Crime Commissioner	(0.076)	0	(0.076)	(0.076)	0	(0.076)	0
GM Fire and Rescue Authority	(0.034)	0.089	0.055	(0.034)	0.089	0.055	0
Total Expenditure	144.788	69.656	214.443	144.837	62.627	207.464	(6.979)
(Surplus)/deficit for the year	(0.613)	9.232	8.618	(0.271)	7.913	7.641	(0.977)
-							
Balance brought forward	(2.853)	(9.089)	(11.942)	(2.853)	(9.089)	(11.942)	0
(Surplus)/deficit for the year	(0.613)	9.232	8.618	(0.271)	7.913	7.642	(0.977)
(Surplus)/deficit carried forward	(3.467)	0.143	(3.324)	(3.125)	(1.176)	(4.301)	(0.977)

The above table shows that, at the end of the 2023/24 financial year, there was a surplus on the Collection Fund of £11.942m. This is shown in the total budget column and within the balance brought forward line. At the end of 2024/25, there was a surplus of £4.301m, as shown in the total outturn column and the row headed (Surplus)/deficit carried forward.

In 2024/25, the in-year deficit was £7.642m, leading to a decrease in the closing surplus at the end of 2024/25. This is mainly due to the prior-year surplus being paid to general fund balances and preceptors.

The detailed variances against the budgeted position, analysed between Business rates and Council Tax, are summarised below:

- 2024/25 income from Business Rates was £5.710m less than budgeted in 2024/25.
- The overall Business Rates position includes provisions for the appeals raised by businesses, challenging their overall tax liability, and a provision for uncollected debt. The provision for uncollected debt was £2.365m less than budgeted. The provision for appeals reduced significantly by £3.857m, while the budget anticipated it would increase. The resulting £4.6m positive variance against budget can be seen in the table in the movement on the provision for appeals. These movements on provisions offset the impact of lower actual Business Rates income.
- Actual Council Tax collected was lower than budgeted by £0.293m, as shown in the variance column. The amount of Council Tax collected depends on the actual number of households in each year and the discounts awarded. For example, single-person households receive a 25% discount.
- Overall, the surplus of £3.125m on Council Tax and the £1.176m on Business Rates, means that at 31 March 2025, the Collection Fund has a surplus of 4.301m.

Overall, the Collection Fund has moved from a surplus of £11.942m at 31 March 2024, to a surplus of £4.301m at 31 March 2025, mainly due to the payment of £8.267m prior-year surpluses paid out to the general fund and preceptors.

ADULTS' SERVICES

2024/25 Outturn Position	Net Expenditure Budget	Month 12 Outturn	Variance
	£m	£m	£m
Adults' Social Care	70.354	75.067	4.713

The net overspend is mainly due to increased demand, particularly for residential and nursing care. Whilst there has been a reduction in the number of people being supported in residential and nursing care placements during 2024/25, the total number and average cost of placements continues to exceed budget provision. Increases in cost reflect both an increase in care home market fees, aligned to complexity of need and age of care package commencement, and available beds within the local care market.

Achievements and Successes 2024/25:

- Introduction of our Mental health ASC team
- Introduction of our Learning Disability/Autism team

- Dedicated direct payment team moved to our early support and advice hub
- Direct payment policy updated and launched
- Roll out of the 3 conversation model across three teams
- Launched our staff intranet for Adults, a central hub for information to be stored and a library of leaflets
- Successful series of staff drop-ins with the DASS and PSW, touring locations where staff are based.
- Opening of Birch Lea Park over 55s housing in Hattersley.
- CRS have completed their Digital Switch Over
- Opening of Corporation Street Supported Accommodation
- Autism Support event at Active Oxford Park
- Carers Party in the Park for Carers Week and drop-in information event
- TASP Community Support Event in Denton with another to take place in Droylsden in June for World Elder Abuse Awareness Day
- Tameside’s Learning Disability Service Awarded ‘Good’ Rating by CQC
- Adults’ Long-term Support Service were awarded Autism Accreditation at one of their day centres and one of their supported accommodation houses
- Shared Lives carers, people who use the service and staff held their annual fun-filled party in Stamford Park to celebrate the Shared Lives scheme.

CHILDREN’S SERVICES

Children’s Social Care

2024/25 Outturn Position	Net Expenditure Budget	Month 12 Outturn	Variance
	£m	£m	£m
Children's Social Care	70.254	86.641	16.388

The overspend in Children’s Social Care is predominately due to overspends on external Cared for Children placements of £10.664m and an overspend across the directorate on general-funded staffing posts of £6.659m.

The staffing overspend is due to several teams operating above their budgeted establishment. In addition, there has been a considerable number of agency staff during the course of the year which has created a significant overspend. Expenditure on staffing is partly offset by grants and use of reserve funding as per the Children’s Improvement report.

Expenditure on external placements for Cared for Children continues to increase significantly in excess of budget. Whilst the number of Cared for Children had reduced between summer 2023 and summer 2024, numbers have increased over the second half of 2024/25. The number of Children in external placements has continued to increase, alongside a significant increase in high-cost residential placements for Children with complex needs.

Education

2024/25 Outturn Position	Net Expenditure Budget	Month 12 Outturn	Variance
	£m	£m	£m
Education	10.343	11.938	1.595

The Education directorate has an outturn overspend against budget of £1.595m. Escalating costs are driven by an increased demand for SEND Services linked to Education, Health and Care Plans (EHCPs), statutory assessment processes and Education Psychology advice. The pressure on services in relation to EHCPs has also driven increased transport expenditure for SEN Home to School Transport. To improve the position, work has been undertaken to review the mainstream funding model to support inclusion in mainstream schools and secure a greater number of pupils with EHCPs in mainstream provisions with the support required to meet their needs. The service is also working to continue to reduce the overall numbers of EHCPs through appropriate demand management to determine how to best meet need.

Achievements and successes in 2024/25:

- A new Children's Services improvement plan has been developed which includes innovation and transformation activity, practice improvements and wider strategic activity.
- Development of a new quality assurance framework which replaces advisors with practice impact reviews, which is being embedded across services to help us to close the loop on learning.
- Creation of the Staff Reference Group led by the Director of Children's Services (DCS)
- Linda Clegg OBE of the LGA appointed as chair of the Children's Improvement Board
- Published the new Local Offer
- A dedicated newly developed improvement plan for the Multi-Agency Safeguard Hub (MASH)/Front Door is being led by the Tameside Safeguarding Children Partnership Independent Scrutineer, reporting to the Children's Improvement Board (CIB)
- Refreshed the SEND Local Area Partnership Board
- Successful recruitment to all Assistant Director and Head of Service roles
- Launched the new SEND Local Offer website
- Built a Children's staff intranet page to centralise resources, training opportunities and much more.
- Executed a successful Foster Care Fortnight campaign (May 2025) which generated 8 enquiries (above average for a month in 2025) and 99 webpage visits.
- Worked collaboratively with GMCA and Foster for Greater Manchester to launch phase 2 of the Foster for GM campaign – new branding, new website and working together to find safe and loving homes for local, vulnerable children and young people.

Early Years, Early Help and Family Help

- A stable and consistent workforce across the service, leading to consistency for families.
- Extensive Early Help offer with Team Around the Family meetings well embedded and appropriate application of thresholds. Children's cases are stepped up appropriately and risk issues are addressed with evidence of management oversight and direction.
- The pre-birth to five pathway is well established with a clear, robust and published Best Start for Life offer.
- The early help offer is achieving improved outcomes against the 'supporting families' framework. Positively, the cost of the early help offer is less than 5% overall social care budget and a limited number of families stepping up to statutory social care interventions, representing value for money.
- The family hubs are established and provide integrated and co-located service delivery and are linking with libraries, the leisure service, school nurses, health visitors, midwives and VCS offers.
- Increase in different types of sessions/activities available within the family hubs from 12 to 21. This has led to a significant increase in the number of unique service users who have attended the Family Hubs from 155 in 2023 to 1162 in 2024.

Enhancing SEND Services and Strategic Collaboration

- Successfully broadened the reach of the Targeted Support Offer for Schools (TSOSS), ensuring more schools benefit from early intervention and specialist input.
- Increased accessibility and equity across localities, supporting inclusive education practices.
- Significantly reduced the waiting list for Education Psychology (EP) assessments and consultations.
- Improved timeliness of service delivery to align with statutory and local expectations, enhancing support for children and young people with SEND.
- Achieved a fully permanent staffing structure within the SEND statutory team, reducing reliance on agency staff and improving continuity, leading to enhanced team stability, consistent casework and improved relationships with families and schools.
- Embedded locality-based working models, enabling more responsive and context-aware service delivery. Fostering stronger partnerships with schools, families, and local services, leading to more coordinated and effective support.
- Established robust working relationships with the newly formed strategic Parent Carer Forum.
- Co-produced initiatives and service improvements, ensuring the voice of families is central to SEND planning and delivery.

Tameside Youth Justice Service

- Tameside Youth Justice service (TYJS) has reduced the number of children entering the criminal justice system for the 1st time, by over 45% in the past 12 months.
- We continue to keep children out of custody with a rate of 00.8 which is half of the family group average.
- When children do come into the service, our intervention are impactful as our reoffending rate is in the top 3 in family, lower than national averages.
- Our families continue to share the impact our practitioner is having on the child and them as parents.
- TYJS apprentice being nominated for GM apprentice of the year.
- Our young people went on a hike with members of the community and raised over £400 for charity.

Social Work Academy

- Successful collaborative Social Work Day celebrations to recognise and celebrate staff and all of their hard work.
- Advanced Practice Lead (APL) Social Workers aligned with specific service areas for consistent support.
- Fortnightly drop-in sessions for manager support.
- New virtual training booking system introduced.
- New Workforce Development & Training Manager appointed to enhance induction and training.
- Funding used to purchase direct work resources for social workers.
- Collaborative approach to completing Assessor Reports with team managers.

PUBLIC HEALTH

2024/25 Outturn Position	Net Expenditure Budget	Month 12 Outturn	Variance
	£m	£m	£m
Public Health	14.334	14.188	(0.146)

Public Health outturned at £0.146m under budget in 2024/25. This underspend was due to several different factors including underspends on contracts, staffing vacancies and a reduction in costs on some demand-led services.

The purpose of the directorate is to improve and protect the health and wellbeing of people living and working in Tameside, working closely with partner organisations to understand and address the wider issues that influence people's health locally. Functions include:

- Provide public health leadership, information, advice and understanding to enable decisions that are based on people's need and what is effective.
- Commissioning and monitoring key Public Health statutory and non-statutory services and functions.
- Using public health intelligence to survey and assess the population's health and wellbeing.
- Deliver programmes of health promotion, health protection, healthcare public health, determinants of health, and health communication.

Achievements and Successes 2024/25:

- Publication of the Public Health Annual Report on Work, Health & Skills in summer 2024 (highlighted nationally as an unusual topic and being highly engaging [ADPH Annual Report Celebration 2025 | ADPH](#));
- Joint Strategic Needs Assessment - completion of several in-depth needs assessments (Special Educational Needs & Disabilities JSNA; Falls needs assessment). Upcoming pieces of work around substance misuse, physical activity, early years, mortality, pharmacies.
- Domestic Abuse – commencement of new support service Bridges Partnership in April 2024 with increased capacity to support victims; provide support in safe accommodation; and tackle problem behaviours early. Have achieved ongoing reductions in repeat perpetrators of domestic abuse.
- The council have gained White Ribbon accreditation with an action plan in place to further tackle violence against women and girls
- Substance Misuse – continued to run successful drug-related death multi-agency panels with other areas coming to observe the Tameside due to recognised good practice. While drug-related deaths remain high, this rate has reduced.
- The Chief Medical Officer Sir Chris Whitty visited Tameside in June 2024 to discuss some of our services, challenges and achievements. He visited the substance misuse service, meeting residents who have been supported.
- Publication of new Food Strategy; Moving Strategy; Tobacco-Free Strategy; and Healthy Weight Strategy under the wider Healthy Places Strategic Framework, reporting in to the Health & Wellbeing Board
- Smoking at time of delivery rates have continued to reduce to lowest recorded levels in Tameside due to targeted stop smoking support, particularly in maternity services
- Implementation of 'Stopping the Start' grant funding to tackle tobacco harms including increased smoking cessation capacity in the Be Well team and commissioning of a new community-based stop smoking support service provided by CGL
- The substance misuse treatment provider CGL have implemented the Individual Placement Support (IPS) programme which involves having employment specialists working in the service to support service users into paid employment. Commenced July 2024.
- Publication of an updated Suicide Prevention Strategy for Tameside and action plan, focussed on providing adequate support, financial wellbeing and trauma awareness.
- Expanded capacity for outreach in the Sexual Health Service provided by Locala, increasing access to contraception and STI testing and treatment
- Blindside theatre production to raise awareness of violence against women and girls rolled out in several schools across Tameside
- Introduction of the Caring Dads programme to provide early support to tackle problem behaviours

- New community based falls prevention service provided by Age UK commenced in April 2025 – supporting people in the community to avoid falls at home
- New Chlamydia & Gonorrhoea screening service provided by Local commenced in April 2025 – providing screening for young people at higher risk of these infections
- Be Well have delivered the workplace NHS Health Checks pilot delivering over 1,200 health checks in workplaces across the borough, detecting early signs of cardiovascular disease

PLACE

2024/25 Outturn Position	Net Expenditure Budget	Month 12 Outturn	Variance
	£m	£m	£m
Place	36.385	35.853	(0.532)

The Place outturn position has resulted in an underspend of £0.532m against budget. The outturn position is net of various under and over spends across the different service areas within the Directorate. Key variations include:

- Maximisation of grant funding (in accordance with grant conditions) across Cultural and Customer Services, contributing to core costs in some areas.
- Ongoing pressures in Highways due to ongoing high volumes of reactive risk management works.
- In Parking Services, plans to implement on-street parking have not been introduced, resulting in income levels below budget. The recent Parking Review will introduce significant changes to the parking offer across the Borough from June 2025.
- Bereavement Services income levels have been below budget as a result of reduced activity.
- Strategic Property have faced cost pressures in respect of reactive maintenance and Facilities Management costs, together with a loss of income from a key retail unit in Tameside One. These pressures are being mitigated by staffing underspends due to a number of vacant posts.

During the year, the Directorate put in place a number of mitigating actions to reduce the forecast overcommitment. These actions included reviewing Highways Risk Management works (potholes) and reprofiling the programme of work where appropriate. In Strategic Property, only health and safety works were carried out on the Council's assets. The Operations and Neighbourhoods service put in place budget monitoring training and monthly budget meetings for extra budget rigor as part of the future leader's programme.

Achievements and Successes 2024/25:

Investment Development and Housing / Strategic Growth Unit

- Strategic growth unit now established to lead on delivery of growth across Tameside
- Exclusivity agreement signed with the made partnership to progress development of Godley green
- Approval of Ashton mayoral development zone business plan
- Ashton market square redevelopment started on site
- Ashton town hall façade improvements completed
- Former Ashton bus station site acquired
- Completion of Ashton shopping centres masterplan
- St Petersfield site investigations completed
- Delivery of Hyde accelerator partnership, including events programme and works to market square

- Delivery of Stalybridge civic hall refurbishment
- Approval of Stalybridge public realm strategy
- Detailed design completed for Stalybridge West multi-storey car park and pedestrian bridge
- Delivery of UKSPF place and communities schemes completed
- Completion of Hyde public realm strategy
- Completion of Droylsden masterplan
- Levelling Up Fund monies secured for Denton in 2025/26
- Hattersley Central 161 unit housing scheme completed
- Business networking has continued to increase under the Tameside Means Business brand.

Strategic Property

- Delivered capital receipts of £2.019m, including sale of the former Mossley Hollins School at a price of £2.050m
- The Facilities Management and Capital Projects Team completed the construction of the new Hawthorn SEND school in August 2024, on time and on budget for the school to open September 2024
- Completed the re-roofing of Stalybridge Civic Hall and phase 1 internal refurbishment works
- Working with Children's Services, secured planning permission for the new children's home, Meadow View in Hyde, for young people with disabilities. Construction to commence shortly.
- Delivered new PV solar panels scheme to assist with making Council buildings carbon neutral on the Tameside Wellness Centre, £0.143m grant funded by Sport England under their Swimming Pool Support Fund
- Demolished Longdendale Active Leisure centre to enable cleared site to be brought to market to deliver housing development
- Completed replacement of all heating boilers at Hyde Town Hall including removal of asbestos in the basement.

Employment and Skills

- Held appointments with c. 700 residents each month whilst continually tracking c. 6,000 16-18 year olds to confirm employment, education and training status for statutory tracking
- Success of In Work Progression (IWP) project recognised at GM level and GMCA have funded a 2-year GM-wide IWP offer based on our model. This has enabled our team to increase resource and support more residents
- WorkWell team established, funded by the DWP Vanguard working in partnership with GM NHS, offering triage support to 642 residents over the 18 month delivery period (October 2024 – March 2026)
- Funding extended for a further 12 months for the internal NEET support team 'Tameside Futures'
- Careers guidance & NEET tracking service, previously externally commissioned, brought in house from December 2024

Operations and Neighbourhoods

Public Protection

- Increased waste enforcement activity: 279 FPNs served and 14 successful prosecutions. Highest LA in the North West for waste enforcement.
- Increased prosecutions – Trading Standards have had 10 prosecutions and have seized 8,681 illegal vapes, 209,000 illegal cigarettes and 46.55kg of illegal tobacco.
- Final installation of the remaining new pay and display machines, all pay and display machines within Tameside Borough now accept card and coin payment.

Bereavement

- Chapel refurbishment, which has included; new catafalque, lecturn, canopy and pews; new lighting; upgraded media equipment; upgraded loop system; flooring and redecorating; and new floral arrangements
- New IT system for transfer of grave ownership, making it a better process for families
- Introduction of Letters to Heaven post box, which has been well used.

Emergency Response

- Undertook a review of the Council's current arrangements to fulfil our statutory duties under the Civil Contingencies Act.

Operations and Greenspace

- Delivered a £600k capital programme which has improved many of the Borough's play areas. More inclusive play equipment has been installed
- Supporting the Council's environmental commitment and ambition with a further 50 highway trees and 2000 greenspace trees planted.
- 358 Greenspace Volunteer days committed across our greenspace and countryside
- Delivery of a successful Spring Family Fun Day at Stamford Park which attracted thousands of visitors from Tameside and beyond.

Community Safety

- Community Safety supported 30 grassroots community groups through the Resilient Communities Grant Fund.
- OUTLOUD – an anti-bullying and hate crime education project, commissioned by Community Safety, was delivered to 13 educational settings reaching 2,800 young people across all Tameside towns.
- Place Based Problem-Solving Award attained by Community Safety & ASB in Greater Manchester Polices's Problem Solving and Prevention Awards 2025 for partnership work undertaken to address community concerns relating to ASB, criminal damage, and public order in Victoria Park, Denton.
- CCTV service through their vigilance have been proactively responsible for assisting in the arrest of 126 individuals and the safeguarding of approximately 40 individuals who had been reported missing or were of concern regarding their welfare.
- There are now 22 Litter Hubs in operation which are based in local community spaces across Tameside having been facilitated and established by Community Safety.

Engineering and Highways

- Refurbishment of Victoria Bridge, Trinity Street, Stalybridge has been completed
- Completion of Active Travel schemes at Clarence Street, Stalybridge.
- Infilling of disused subway under A560 Stockport Road Hattersley
- Successful response to 15 separate flooding incidents over New Year's Eve 2025.
- Development and roll-out of the Highways Safety Programme to support the Vision Zero agenda
- Refurbishment of Lord Pendry Square Stalybridge ahead of the reopening of Stalybridge Civic Hall
- Reduction in street lighting energy costs following the installation of 'PECU array' on the roof of Ashton Market

Cultural & Customer Services

- Welfare Rights providing 2,371 residents with benefits advice and appeal representation resulting in annual financial gains of £5.5m
- Supported 246 residents through debt advice and prevented 26 households from becoming homeless
- Supported 2,078 residents with access to food bank vouchers
- Delivered successful Pension Credit campaign across the Borough; 115 older people received advice and were supported to make claims. Annual gains recorded are £0.319m
- Successful delivery of Household Support Fund Rounds 5 and 6; allocating support worth £4.4m to 57,323 households

- Portland Basin Museum and Astley Cheetham Art Gallery have both have been accredited under Visit England’s Quality Assurance Visitor Assessment scheme.
- More than 2,200 young people accessing the Summer Reading Challenge and over 30,000 children engaged with at class visits and other school sessions
- Story Makers 8 Community Safety Funded Libraries project for pre-school children delivered 113 sessions (in person for families and online for schools) with over 25,000 attendees.

Markets

- Established temporary market in Fletcher Square whilst Ashton Market Ground redevelopment works take place, with full occupancy on a Tuesday.
- Completed improvement works to Hyde Market Ground, resulting in the removal of 4 fixed stall blocks, installation of 4 new parasols, a complete refurbishment of remaining stall blocks, and greenery improvements.
- Increased the number of Market Events and Specialist Markets, including Kids’ Cooking Club, Real Deal Records Fair, Hospital Market and introduction of monthly Ashton Artisan Market.
- Increased take-up within Ashton Market Hall to 85%
- Maintained over 2,000,000 visitors to Ashton Market Hall

Waste and Fleet

- The amount of residual waste (black bag waste) collected from households, 359kg per year, puts Tameside in the top 25% for performance of councils across the UK.
- The amount of dry recycling (black and blue bins) collected, 15,400 tonnes, puts Tameside in the top 25% for performance when compared to authorities which are predominately urban and with similar levels of deprivation.
- All 32 waste and recycling collection crews completed reversing training ensuring we deliver a safe and efficient service.
- We arrange transport for over 1,000 children with SEND enabling them to attend school.

Homelessness

- Engaged with 273 rough sleepers and housed 243 of them.
- Moved 817 households on from temporary accomodation.
- Carried out over 5,000 interventions with customers

Chief Executive’s Office

2024/25 Outturn Position	Net Expenditure Budget	Month 12 Outturn	Variance
	£m	£m	£m
Chief Executive’s Office	10.303	10.155	(0.148)

The underspend position in 2024/25 was due to several underspends across the Chief Executive office directorate, the main areas to note were underspends in the People and Workforce Development budgets.

Achievements and Successes 2024/25

- Led the full reaccreditation of the Customer Service Excellence standard with 100% compliance and 12 areas of compliance plus areas of best practice.
- Reviewed Scrutiny function through member-led working group with proposals going to Council for sign-off

- Supported with consultation/engagement and equalities across major pieces of work, including Car Parking Review, Financial Assistance Policy, Statutory Budget Consultation, ASB Policy, Local Plan, Adult Social Care Charging Policy among many others.
- Developed and delivered 'Tameside Racial Inequalities Project' alongside four third-sector Partner agencies in response to GM Race Equality Framework
- Supported OFSTED inspection prep and response in Children's Services
- Supported continued improvements in Adult's Social Care through data & intelligence support
- Secured national and regional media coverage for numerous stories/communications including for our Domestic Abuse campaigns, Fostering, accelerating Growth in Tameside, flytipping prosecutions
- Led on the Greater Manchester Fostering Campaign and roll-out
- Developed a new recruitment campaign 'Be the difference'
- Delivered an up-turn in positive sentiment and engagement across media coverage and social media

Resources

2024/25 Outturn Position	Net Expenditure Budget	Month 12 Outturn	Variance
	£m	£m	£m
Resources	55.012	50.062	(4.950)

The Resources directorate has an outturn underspend of £4.950m. There are several variations across Digital Tameside, Financial Management and Assurance. Some Digital projects have been slipped back into the 25/26 financial year; there has been a reduction in external audit costs offset by an overspend on banking charges relating to insufficient budget for our existing charges. The contingency budget has an outturn favourable variance of £5.323m. This reflects contingency budgets released to offset pressures elsewhere in the Council. There is also additional Business Rates Levy surplus and a GM Waste levy surplus rebate which were not known at budget setting.

Achievements and Successes in 2024/25:

Digital Tameside

- Setting up a revised and improved Information Governance service within the Digital Tameside service with the appropriate roles, capacity and skills
- To complete the Cyber Assessment Framework (CAF) early adopter process with Local Digital and received £15k funding to invest in cyber improvements
- Implemented the Security & Compliance features of Microsoft 365
- Procurement of key technology partners in line with the Digital Transformation Programme
- Setup of Digital Board governance
- Successfully delivered Service Improvement Project – with several improvements made to the ICT service
- Digital and data maturity assessments and review of ICT service undertaken by Society for Innovation, Technology & Modernisation (SOCITM)
- To successfully resolve all penetration test results to mitigate security risks
- Achieved Public Services Network (PSN) accreditation to access DWP data

- Achieved Data Security Protection Toolkit (DSPT) accreditation to access Health data
- Completed analysis to inform the Resident Experience Business Case
- Development of the Resident Experience Business Case

Financial Management, Audit and Risk

- Resources Whole-Staff Conference implemented and taking place at least quarterly
- Annual Resources staff awards for 2024/25
- Regular issue of the Resources staff newsletter
- Balanced budget for 2025/26
- Roll out of Phase 1 of Finance Business Partnering approach
- Implementation of the Cloud/web version of Agresso
- Phase 1 of Financial Management CIPFA competency assessments undertaken
- Our teams have achieved numerous accounting qualification examination success.
- 2023/24 Statement Of Accounts published by statutory deadline
- Updated Financial Regulations approved
- Introduced an online reporting tool for fraud
- Risk Management Policy and Strategy reissued in December 2024
- Insurance renewal agreed with existing insurers with premiums below the levels expected and a number of insurance claim successes during the year
- Conformed with Government Internal Audit Standards.

Exchequer Services

- Successfully implemented Voicescape with 20,823 messages sent to residents to support with Council Tax arrears.
- 10,949 letters prevented from being sent resulting in £8,211 postage savings.
- Successful implementation of the simplified Council Tax Support banded scheme.
- Business Rates beating collection target by £0.33m.
- Reviewed 1,529 empty properties with 366 being identified as no longer empty resulting in £0.510m New Homes Bonus.
- Accounts Payable received £0.050m in rebates for timely processing of purchase orders via the priority account service.
- Collected £4.2m in Council Tax arrears.
- Collected £1.3m in Business Rates arrears.
- Collected £1.2m in Housing Benefit overpayments.

DEDICATED SCHOOLS GRANT (DSG)

The Dedicated Schools Grant is allocated through a nationally determined formula to local authorities in 4 blocks:

- Central School Services Block – funding held by Local Authorities to support carrying out statutory duties on behalf of schools.
- Schools Block - funding pass ported directly to mainstream (non-special) Schools
- High Needs Block – funding for Special Schools or additional support in mainstream schools for Special Educational Needs (SEND) and other SEND support.
- Early Years Block -funding of places for 2-, 3- and 4-year-olds in school nurseries and Private, Voluntary and Independent (PVI) Sector setting.

There is a significant in-year deficit on the DSG which results in a cumulative deficit at 31 March 2025 of £22.093m. This deficit is driven by pressures on the High Needs Block where demand and cost of placements has increased at a much greater rate than assumed in the 2024/25 budget. These pressures are also reflected in the Education budget outturn noted above. The cumulative surplus or deficit is held in an earmarked reserve. There is currently a statutory override in place for the DSG

until 31 March 2026 which means any DSG deficits are not included in the Council's general fund balances. Beyond this point any deficit would become recognised in the Council's revenue position.

DSG Reserve	2023/24 (Surplus) / Deficit £000	2024/25 (Surplus) / Deficit £000
DSG Reserve Brought Forward	3,306	7,930
In-year surplus on Schools Block	(16)	(38)
In-year surplus on Central Service Block	0	0
In-year deficit on High Needs Block	5,229	15,157
In-year surplus on Early Years (including estimated funding adjustments)	(589)	(956)
DSG Reserve Closing (Surplus)/Deficit	7,930	22,093

CAPITAL PROGRAMME

Service areas spent £27.297m within the Capital Programme in 2024/25. This is £40.358m less than the revised capital budget for the year before any re-profiling. Re-profiling of £6.628m was requested at outturn, which, when combined with requests in previous quarters, means that total reprofiling requested during 2024/25 was £41.901m. This is significant slippage on the opening programme budget of £62.814m and is due to a number of factors.

The Capital Programme is spend on items which bring service benefit for more than one year. Where the Capital Programme is on large projects, the period of build extends across multiple financial years.

After reprofiling, the table below shows a total overspend of £1.453m. The overspend in Operations and Neighbourhoods was funded from capital receipts. The overspend in Education relates to capital expenditure in schools and was funded by the schools.

	2024/25 Opening Budget	In-Year Additions/ Funding Changes	2024/25 Revised Budget	Outturn Expenditure	Outturn Variation	Re- profiling Requested in Year	Outturn Variation after Re- profiling
	£m	£m	£m	£m	£m	£m	£m
Place: Property, Development and Planning							
Investment & Development	26.521	0.242	26.763	6.655	(20.108)	(19.998)	(0.111)
Corporate Landlord	2.341	0.575	2.916	1.480	(1.436)	(1.319)	(0.117)
Estates	0.015	0.040	0.055	0.019	(0.036)	(0.035)	(0.001)
Community Safety & Homelessness	0.383	0.000	0.383	0.150	(0.233)	(0.233)	0.000
Active Tameside	0.166	(0.022)	0.144	0.143	(0.001)	0.000	(0.001)
Place: Operations and Neighbourhoods							
Engineers	3.968	2.510	6.478	3.257	(3.221)	(3.688)	0.467
Operations & Greenspace	0.977	(0.015)	0.962	0.661	(0.301)	(0.314)	0.012
Management & Operations	0.651	0.225	0.876	0.425	(0.451)	(0.451)	0.000
Transport (Fleet)	0.976	0.211	1.187	0.000	(1.187)	(1.187)	0.000
Children's							
Education	13.428	1.901	15.329	9.637	(5.692)	(6.986)	1.293
Children	3.605	0.000	3.605	0.291	(3.314)	(3.314)	0.000
Adults							
Adults	9.783	(0.826)	8.957	4.579	(4.378)	(4.378)	0.000
Total	62.814	4.841	67.655	27.297	(40.358)	(41.901)	1.543

Funding sources for the Capital Programme are regulated by the 2010 Capital Regulations and the CIPFA Prudential Code. Some funding sources immediately finance the Capital Programme – grants and contributions, revenue, or reserve and receipts from the disposal of property. The other funding source is Prudential Borrowing, which causes a spending pressure on the revenue budget (the revenue budget is for day-to-day expenditure). This spending pressure, called capital financing costs, comprises an interest charge on the borrowing and an amount set aside to repay the borrowing principal in tranches across financial years (called the Minimum Revenue Provision).

The table below shows the £27.297m of capital spend was financed in 2024/25 as follows: £23.328m from grants; £1.510m from revenue; £2.459m from earmarked reserves (including capital receipts) and none from borrowing.

	Grants & Contributions	Revenue Contributions	Prudential Borrowing	Receipts & Reserves	Total
	£m	£m	£m	£m	£m
Place: Property, Development and Planning					
Development & Investment	6.345	0.152	-	0.158	6.655
Corporate Landlord	-	-	-	1.480	1.480
Estates	-	-	-	0.019	0.019
Homelessness	0.150	-	-	-	0.150
Active Tameside	0.143	-	-	-	0.143
Place: Operations and Neighbourhoods					
Engineers	2.788	-	-	0.469	3.257
Operations & Greenspace	0.563	0.020	-	0.078	0.661
Management & Operations	-	0.170	-	0.255	0.425
Transport (Fleet)	-	-	-	-	-
Children's					
Education	8.468	1.169	-	-	9.637
Children's Social Care	0.291	-	-	-	0.291
Adults					
Adults	4.579	-	-	-	4.579
Total	23.328	1.510	-	2.459	27.297

The Capital Programme is set for multiple financial years to accommodate the timelines for major capital projects. The Capital Programme for 2024 to 2027 totals £112.331m and includes £2.415m of schemes to be financed from prudential borrowing.

5) Financial Strategy: Outlook for 2025/26 and beyond

Financial performance is reported monthly and up-to-date financial information is available to officers throughout the year. Additionally, the Medium-Term Financial strategy (MTFS) is regularly updated and reported to councillors and officers. Reports are available to the public via the Council's website. The MTFS supports the Council's medium-term policy and financial planning processes. Fundamentally, the plan is designed to help provide a stable financial base to support savings planning. The MTFS also fits within a wider system of corporate planning.

2024/25 budget setting was difficult, and a balanced budget mainly achieved through particularly challenging savings proposals and an increase in Council Tax. During 2024/25, the Council has

experienced unprecedented further demand and complexity than had been originally assumed and has resulted in the significant overspend position.

After agreement of £19.7m of savings proposals for 2025/26 and the maximum increase in Council Tax, the 2025/26 budget and five-year MTFS was approved by Council in March 2025. The macro-economic climate remains challenging, with continuing demand and complexity pressures across Adults' and Children's Social Care, SEN services and temporary accommodation. Balancing the 2025/26 budget has only been possible through the agreement of challenging savings, income generation and demand management, and the Council still faces a significant budget gap in future years.

The table below shows the 2025/26 budget position and the identified funding gap from 2026/27 to 2029/30.

	2025/26 £000	2026/27 £000	2027/28 £000	2028/29 £000	2029/30 £000
Proposed total budget	292,379	344,693	375,972	407,024	437,934
Total resources	(292,379)	(292,594)	(297,298)	(302,102)	(307,010)
Remaining gap - cumulative	0	52,099	78,674	104,922	130,924

The Council faces a significant budget gap in 2026/27 and beyond, and this budget gap will increase further if planned savings, efficiencies and transformation are not delivered as planned during 2025/26. Continuing demand and complexity pressures, combined with a challenging and uncertain macro-economic climate, mean that significant risks to delivery remain for 2025/26 and beyond. These risks and pressures include:

Adults

Increasing numbers and complexity of Adults clients is resulting in more assessed hours and more expensive packages of care. If this trend continues, further financial pressures may arise as a result. The sector faces increasing difficulties with workforce recruitment, sustainability and retention, and whilst increases in national and real living wage are beneficial for individuals and workforce retention, these increases disproportionately impact on the social care budgets. Housing and accommodation pressures continue throughout both Children's and Adults' social care, making it more difficult to secure care packages.

Further cost pressures in Adults have been factored into the MTFS in future years. Continued management of the care market and the future National Care Service announced by Government will have a significant impact on Adults budgets. Funding is built into the 2025/26 budget for continuing to deliver the real living wage, fair cost of care and Employers National Insurance contributions but further pressures could materialise over the life of the MTFS.

Children's Social Care

The Council has faced significant challenges and increases in the cost of children's social care over recent years. Numbers of cared for children have increased in 2024/25 and complexity has risen with greater use of external residential provision driving costs. A fragile market, alongside complex mental health issues now being recognised in young people in Tameside, add to the cost pressures being managed in social care. Key risks for children's social care budgets include:

- Practice Improvement – the DCS is leading an improvement in social work practice to ensure young people receive the right care and practice delivers Best Value. Improvements will take time to deliver real cost reductions and this is reflected in the budget for 2025/26.
- Market Sufficiency – Fewer providers delivering complex support alongside inflationary cost pressures and increased staffing costs, combined with demand for placements could result in additional costs.
- Establishment review – A review of the staffing structure and use of agency is underway to bring about stability in the service and reduce external staffing costs.

Education

Home to School transport for children with Special Educational Needs continues to be a significant risk and pressure area for Education budgets. The number of pupils being assessed as eligible for support for home to school transport has doubled since 2017, and this has mirrored an increase in pupils supported with an Education Health and Care Plan. Continued increases in demand, combined with rising costs, means that significant budget pressures have arisen in the Dedicated Schools Grant and for School Transport. Funding has been provided in 2025/26 for rising costs in school transport; however, education budgets are also facing pressures due to forecast income shortfalls, particularly in respect of traded services where demand has dropped as schools convert to Academy status. Cost pressures are also arising from Education Psychology as it becomes harder to recruit and retain these key professionals. These additional pressures have also seen extra funding provided into 2025/26.

Income Generation

Whilst discretionary fees and charges are proposed to increase by 5% in April 2025, a number of fees are not. A number of fees are being frozen to take account of corporate reviews which will be undertaken in year, including Parking Services. The Council must move its charges to full cost recovery where appropriate, recognising this may be a significant uplift and required to be smoothed over a number of years. Maximising income generation is a key plank of the MTFs and delivering this will require the Council to think differently about how it operates and provides services to residents and businesses where a fee or charge is levied for the service, as they could go up or down to maximise income.

Savings Delivery

The Council has had to review its savings proposals for 2024/25 as some are deemed to be delayed in delivery, with alternative options provided in mitigation. The original planned saving, or recurrent alternatives, will need to be delivered in 2025/26, alongside plans for additional cost efficiencies in 2025/26 and new savings proposals identified as part of this budget process.

Accommodation and Housing

In recent years, expenditure on temporary accommodation has increased significantly, resulting in increased costs where rent levels are not covered by Housing Benefit. Cost pressures are also evident in Children's and Adults' Social Care due to insufficient appropriate accommodation in the borough. If demand continues to increase, then cost pressures associated with housing are likely to increase.

Pay and price inflation

Significant provision is already included with the 2025/26 budget proposals for pay inflation, and cost pressures driven by both general inflation and pay inflation external to the Council, particularly on RLW and Employers NI contributions. CPI inflation for the 12 months to December 2024 was 2.75% and is forecast to continue above the 2% target for the Bank of England throughout 2025/26, which could place further pressures on budgets.

Future Local Government Funding

Government have committed to a review of Local Government funding but the timescales for that review remain unclear. The absence of a multi-year finance settlement and no indication of how the funding models may change, mean it is very difficult to develop financial plans for the medium term. The MTFs, at this stage, assumes that Local Government Funding will remain cash flat in line with the 25/26 LGFS, and that there will be no further increases in funding for future years in a Comprehensive Spending Review. The continuing lack of certainty over the timing and outcome of the fair funding review, makes planning beyond 2025/26 extremely difficult.

RESERVES

The Council has been in a strong financial position with regard to reserves which it accumulated over a period of time. However, whilst the Council's current level of reserves remains strong, many of these are to meet known or expected liabilities and for planned investment.

The Council has adopted a reserves strategy, which established categories of reserve and parameters for annual review. The updated reserves strategy approved as part of the 2024/25 Budget sets out the following classifications for reserves:

- **General Fund** – This unallocated reserve is held to meet unplanned or unexpected costs, to help mitigate against the financial risks faced by the Council. There is no statutory minimum level for the General Fund but the S151 officer undertakes an annual assessment of the minimum level required as part of the budget setting process.
- **Schools** – School funding that the Council cannot utilise.
- **Accounting (PFI)** – Reserves held to meet costs over the life of the PFI scheme.
- **Liabilities & Risk** – Insurance Fund Reserves
- **Capital** – Funds held to finance capital expenditure, including capital receipts, grants and contributions.
- **Grants & Contributions** – Revenue grants and contributions ring fenced for specific purposes.
- **Strategic Priorities** – Reserves to support delivery and investment in the Council's priorities.
- **Budget Resilience** – Reserves held to support delivery and mitigate risk in the Medium-Term Financial Strategy.

As at 31 March 2025, the Council has earmarked reserves of £74.347m (£88.481m at 31 March 2024). This reduction over the 12-month period includes the utilisation of the Investment Fund for one-off service improvements and strategic priorities, utilisation of unspent revenue grants brought forward to fund expenditure during 2024/25, and the utilisation of capital receipts and reserves to fund capital expenditure.

Further information on earmarked reserves can be found in note 10.

6) The Financial Statements: basis of preparation, purpose and summary

BASIS OF PREPARATION

The accounts that follow have been prepared to be:

- **Relevant:** The accounts provide information about the Council's financial performance and position that is useful for assessing the stewardship of public funds and for making economic decisions.
- **Reliable:** The financial information: Has it been prepared so as to reflect the reality or substance of the transaction and activities underlying them; is it free from deliberate or systematic bias; is it free from material error; is it complete within the bounds of materiality.
- **Comparable:** The CIPFA Code of Practice on Local Authority Accounting in the United Kingdom 2024/25 ('The Code') establishes proper practice to be followed with regard to consistent financial reporting in Local Government. The financial statements have

been prepared to be compliant with the code, and therefore aid comparability with other local authorities.

- **Understandable:** These accounts are based on accounting concepts, treatments and terminology that require reasonable knowledge of accounting and Local Government. However, every effort has been made to use plain language and where technical terms are unavoidable they have been explained in the glossary of terms.

UNDERLYING ASSUMPTIONS

The financial statements adopt the following underlying assumptions:

Accruals Basis

- The financial statements, other than the cash flow, are prepared on an accruals basis. Income and expenditure is recognised in the accounts in the period in which it is earned or incurred not as the cash is received or paid.

Going Concern

- The accounts have been prepared on a going concern basis, on the on the assumption that the functions of the Council will continue in operational existence for the foreseeable future.

Materiality

- Throughout the financial statements consideration has been given to the materiality (significance) of an item. Information is considered to be material if omitting it or misstating it could influence decisions that users make on the basis of the financial information.

PURPOSE AND SUMMARY

The accounting statements have been prepared to comply with the requirements of the International Financial Reporting Standards (IFRS). The main statements are shown later, and further detailed information is presented in the accompanying notes.

Comprehensive Income and Expenditure Statement (CIES)

This statement sets out the Council's day-to-day revenue income and expenditure. It shows the cost of providing services in the year in accordance with IFRS, rather than the amount funded from Council Tax, and the cost of other activities of the Council.

The statement shows that the Council's gross expenditure on services in 2024/25 was £622.295m, but after income is included the Net Cost of Services was £225.203m. Once other items of Operating Expenditure such as Precepts and Levies, as well as Financing and Investment Income and Expenditure and Taxation and Non-specific Grant Income are taken into account, the Council's deficit on the provision of services was £83.826m.

The deficit on the provision of services arises because the accounts must contain a number of non-cash items in order to comply with proper accounting practice that do not need to be included in the Council's budget plans. The accounts include significant charges arising from revaluations and impairments of non-current assets charged to services and changes in measurement of the pension liability. The service lines within the cost of services section of the CIES represent the full cost of providing that service and include the non-cash items. Therefore, it should be noted that a large movement between years does not necessarily represent an increase or reduction in the level of spending in that area.

Note 1 to the CIES, the Expenditure and Funding Analysis (EFA), demonstrates to Council Taxpayers how the funding available to the authority (i.e., government grants, rents, Council Tax and Business Rates) for the year has been used in providing services in comparison with those

resources consumed or earned by authorities in accordance with generally accepted accounting practices. The Expenditure and Funding Analysis also shows how this expenditure is allocated for decision making purposes between the Council's directorates, and provides a reconciliation between the net expenditure reported to officers and management (£283.904m) and the Net Cost of Services in the CIES (£225.203m).

Movement in Reserves Statement (MiRS)

This statement sets out the movements in the main reserves and balances of the Council. It distinguishes between unusable reserves (which are necessary under proper accounting practice, but which cannot be spent) and usable reserves (which are cash backed and can be spent). Usable reserves are further divided into General Fund Balances, Schools Balances, Earmarked Reserves (earmarked to specific objectives), Capital Grants Unapplied, and Capital Receipts Unapplied. It is a requirement placed on all councils that the level of reserves is regularly reviewed by the Director of Finance (Section 151 Officer) and due consideration is given to all local financial risks and liabilities when doing so (this is also reported in the Budget Report presented to Full Council each year).

At the 31 March 2025, the MiRS shows that the Council retained General Fund balances of £27.537m. In the context of the increasing pressures and risks facing the Council and Local Government in general, an analysis of financial risks is undertaken as part of the budget setting process to establish the required minimum level of General Fund balances that should be established each year.

Also shown within usable reserves are £8.986m of Schools Balances. These amounts accrue from unspent school budgets, and are allocated to be spent in future years. The use of schools balances is determined by schools' governing bodies. This is a net balance and includes some deficit balances.

Finally, £74.349m of Earmarked Reserves are also included. These earmarked amounts are allocated to specific purposes or liabilities. There has been a reduction over the 12-month period due to the utilisation of service improvement reserve to fund one-off service improvements, utilisation of unspent revenue grants brought forward to fund expenditure during 2024/25, and utilisation of the Medium-Term Financial Strategy Reserve to support the in-year 2024/25 overspend of £16.920m. Significant amounts within the earmarked reserves include reserves required legally (such as the unspent element of the Public Health Grant) as well as amounts set aside for future liabilities. This includes the Capital Investment Reserve (set aside to contribute to the capital programme), Insurance Reserves, the Medium-Term Financial Strategy Reserve set aside to fund future pressures and risks, Unspent Revenue Grants and Contributions, and the Care Together Reserve. A large number of the Earmarked Reserves relate to specific liabilities that individual services have identified. A review of earmarked reserves has led to re-categorisations and movement between reserves at the 31st March 2025, full detail of these is set out in Note 10.

Balance Sheet

The Balance Sheet summarises the financial position of the Council at 31 March 2025 and shows the net worth of the Council's assets and liabilities of £445.300m. It includes balances and reserves, and all assets and liabilities employed in the Council's operations. It shows that the Council has non-current assets (mainly Property, Plant and Equipment) with carrying values in the accounts of £657.008m, a reduction of £51.219m from 31 March 2024.

Current Assets have decreased in year, mostly due to a decrease in cash and cash equivalents held by the authority. Current Liabilities have increased, mainly due to an increase in the authority's short-term borrowing.

The notes to the accounts provide more detailed analysis of items within the Balance Sheet. Section 7 below provides further detail on significant transactions and balances.

Cash Flow Statement

This summarises the total movement on Cash and Cash Equivalents during the year for revenue and capital purposes. Notes 29 to 31 provide further detail on the cash movements during the year.

Collection Fund

The Collection Fund is a fund administered by the Council that shows the transactions of the billing authority (the Council), in relation to the collection from taxpayers of Council Tax and Non-Domestic Rates (NDR) and how the income from these sources has been distributed to precepting authorities, Central Government and the Council's General Fund balances. The Collection Fund is maintained separately, as a statutory requirement.

The Collection Fund shows that the balances to carry forward as of 31 March 2025 were a £3.125m surplus relating to Council Tax (£2.853m surplus in 2023/24) and a £1.176m surplus on NDR (£9.089m surplus in 2023/24).

Greater Manchester Pension Fund (GMPF)

The accounts of the GMPF are included in the Statement of Accounts of the Council because the Council administers the GMPF. The Fund is administered separately from the Council and has independent governance arrangements.

Accompanying Statements Included in the Statement of Accounts

The purpose of the various accompanying statements included in the accounts is set out below:

- The **Statement of Responsibilities** sets out the respective responsibilities of the Council and the Chief Financial Officer for the accounts.
- The **Annual Governance Statement** gives a public assurance that the Council has proper arrangements in place to manage all of its affairs. It summarises the Council's responsibilities in the conduct of its business, the purpose and key elements of the system of internal control and the processes applied in maintaining, reviewing and developing the effectiveness of those control systems.

7) Significant transactions and balances

Academy conversions

During the 2024/25 financial year the following schools have converted to academy status:

- Arundale Primary School (PFI)
- Corrie Primary School
- Cromwell High School
- Denton Community College (PFI)
- Greswell Primary School
- Millbrook Primary School
- Pinfold Primary School (PFI)
- Ravensfield Primary School
- St Anne's RC Primary School Audenshaw
- St Christopher's RC Primary School Ashton
- St Mary's Catholic Primary School Dukinfield
- St Paul's Catholic Primary School Hyde
- St Peter's Catholic Primary School Stalybridge

- St Stephen's RC Primary School Droylsden
- Tameside Pupil Referral Service (PFI)
- Thomas Ashton School (PFI)

At 31 March 2025, these schools had a balance sheet value of £84.600m. On conversion, the Council derecognises the assets relating to these schools as they transfer to the Academy for nil consideration. This £84.600m reduction in value is reflected in the 2024/25 statement of accounts as part of Derecognition/disposal of non-current assets within note 11.

Capital Expenditure

As set out above, the Council has incurred Capital Expenditure in excess of £27m during 2024/25. This includes grant-funded expenditure on assets that are not recognised on the Council's Balance Sheet, such as disabled adaptations and works on Academy schools. Capital Expenditure on Council-owned assets is reflected as additions in note 11 to the Balance Sheet. Significant additions in 2024/25 included:

- Highways - £3.257m
- Schools - £2.985m
- Ashton Levelling-Up Fund - £3.941m
- Stalybridge Regeneration - £1.366m
- UKSPF Grant (Hyde and Ashton Markets) - £1.040m

Revaluation of Property, Plant and Equipment

Property assets are revalued on a rolling programme, as a minimum every five years but in many cases more frequently, to ensure that the assets are reflected at current value on the Balance Sheet. Further information on the frequency and approach to the revaluation of assets is set out in the Accounting Policies and in Note 11 to the Balance Sheet. All of the Council's property assets were revalued at 31 March 2025, resulting in gains and losses on the values held in the Balance Sheet, particularly where assets had not been revalued in the last 12 months.

Reserves

As at 31 March 2025, the Council has earmarked reserves of £74.347m. This is a £14.134m reduction in reserves compared to a balance of £88.481m at 31 March 2024. The reasons for the £14.134m reduction in reserves during 2024-25 is shown below:

- A £1.041m utilisation of the IT Investment Fund to support digital transformation.
- A £1.955m reduction in revenue grant reserves as the Council incurred expenditure in accordance with the terms and conditions of the grants.
- A £1.946m utilisation of the Investment Fund to support transformation projects in Children's Services.
- A (£9.320m) increase in relation to prior-year Collection Fund balances paid to General Fund being transferred the Medium-Term Financial Strategy Reserve to be utilised in future investments and transformation projects.
- A £16.920m reduction in the Medium-Term Financial Strategy Reserve to fund the in-year £16.920m overspend position.

Further information on earmarked reserves can be found in note 10.

Borrowing and Other Long-Term Liabilities

At 31 March 2025 the Council held borrowing with the PWLB and market lenders with a carrying value of £146.025m (£136.025m at 31 March 2024). The Council paid £5.451m in interest on its borrowings during 2024/25. Further information on borrowing can be found in notes 18 and 19.

Other long-term liabilities relate mainly to the Pensions Liability (covered below) and the Private Finance Initiative (PFI) liability. PFI arrangements are a form of finance lease where responsibility for making available the property, plant and equipment passes to a PFI contractor. The Council has three PFI contracts in relation to various schools across the Borough. The Council recognises the schools as assets on the balance sheet (on the same basis as other non-current assets) and a long-term liability is recognised to reflect the capital cost of the asset which is repaid to the contractor over the life of the contract. In 2024/25 a number of the PFI schools have converted to academy status and therefore the assets have been derecognised/disposed on the balance sheet. Further information on the PFI schemes can be found in note 26.

Manchester Airport Group (MAG)

The Council holds a 3.22% shareholding in Manchester Airport Holdings Ltd (part of the Manchester Airport Group). These shares are not traded and an external valuation is obtained on behalf of all Greater Manchester Authorities. This valuation uses an earnings-based method, which takes into account the profitability of the company, assessing its historic earnings and arriving at a view of 'maintainable' or 'prospective' earnings. The valuers have advised of a decrease in the fair value of the Council's shareholding during the accounting period from £46.3m at 31 March 2024 to £43.4m at 31 March 2025. The Council usually receives dividend income from this investment, and this is a key item of income in the Council's MTFs, with the investment considered to have strategic importance. As such, the Council is highly unlikely to dispose of its shareholding.

In recent years, further additional investment in Manchester Airport has been approved by Executive Cabinet:

- A capital investment of £11.3m in Manchester Airport was approved by Executive Cabinet in February 2018. The investment takes the form of a shareholder loan which was funded from reserves. Interest is paid at a rate of 10% per annum, which generates a revenue stream for the Council of approximately £1m (after allowing for the loss of interest earned on cash used to fund the investment) which will support the revenue budget.
- In February 2019, Executive Cabinet approved an equity investment of £5.6m in Manchester Airport funded by prudential borrowing. The investment is expected to generate revenue income through returns of around 3.25% (after taking account of borrowing costs and debt repayment). It was originally envisaged that this income would begin to be received from 2021/21 onwards, although no amounts are yet assumed in the Medium Term Financial Strategy (MTFS). The economic impact of COVID-19 is likely to mean that income from this investment will not be generated for a number of years and will be dependent on the speed and scale of recovery in the aviation sector
- In April 2020, Executive Cabinet approved a further investment of £9.7m in Manchester Airport in the form of an equity loan, which has been funded by prudential borrowing. The loan was to support the liquidity position of MAG in light of the pandemic and allow it to complete its residual capital commitments as part of its revised business plan. Had the capital expenditure programme not taken place, it is our view that MAG would not have required the shareholder loans and being in a sufficiently liquid position to withstand the pandemic without relying on a shareholder loan cash injection. The investment completed in June 2020 and will generate revenue income through interest earned of 10% per annum.

The three recent investments into Manchester Airport have all be intended to support the significant capital investment programme into key strategic infrastructure. It is therefore our view that these

investments fall within the spirit of the rules as determined by the definition of capital expenditure as defined by section 16 and section 25 (b) of the Local Authorities (Capital Finance and Accounting) (England) Regulations 2003.

Pensions Liability/Asset and Advance Payment of Contributions

The actuarial valuation of the Council's share of the Local Government Pension Scheme has resulted in a swing from a deficit position to a surplus asset position. At 31 March 2024, the Council had a liability of £45.929m. At 31 March 2025, the Council had a liability of £38.858m.

The Local Government Pension Scheme is a separate fund which invests contributions from employees and employers and invest these in different asset categories. This fund is then used to pay for pension entitlements.

The valuation compares the value of assets held within the pension fund against the promised pension entitlements. This comparison looks forward, both to the date when the pension entitlements are paid and to changes in the value of pension assets. The comparison includes assumptions and judgements about future rates for the consumer price index, mortality rates and investment yields compared to changes in the value of money.

The results of the actuarial valuation vary each year as the assumptions and judgements change according to the economy and other circumstances. However, the methodology used by the actuary is determined by accounting rules. A different methodology is used when valuing the Pension Fund for the purposes of setting employer contribution rates. The results of the actuarial valuation do not therefore impact on employment costs. Rather, as noted above, they impact on the Council's balance sheet position and can change significantly between years.

Greater Manchester 100% Business Rates Retention

Greater Manchester is one of the regions piloting the full retention of Business Rates from 1 April 2017. Being part of the Business Rates Retention provides the Council and the Greater Manchester region with potential financial benefits with the guarantee that Authorities will not be worse off as a result. The 'No Detriment' agreement will guarantee that the resources available to the Council under the 100% scheme will be the same as the 50% retention scheme that exists for non-retention authorities.

As a result, the Council has not received the Revenue Support Grant or Public Health Grant from Government since 2020/21. Instead, the Council retains 99% of its Non-Domestic (Business) Rates income with 1% distributed to GMFRA. Further information on amounts credited to the CIES are set out in Note 4.

Events after the Balance Sheet Date

On 1 April 2025, Hyde High School converted to Academy Status. On 1 June 2025 Hollingworth Primary School, Mossley Hollins High School and Oakdale Special School converted to Academies. These four schools have a value of £72.630m on the balance sheet at 31 March 2025. As a result of the academy conversion, these values will be written out as a derecognition in the 2025/26 Statement of Accounts.

Acknowledgements

The production of the Statement of Accounts would not have been possible without the hard work of Members and officers across the Council. I would like to express my gratitude to all colleagues who have assisted in the preparation of this document, and for their support during the financial year.

Further Information

Further information about these accounts is available from the Director of Finance (Section 151 Officer). If you require further clarification or information about any of the items included in the accounts, please contact me at the address below.

Signed:



27 February 2026

Zoe Evans
Director of Finance (Section 151 Officer)

Tameside Metropolitan Borough Council
Tameside One
Market Place
Ashton-under-Lyne
Tameside
OL6 6BH

Statement of Responsibilities

This is a signed statement by the Director of Finance (Section 151 Officer) certifying that the accounts comply with requirements and 'present a true and fair view' of the Council's financial position as at 31 March 2025.

Statement of Responsibilities

The Council's Responsibilities

The Council is required to:

- Make arrangements for the proper administration of its financial affairs and to ensure that one of its Officers has the responsibility for the administration of those affairs. In this Council, that Officer is the Director of Finance (Section 151 Officer);
- Manage its affairs to secure economic, efficient and effective use of resources and safeguard its assets;
- Approve the Statement of Accounts.

The Director of Finance (Section 151 Officer) Responsibilities

The Director of Finance (Section 151 Officer) is responsible for the preparation of the Council's Statement of Accounts and those of the Greater Manchester Pension Fund in accordance with proper practices as set out in the CIPFA *Code of Practice on Local Authority Accounting in the United Kingdom 2024/25*.

In preparing this Statement of Accounts, the Director of Finance (Section 151 Officer) has:

- Selected suitable accounting policies and then applied them consistently;
- Made judgements and estimates that were reasonable and prudent;
- Complied with the International Financial Reporting Standards (IFRS).

The Director of Finance (Section 151 Officer) has also:

- Kept proper accounting records which were up to date;
- Taken reasonable steps for the prevention and detection of fraud and other irregularities.

Director of Finance (Section 151 Officer) Certificate

I certify that the Statement of Accounts presents a true and fair view of the financial position of the Council and Greater Manchester Pension Fund at 31 March 2025 and its income and expenditure for the year ended 31 March 2025.

Signed:



Date: 27/02/2026

Zoe Evans
Director of Finance (Section 151 Officer)

Financial Statements

Financial Statements are applicable to all local authorities and comprise:

1. Comprehensive Income and Expenditure Statement (CIES)
2. Movement in Reserves Statement (MiRS)
3. Balance Sheet (Statement of Financial Position)
4. Cash Flow Statement

Comprehensive Income and Expenditure Statement for the year ended 31 March 2025

This statement shows the accounting cost in the year of providing services in accordance with generally accepted accounting practices, rather than the amount to be funded from taxation.

		2024/25			2023/24		
	Note	Gross Expenditure £000	Gross Income £000	Net Expenditure £000	Gross Expenditure £000	Gross Income £000	Net Expenditure £000
Children's Social Care		98,405	(20,216)	78,189	81,359	(17,949)	63,410
Education		206,601	(176,655)	29,946	195,916	(168,628)	27,288
Adults' Social Care		140,520	(86,206)	54,313	128,946	(75,812)	53,134
Public Health		17,204	(3,190)	14,014	19,325	(2,375)	16,950
Place		68,373	(49,158)	19,215	84,752	(38,098)	46,654
Resources		78,538	(59,682)	18,856	82,055	(67,001)	15,053
Chief Executive's Office		12,653	(1,984)	10,669	15,756	(1,329)	14,427
Cost Of Services	1	622,295	(397,092)	225,203	608,109	(371,193)	236,916
Other Operating Income and Expenditure	2	113,654	(2,717)	110,937	48,803	(2,120)	46,683
Financing and Investment Income and Expenditure	3	25,705	(22,522)	3,183	21,069	(17,919)	3,150
Taxation and Non-Specific Grant Income	4	0	(255,497)	(255,497)	0	(251,996)	(251,996)
(Surplus) or Deficit on Provision of Services		761,654	(677,828)	83,826	677,981	(643,228)	34,753
<u>Other Comprehensive Income and Expenditure</u>							
Revaluation Gains	9			(2,137)			(41,064)
Remeasurement of Net Defined Benefit Liability	9			(7,411)			98,389
(Surplus)/Deficit on Financial Assets Measured at Fair Value Through Other Comprehensive Income	9			3,107			(26,657)
Total Other Comprehensive Income and Expenditure				(6,442)			30,668
Total Comprehensive Income and Expenditure				77,384			65,420

Tameside Metropolitan Borough Council 2024/25

Movement in Reserves Statement as at 31 March 2025

This statement shows the movement on the different reserves held by the Council.

	General Fund Balances £000	Schools Balances £000	Earmarked Reserves £000	Total General Fund Balance £000	Capital Receipts Reserve £000	Capital Grants and Other Contributions £000	Total Usable Reserves £000	Unusable Reserves £000	Total Reserves £000
Note	8a	8a	10	7	8b	8c	8a	9	
Balance at 1 April 2023	(26,094)	(9,747)	(96,711)	(132,552)	(3)	(38,762)	(171,315)	(416,790)	(588,105)
(Surplus) or Deficit on the Provision of Services	34,753	0	0	34,753	0	0	34,753	0	34,753
Other Comprehensive Income and Expenditure	0	0	0	0	0	0	0	30,668	30,668
Total Comprehensive Income and Expenditure	34,753	0	0	34,753	0	0	34,753	30,668	65,420
Adjustments between accounting basis & funding basis under regulations	(27,748)	0	0	(27,748)	1	9,651	(18,096)	18,096	0
Net (increase)/decrease before transfers to Earmarked Reserves	7,004	0	0	7,004	1	9,651	16,656	48,764	65,420
Transfers to/(from) Earmarked Reserves and Schools Balances	(8,448)	219	8,229	0	0	0	0	0	0
(Increase)/decrease in year	(1,443)	219	8,229	7,004	1	9,651	16,656	48,764	65,420
Balance at 31 March 2024	(27,537)	(9,528)	(88,482)	(125,548)	(2)	(29,111)	(154,659)	(368,026)	(522,685)
Balance at 1 April 2024	(27,537)	(9,528)	(88,482)	(125,548)	(2)	(29,111)	(154,659)	(368,026)	(522,685)
(Surplus) or Deficit on the Provision of Services	83,826	0	0	83,826	0	0	83,826	0	83,826
Other Comprehensive Income and Expenditure	0	0	0	0	0	0	0	(6,442)	(6,442)
Total Comprehensive Income and Expenditure	83,826	0	0	83,826	0	0	83,826	(6,442)	77,384
Adjustments between accounting basis & funding basis under regulations	(69,149)	0	0	(69,149)	(408)	3,934	(65,623)	65,623	0
Net (increase)/decrease before transfers to Earmarked Reserves	14,677	0	0	14,677	(408)	3,934	18,203	59,181	77,384
Transfers to/(from) Earmarked Reserves and Schools Balances	(14,676)	543	14,134	0	0	0	0	0	0
(Increase)/decrease in year	0	543	14,134	14,677	(408)	3,934	18,203	59,181	77,384
Balance at 31 March 2025	(27,537)	(8,986)	(74,349)	(110,871)	(410)	(25,177)	(136,456)	(308,844)	(445,301)

Balance Sheet as at 31 March 2025

The Balance Sheet shows the value of the assets and liabilities recognised by the Council. The net assets of the Council (assets less liabilities) are matched by the reserves held by the Council.

	Note	31 March 2025 £000	31 March 2024 £000
Property, Plant and Equipment	11	491,715	542,443
Heritage Assets	12	22,592	22,592
Investment Properties	13	42,059	39,370
Intangible Assets	14	594	780
Long Term Debtors	17	43,375	43,261
Long Term Investments	18	56,673	59,781
Net Pension Asset	28	0	0
Non-current Assets		657,008	708,227
Cash and Cash Equivalents	21	17,692	102,111
Short Term Investments	18	45,939	0
Inventories		344	582
Short Term Debtors	20	79,803	67,725
Assets Held for Sale (<1yr)	11d	4,680	3,209
Current Assets		148,458	173,627
Bank Overdraft	23	(400)	(163)
Short Term Borrowing	18	(14,358)	(4,523)
Short Term Creditors	22	(75,244)	(71,605)
Short Term Provisions	24	0	(599)
Other Short Term Liabilities	23	(5,628)	(4,693)
Current Liabilities		(95,630)	(81,583)
Long Term Borrowing	18	(136,650)	(136,670)
Long Term Provisions	24	(5,745)	(10,562)
Net Pension Liability	23/28	(38,858)	(45,929)
PFI	23	(80,190)	(81,811)
Other Long Term Liabilities	23	(3,093)	(2,614)
Non-current Liabilities		(264,536)	(277,586)
Net Assets / (Liabilities)		445,300	522,685
Usable Reserves	8	(136,457)	(154,660)
Unusable Reserves	9	(308,843)	(368,025)
Total Reserves		(445,300)	(522,685)

The notes to the financial statements on pages 45 - 139 form part of this account. The financial statements on pages 40-44 were authorised for issue by the Director of Finance (Section 151 Officer) on 30 June 2025.



Zoe Evans
27 February 2026
Director of Finance (Section 151 Officer)

Cash Flow Statement for the year ended 31 March 2025

The Cash Flow Statement shows the changes in cash and cash equivalents of the Council during the reporting period. The statement shows how the Council generates and uses cash and cash equivalents by classifying cash flows as operating, investing and financing activities.

	Note	2024/25 £000	2023/24 £000
(Surplus) or Deficit on the Provision of Services		83,826	34,753
Adjustment to Surplus or Deficit on the Provision of Services for Non-cash Movements	29a	(47,378)	(46,149)
Adjust for Items Included in the Net Surplus or Deficit on the Provision of Services that are Investing and Financing Activities	29b	11,925	(131,221)
Net Cash Flows from Operating Activities		48,372	(142,617)
Net Cash Flows from Investing Activities	30	40,999	58,519
Net Cash Flows from Financing Activities	31	(4,715)	8,566
Net (Increase) or Decrease in Cash and Cash Equivalents		84,656	(75,532)
Cash and Cash Equivalents at the Beginning of the Reporting Period	21	101,947	26,415
Cash and Cash Equivalents at the End of the Reporting Period	21	17,291	101,947

Notes to the Financial Statements

The Notes to the Financial Statements are shown together, as required by International Financial Reporting Standards, after the Financial Statements.

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COMPREHENSIVE INCOME AND EXPENDITURE STATEMENT (CIES) NOTES

1. Expenditure and Funding Analysis

The objective of the Expenditure and Funding Analysis is to demonstrate to council tax payers how the funding available to the Council (i.e. government grants, rents, council tax and business rates) for the year has been used in providing services in comparison with those resources consumed or earned by authorities in accordance with generally accepted accounting practices. The Expenditure and Funding Analysis also shows how this expenditure is allocated for decision making purposes between the Council's departments. Income and expenditure accounted for under generally accepted accounting practices is presented more fully in the Comprehensive Income and Expenditure Statement.

	As reported for financial management	Adjustment to arrive at the net amount chargeable to the General Fund (Note 1a)	Net Expenditure chargeable to the General Fund	Adjustments between Funding and Accounting Basis (Note 1a)	Net Expenditure in the Comprehensive Income and Expenditure Statement
2024/25	£000	£000	£000	£000	£000
Children's Social Care	86,641	(8,152)	78,489	(300)	78,189
Education	11,938	14,287	26,225	3,721	29,946
Adults' Social Care	75,066	(25,027)	50,039	4,274	54,313
Public Health	14,188	492	14,680	(666)	14,014
Place	30,746	(7,644)	23,102	(3,888)	19,214
Resources	55,170	(35,644)	19,526	(671)	18,855
Chief Executive's Office	10,155	606	10,761	(92)	10,669
Net costs of services	283,904	(61,082)	222,822	2,378	225,200
Other income and expenditure	(266,984)	58,837	(208,147)	66,772	(141,375)
(Surplus) or deficit	16,920	(2,245)	14,675	69,150	83,825

Opening General Fund	(27,537)
Deficit on General Fund Balance in Year	14,675
Transfers from Earmarked Reserves to top up General Fund	2,245
Contribution to General Fund	(16,920)
Closing General Fund Balance at 31 March 2025	(27,537)

Tameside Metropolitan Borough Council 2024/25

	As reported for financial mangement	Adjustment to arrive at the net amount chargeable to the General Fund (Note 1a)	Net Expenditure chargeable to the General Fund	Adjustments between Funding and Accounting Basis (Note 1a)	Net Expenditure in the Comprehensive Income and Expenditure Statement
	£000	£000	£000	£000	£000
2023/24					
Children's Social Care	61,362	2,208	63,570	(160)	63,410
Education	9,206	3,455	12,661	14,628	27,289
Adults' Social Care	48,908	1,275	50,183	2,951	53,134
Public Health	13,753	(506)	13,247	3,703	16,950
Quality & Safeguarding Place	0	0	0	0	0
Resources	30,493	(8,490)	22,003	24,652	46,655
Chief Executive's Office	44,238	(30,202)	14,036	1,016	15,052
	13,780	712	14,492	(65)	14,427
Net costs of services	221,740	(31,548)	190,192	46,724	236,916
Other income and expenditure	(221,397)	38,212	(183,185)	(18,978)	(202,164)
(Surplus) or deficit	343	6,664	7,007	27,746	34,753

Opening General Fund	(27,537)
Deficit on General Fund Balance in Year	7,007
Transfers from Earmarked Reserves to top up General Fund	(6,664)
Contribution to General Fund	(343)
Closing General Fund Balance at 31 March 2024	(27,537)

1a. Note to the Expenditure and Funding Analysis

	Transfers (to)/from reserves at Directorate level	Capital expenditure charged against the General Fund balances	Adjustments for Other Operating Income and Expenditure	Adjustments for Financing and Investment Income and Expenditure	Adjustments for Taxation and Non-Specific Grant Income	Total to arrive at amount charge to general fund	Adjustment for Capital Purposes	Net change for the Pensions Adjustment	Other Differences	Total Adjustment Between funding and Accounting Basis
2024/25	£000	£000	£000	£000	£000	£000	£000	£000	£000	£000
Children's Social Care	1,267	0	0	0	(9,419)	(8,152)	0	(290)	(10)	(300)
Education	15,451	(1,169)	0	5	0	14,287	4,440	(829)	110	3,721
Adults' Social Care	65	0	0	0	(25,092)	(25,027)	4,564	(280)	(10)	4,274
Public Health	492	0	0	0	0	492	(651)	(15)	(1)	(666)
Place	1,538	(1,467)	586	(8,301)	0	(7,644)	(3,639)	(240)	(8)	(3,888)
Resources	1,816	968	(32,364)	(7,385)	1,321	(35,644)	(554)	(114)	(4)	(671)
Chief Executive's Office	606	0	0	0	0	606	0	(89)	(3)	(92)
Net costs of services	21,235	(1,668)	(31,778)	(15,681)	(33,190)	(61,082)	4,160	(1,857)	75	2,378
Other income and expenditure	(23,480)	1,668	31,778	15,681	33,190	58,837	42,825	2,197	21,750	66,772
Total	(2,245)	0	0	0	0	(2,245)	46,985	340	21,825	69,150

	Transfers (to)/from reserves at Directorate level	Capital expenditure charged against the General Fund balances	Adjustments for Other Operating Income and Expenditure	Adjustments for Financing and Investment Income and Expenditure	Adjustments for Taxation and Non-Specific Grant Income	Total to arrive at amount charge to general fund	Adjustment for Capital Purposes	Net change for the Pensions Adjustment	Other Differences	Total Adjustment Between funding and Accounting Basis
2023/24	£000	£000	£000	£000	£000	£000	£000	£000	£000	£000
Children's Social Care	2,208	0	0	0	0	2,208	0	(165)	5	(160)
Education	5,059	(1,606)	0	2	0	3,455	15,197	(599)	30	14,628
Adults' Social Care	1,275	0	0	0	0	1,275	3,122	(176)	5	2,951
Public Health	(506)	0	0	0	0	(506)	3,712	(10)	0	3,703
Quality & Safeguarding	0	0	0	0	0	0	0	0	0	0
Place	2,101	(1,176)	213	(9,628)	0	(8,490)	24,806	(159)	5	24,652
Resources	6,332	118	(30,818)	(5,732)	(102)	(30,202)	1,047	(33)	2	1,016
Chief Executive's Office	747	(3)	(32)	0	0	712	0	(67)	2	(65)
Net costs of services	17,216	(2,667)	(30,637)	(15,358)	(102)	(31,548)	47,885	(1,210)	49	46,724
Other income and expenditure	(10,552)	2,667	30,637	15,358	102	38,212	(21,270)	(32)	2,323	(18,978)
Total	6,664	0	0	0	0	6,664	26,616	(1,242)	2,372	27,746

1b. Expenditure and Income Analysed by Nature

	2024/25 £000	2023/24 £000
Expenditure		
Employee benefits expenses	229,005	219,044
Other service expenses	415,027	354,605
Depreciation, amortisation and impairment	18,530	18,283
Net revaluation (gain)/loss	(26,215)	23,396
Loss on disposal of non-current assets	77,944	15,271
Interest payments	14,370	15,971
Precepts and levies	32,994	31,413
	761,654	677,982
Income		
Customer and Client Receipts	(62,500)	(54,417)
Income from Council tax and Business Rates	(209,796)	(206,003)
Government Grant Income	(339,275)	(319,135)
Other Grants Reimbursements and Contributions	(20,161)	(22,821)
Interest Income	(9,729)	(11,006)
Other Income	(36,367)	(29,845)
	(677,827)	(643,229)
(Surplus)/Deficit on provision of services	83,827	34,753

2. Other Operating Income and Expenditure

	31 March 2025			31 March 2024		
	Gross Exp- enditure £000	Gross Income £000	Net Exp- enditure £000	Gross Exp- enditure £000	Gross Income £000	Net Exp- enditure £000
Parish Council Precepts	36	0	36	32	0	32
Levies	32,958	0	32,958	31,381	0	31,381
(Gains)/losses on derecognition/ disposal of non-current assets	80,660	(2,717)	77,944	17,391	(2,120)	15,271
	113,654	(2,717)	110,937	48,803	(2,120)	46,684

3. Financing and Investment Income and Expenditure

	31 March 2025			31 March 2024		
	Gross Exp- enditure £000	Gross Income £000	Net Exp- enditure £000	Gross Exp- enditure £000	Gross Income £000	Net Exp- enditure £000
Interest Payable and Similar Charges	14,371	0	14,371	15,971	0	15,971
Net Interest on the Net Defined Benefit Liability (Asset)	2,197	0	2,197	(32)	0	(32)
Interest receivable and similar income	0	(764)	(764)	0	(702)	(702)
Other investment income	0	(8,966)	(8,966)	0	(10,304)	(10,304)
Income and expenditure in relation to Investment Properties and changes in their fair value	8,642	(12,792)	(4,150)	3,974	(6,913)	(2,939)
Charge for expected credit loss	495	0	495	1,156	0	1,156
	25,705	(22,522)	3,183	21,069	(17,919)	3,150

4. Taxation and Non-Specific Grant Income

Council Tax and Business Rates income included in the Comprehensive Income and Expenditure Statement includes the Council's share of accrued income recognised by billing authorities in the production of the Collection Fund Statements.

The difference between the income included in the Comprehensive Income and Expenditure Statement and the amount required by regulation to be credited to the General Reserve is taken to the Collection Fund Adjustment Account and reported in the Movement in Reserves Statement.

The Council recognises capital grants and contributions as being related to capital assets and uses them to fund capital expenditure on those assets. Grants, contributions and donations are recognised as income at the date that the Council has satisfied the conditions of entitlement, and there is reasonable assurance that the monies will be received.

Any grant received before these recognition criteria were satisfied would be held as a creditor. Any grant which had met the recognition criteria but had not been received would be shown as a debtor. This is in line with the Accruals Concept.

Once the recognition criteria above have been satisfied, capital grants are recognised as income in the Comprehensive Income and Expenditure Statement.

In order to not impact on the level of Council Tax, the Council removes the credit from the General Reserves through the Movement in Reserves Statement, and makes a credit to the Capital Grants Unapplied Reserve.

Once expenditure has been incurred on the related asset, the credit is removed from the Capital Grants Unapplied Reserve and credited to the Capital Adjustment Account.

The Council credited the following to the Taxation and Non Specific Grant Income line in the CIES:

	2024/25 £000	2023/24 £000
Council Tax Income	(117,590)	(110,880)
Retained Business Rates	(57,848)	(62,648)
Business Rates Top Up	(34,359)	(32,476)
New Homes Bonus Grant	(173)	(261)
Section 31 - Business Rates Grants	(25,536)	(23,226)
Capital Grants and Contributions		
Highways Maintenance Grant	(2,273)	(2,696)
Schools capital grant	(5,149)	(11,293)
Disabled Facilities Grant	(3,694)	(3,098)
Ashton Levelling Up Fund	(3,941)	(1,855)
Stalybridge Levelling Up Fund	(1,084)	(725)
UK Shared Prosperity Fund	(1,438)	(387)
Right of use donated asset	(597)	0
Other Capital Grants and Contributions	(1,815)	(2,452)
	(255,497)	(251,996)

5. Grants

Grants are recognised as income at the date that the Council has satisfied the conditions of entitlements and there is reasonable assurance that the monies will be received. Any grant received before these recognition criteria were satisfied would be held as a creditor (receipt in advance). Any grant which had met the recognition criteria but had not been received would be shown as a debtor.

Revenue grants will either be received to be used only for a specific purpose, or can be used for general purpose. Those for a specific purpose are recognised in the Comprehensive Income and Expenditure Statement within the Net Cost of Services. Those which are for general purpose are shown within Taxation and non-specific grant income in the Comprehensive Expenditure and Income Statement.

The Council credited the following to Cost of Services in the CIES:

	2024/25 £000	2023/24 £000
Dedicated Schools Grant	(151,394)	(151,797)
Housing Benefit Subsidy Grant	(53,725)	(51,868)
Housing and Council Tax Benefit Administration Grant	(783)	(808)
Housing Benefit Discretionary Housing Payments Grant	(389)	(382)
Private Finance Initiative (PFI) Grant	(14,196)	(14,196)
Improved Better Care Fund	(12,585)	(12,585)
Social Care Grant	(26,522)	(13,069)
Market Sustainability and Improvement Fund	(5,049)	(4,458)
Adult Social Care Discharge Fund	(2,941)	(1,764)
Pupil Premium Grant	(7,854)	(8,150)
Physical Education & Sport Grant	(768)	(838)
Universal Infant Free School Meals	(1,258)	(1,457)
Teachers Pay Grant	(4,587)	(1,248)
Core School Budget	(2,529)	0
Troubled Families Grant	(1,479)	(1,370)
Rough Sleepers Initiative Grant	(427)	(613)
Asylum Seeker Children grant	(1,476)	(1,141)
Homes for Ukraine	(506)	(557)
Supplementary Grant (Mainstream)	0	(3,118)
Services Grant	(393)	(2,277)
Substance Misuse Treatment and Recovery Grant	(1,196)	(729)
Household Support Fund	(4,450)	(4,449)
Covid Grants	(331)	(1,866)
Early Years Supplementary Grant	0	(989)
Holiday Activity Fund	(1,438)	(1,198)
Highways Maintenance Grant	(1,263)	(1,263)
Homelessness Prevention Funding	(964)	(925)
Other Grants	(15,234)	(12,848)
	(313,737)	(295,965)

6. Dedicated Schools Grant (DSG)

The Council's expenditure on schools is funded primarily by grant monies provided by the Education and Skills Funding Agency, the Dedicated Schools Grants (DSG). DSG is ring-fenced and can only be applied to meet expenditure properly included in the schools budget, as defined in the School Finance and Early Years (England) Regulations 2020. The schools budget includes elements for a range of educational services provided on an authority-wide basis and for the Individual schools budgets (ISB), which is divided into a budget share for each maintained school. Details of the deployment of DSG receivable are as follows:

Tameside Metropolitan Borough Council 2024/25

2024/25			
	Central Expenditure £000	Individual Schools Budget £000	Total £000
Final DSG for 2024/25 before academy and high needs recoupment	0	0	283,399
Academy and high needs figure recouped for 2024/25	0	0	131,518
Total DSG after academy and high needs recoupment for 2024/25			151,882
Plus: Brought forward from 2023/24	0	0	0
Less: Carry forward to 2025/26 agreed in advance	0	0	0
Agreed initial budgeted distribution in 2024/25	31,120	120,762	151,882
In year adjustments	0	(391)	(391)
Final budget distribution for 2024/25	31,120	120,371	151,491
Actual central expenditure	46,108	0	46,108
Actual ISB deployed to schools	0	119,546	119,546
In Year Carry-forward to 2025/26	(14,988)	826	(14,162)
Plus: Carry-forward to 2025/26 agreed in advance			0
Carry-forward to 2025/26			0
DSG unusable reserve at the end of 2023/24			(7,930)
Addition to DSG unusable reserve at the end of 2024/25			(14,162)
Total of DSG unusable reserve at the end of 2024/25			(22,093)
Net DSG position at the end of 2024/25			(22,093)

2023/24			
	Central Expenditure £000	Individual Schools Budget £000	Total £000
Final DSG for 2023/24 before academy and high needs recoupment	0	0	257,267
Academy and high needs figure recouped for 2023/24	0	0	112,404
Total DSG after academy and high needs recoupment for 2023/24			144,863
Plus: Brought forward from 2022/23	0	0	0
Less: Carry forward to 2024/25 agreed in advance	0	0	0
Agreed initial budgeted distribution in 2023/24	28,511	116,352	144,863
In year adjustments	0	(136)	(136)
Final budget distribution for 2023/24	28,511	116,216	144,727
Actual central expenditure	33,687	0	33,687
Actual ISB deployed to schools	0	115,664	115,664
In Year Carry-forward to 2024/25	(5,176)	552	(4,624)
Plus: Carry-forward to 2024/25 agreed in advance			0
Carry-forward to 2024/25			0
DSG unusable reserve at the end of 2022/23			(3,306)
Addition to DSG unusable reserve at the end of 2023/24			(4,624)
Total of DSG unusable reserve at the end of 2023/24			(7,930)
Net DSG position at the end of 2023/24			(7,930)

MOVEMENT IN RESERVES STATEMENT (MIRS) NOTES

7. Adjustments Required to Comply with Proper Accounting Practice

The Council holds usable revenue reserves for the purpose of funding future expenditure. The General Fund Balance represents the balance of reserves to meet short term, unforeseeable expenditure and to enable significant changes in resources or expenditure to be properly managed over the period of the Medium Term Financial Strategy. Earmarked Reserves represent balances where approval has been received to use the reserve for a specific purpose.

Unusable revenue reserves represent timing differences such as those associated with the recognition of retirement benefits and financial instruments.

Movement in reserves are accounted through the Movement in Reserves Statement.

Revenue expenditure funded from Capital under Statute

Revenue Expenditure Funded from Capital under Statute represents expenditure which may be properly capitalised, but which does not result in the creation of any non-current asset to the Council. In line with the guidance contained in 'the Code', this expenditure is written off to the Comprehensive Income and Expenditure Statement in the year the expenditure is incurred, because the Council does not control the economic benefits arising from this expenditure.

Redemption of Debt (Minimum Revenue Provision)

Where capital expenditure has been financed by borrowing there is a provision for the repayment of debt to be made in accordance with the Minimum Revenue Provision requirements of the Local Authorities ('MRP' - as set out in Capital Financing and Accounting (Amendment) Regulations 2009).

Since 1 April 2018 the Council has adopted the following policy in relation to calculating the Minimum Revenue Provision:

Borrowing taken up prior to 1 April 2015 will be provided for using a straight-line method of calculating MRP. £185.215m will be provided for in equal instalments over 50 years, which will result in an annual charge of £3.704m. The debt will be extinguished in full by 31 March 2065. If the Council elects to make additional voluntary MRP then the annual charge will be adjusted accordingly.

For borrowing taken up on or after 1 April 2015, MRP is to be provided for based upon the average expected useful life of the assets funded by borrowing in the previous year. The debt will be repaid on a straight-line basis over the average useful life calculated, meaning the debt will be fully extinguished at the end of period. If the Council elects to make additional voluntary MRP then the annual charge will be adjusted accordingly.

For certain investment projects it may be deemed more prudent to use the asset life annuity method in order to calculate MRP. In this case the Council will use the annuity method, with the MRP based on the prevailing PWLB interest rate for a loan with a term equal to the estimated life of the project. If the Council uses capital receipts to repay borrowing for the year then the value of MRP which would have otherwise been set aside to repay borrowing will be reduced by this amount. The level of capital receipts to be applied to redeem borrowing will be determined annually by Section 151 Officer, taking into account forecasts for future expenditure and the generation of further receipts.

For any finance leases and any on-balance sheet Public Finance Initiative (PFI) schemes, the MRP charge will be equal to the principal repayment during the year, calculated in accordance with proper practices.

There will be no MRP charge for any cash backed Local Authority Mortgage Scheme (LAMS) that the Council operates. As for this type of scheme, any future debt liability would be met from the capital receipt arising from the deposit maturing after a five year period. Any repossession losses for this type of scheme would be charged to a LAMS reserve.

The Council has considered the Statutory Guidance, which recommends a 25 year repayment charge for loans to third parties, and concluded that this provision is not necessary where there is a realistic expectation that the loan will be repaid. The Council considers an MRP charge is not necessary in respect of any loans made to third parties as the debt liability is covered by the existence of a debtor; typically long term depending on the life of the loan. The only expenditure consequence of a loan for an authority is the interest on its cash shortfall whilst the loan is outstanding, so provision for the principal amount would be over-prudent until such time as the assumption has to be made that loan will not be repaid.

Following consultation, the Department for Levelling Up, Housing and Communities (DLUHC) has published amended regulations and revised statutory guidance on Minimum Revenue Provision (MRP). Changes will take effect from the 2025/26 financial year, except in respect of expected credit losses which take effect from the 2024/25 year. The Council will review the MRP policy to ensure continued compliance with the regulations going forwards.

	Usable Reserves			Movement in Unusable Reserves £000
	General Fund Balances £000	Capital Receipts Reserve £000	Capital Grants and Other Contributions Unapplied Reserve £000	
2024/25				
Adjustments to Capital Adjustment Account:				
<u>Reversal of items debited or credited to the CIES:</u>				
Charges for depreciation of non-current assets	(18,344)	0	0	18,344
Revaluation losses on Property Plant and Equipment (PPE)	(11,613)	0	0	11,613
Revaluation gains on PPE (used to reverse previous revaluation losses)	37,828	0	0	(37,828)
Movements in the market value of Investment Properties	2,934	0	0	(2,934)
Amortisation of Intangible Assets	(186)	0	0	186
Capital grant and contributions received in year	19,991	0	(4,477)	(15,514)
Revenue expenditure funded from Capital under Statute	(11,845)	0	0	11,845
Amounts of non-current assets written off on disposal or sale as part of the gains/loss on disposal to the CIES	(80,660)	0	0	80,660
<u>Insertion of items not debited or credited to the CIES:</u>				
Statutory provision for the financing of capital investment:	0	0	0	0
- Minimum Revenue Provision (MRP) for capital financing	10,525	0	0	(10,525)
- GM and Lancashire debt repayment	0	0	0	0
Capital expenditure charged against General Fund Balances	1,668	0	0	(1,668)
Capital grant and contributions received in previous years - applied	0	0	8,411	(8,411)
Use of the Capital Receipts Unapplied Account to finance capital expenditure	0	2,309	0	(2,309)
Adjustment to Asset Register Opening Balances	0		0	0
Adjustments to Capital Receipts Reserve:				
Transfer of sale proceeds credited as part of the gain/loss on disposal to the CIES	2,717	(2,717)	0	0
Disposal cost allowance	0	0	0	0
Contribution from the Capital Receipts Reserve to finance the payments to the Government Capital Receipts Pool	0	0	0	0
Adjustments to Deferred Capital Receipts Reserve:				
Transfer to Capital Receipts Unapplied Account upon receipt of cash	0	0	0	0

Tameside Metropolitan Borough Council 2024/25

	Usable Reserves			Movement in Unusable Reserves £000
	General Fund Balances £000	Capital Receipts Reserve £000	Capital Grants and Other Contributions Unapplied Reserve £000	
2024/25				
Adjustments to Financial Instruments Adjustment Account: Proportion of premiums incurred in previous financial years to be charged against the General Fund Balance in accordance with statutory requirements	20	0	0	(20)
Adjustments to Pensions Reserve: Reversal of items relating to retirement benefits debited or credited to the CIES	(25,048)	0	0	25,048
Employer's pensions contributions and direct payments to pensioners payable in the year	24,708	0	0	(24,708)
Adjustments to Collection Fund Adjustment Account: Amount by which Council Tax and NDR income credited to the CIES is different from Council Tax and NDR income calculated for the year in accordance with statutory requirements	(7,607)	0	0	7,607
Adjustment to Accumulating Compensated Absences Adjustment Account: Amount by which officer remuneration charged to the CIES on an accruals basis is different from remuneration chargeable in the year in accordance with statutory requirements	(75)	0	0	75
Adjustment involving the Dedicated Schools Grant Adjustment Account: Transfer of Dedicated Schools Grant (DSG) deficit to the DSG Adjustment Account	(14,162)	0	0	14,162
Total Adjustments	(69,149)	(408)	3,934	65,623

Tameside Metropolitan Borough Council 2024/25

	Usable Reserves			Movement in Unusable Reserves £000
	General Fund Balances £000	Capital Receipts Reserve £000	Capital Grants and Other Contributions Unapplied Reserve £000	
2023/24				
Adjustments to Capital Adjustment Account:				
<u>Reversal of items debited or credited to the CIES:</u>				
Charges for depreciation of non-current assets	(18,105)	0	0	18,105
Revaluation losses on Property Plant and Equipment (PPE)	(26,984)	0	0	26,984
Revaluation gains on PPE (used to reverse previous revaluation losses)	3,588	0	0	(3,588)
Movements in the market value of Investment Properties	2,163	0	0	(2,163)
Amortisation of Intangible Assets	(177)	0	0	177
Capital grant and contributions received in year	22,505	0	(10,825)	(11,680)
Revenue expenditure funded from Capital under Statute	(6,228)	0	0	6,228
Amounts of non-current assets written off on disposal or sale as part of the gains/loss on disposal to the CIES	(17,391)	0	0	17,391
<u>Insertion of items not debited or credited to the CIES:</u>	0	0	0	0
Statutory provision for the financing of capital investment:	0	0	0	0
- Minimum Revenue Provision (MRP) for capital financing	9,185	0	0	(9,185)
- GM and Lancashire debt repayment	0	0	0	0
Capital expenditure charged against General Fund Balances	2,709	0	0	(2,709)
Capital grant and contributions received in previous years - applied	0	0	20,476	(20,476)
Use of the Capital Receipts Unapplied Account to finance capital expenditure	0	2,099	0	(2,099)
Adjustment to Asset Register Opening Balances	0	0	0	0
Adjustments to Capital Receipts Unapplied Account:				
Transfer of sale proceeds credited as part of the gain/loss on disposal to the CIES	2,119	(2,119)	0	0
4% disposal cost allowance	(21)	21	0	0
Contribution from the Capital Receipts Unapplied Account to finance the payments to the Government Capital Receipts Pool	0	0	0	0
Adjustments to Deferred Capital Receipts Reserve:				
Transfer to Capital Receipts Unapplied Account upon receipt of cash	0	0	0	0
Adjustments to Financial Instruments Adjustment Account:				

Tameside Metropolitan Borough Council 2024/25

	Usable Reserves			Movement in Unusable Reserves £000
	General Fund Balances £000	Capital Receipts Reserve £000	Capital Grants and Other Contributions Unapplied Reserve £000	
2023/24				
Proportion of premiums incurred in previous financial years to be charged against the General Fund Balance in accordance with statutory requirements	19	0	0	(19)
Adjustments to Pensions Reserve:				
Reversal of items relating to retirement benefits debited or credited to the CIES	(23,175)	0	0	23,175
Employer's pensions contributions and direct payments to pensioners payable in the year	24,449	0	0	(24,449)
Adjustments to Collection Fund Adjustment Account:				
Amount by which Council Tax and NDR income credited to the CIES is different from Council Tax and NDR income calculated for the year in accordance with statutory requirements	2,269	0	0	(2,269)
Adjustment to Accumulating Compensated Absences Adjustment Account:				
Amount by which officer remuneration charged to the CIES on an accruals basis is different from remuneration chargeable in the year in accordance with statutory requirements	(49)	0	0	49
Adjustment involving the Dedicated Schools Grant Adjustment Account:				
Transfer of Dedicated Schools Grant (DSG) deficit to the DSG Adjustment Account	(4,624)	0	0	4,624
Total Adjustments	(27,748)	1	9,651	18,096

8a Usable Reserves

Usable Reserves are those reserves that can be applied to fund expenditure or reduce local taxation. Further details can be found in the MiRS and below.

	2024/25 £000	2023/24 £000
General Fund Balances	(27,537)	(27,537)
Schools Balances	(8,986)	(9,529)
Earmarked Reserves (Note 10)	(74,347)	(88,481)
Capital Receipts Unapplied Account (Note 8b)	(410)	(2)
Capital Grants and Other Contributions Unapplied Reserve (Note 8c)	(25,177)	(29,111)
Total	(136,457)	(154,660)

8b Capital Receipts Unapplied Account

Capital receipts (in excess of £10,000) arising from the sale of non-current assets are credited to the Capital Receipts Unapplied Account.

Usable capital receipts are shown separately in the Balance Sheet and can be used either to finance new capital investment, to repay grant received in relation to the asset disposed of, to finance the premium sum arising from the rescheduling of debt, or set aside to reduce the Council's underlying need to borrow.

	2024/25 £000	2023/24 £000
Balance at 1 April	(2)	(3)
Transfer of sale proceeds credited as part of the gain/loss on disposal to the CIES	(2,717)	(2,119)
Use of the Capital Receipts Unapplied Account to finance new capital expenditure	2,309	2,099
Transfer from the Deferred Capital Receipts Reserve upon receipt of cash	0	0
Disposal cost allowance	0	21
Balance at 31 March	(410)	(2)

8c Capital Grants and Other Contributions Unapplied Reserve

	2024/25 £000	2023/24 £000
Balance at 1 April	(29,111)	(38,762)
Grants and contributions received in previous years - applied	8,411	20,476
Grants and contributions received in year - not applied	(4,477)	(10,825)
Balance at 31 March	(25,177)	(29,111)

9. Unusable Reserves

Unusable Reserves are those reserves that are held for accounting purposes and that the Council is not able to utilise to provide services.

Further information on accounting for Financial Instruments can be found in Notes 18 and 19, and in the accounting policies in note 39.

	2024/25 £000	2023/24 £000
Revaluation Reserve	(139,277)	(169,151)
Financial Instruments Revaluation Reserve	(38,491)	(41,598)
Capital Adjustment Account	(194,260)	(205,708)
Pensions Reserve	38,858	45,929
Collection Fund Adjustment Account	(1,987)	(9,594)
Short Term Accumulating Compensated Absences Account	3,603	3,529
Financial Instruments Adjustment Account	625	645
Deferred Capital Receipts	(7)	(7)
Dedicated Schools Grant Adjustment Account	22,093	7,930
Total	(308,843)	(368,025)

9a Revaluation Reserve

The Revaluation Reserve contains the gains made by the Council arising from increases in the value of its Property, Plant and Equipment. The balance is reduced when assets with accumulated gains are:

- *Revalued downwards or impaired and the gains are lost;*
- *Used in the provision of services and the gains are consumed through depreciation; or*
- *Disposed of and the gains are realised.*

	2024/25 £000	2023/24 £000
Balance at 1 April	(169,151)	(136,062)
Upward revaluation of assets	(53,635)	(50,258)
Downward revaluation of assets and impairment losses not charged to the Surplus/Deficit on the Provision of Services	51,498	9,194
Surplus or deficit on revaluation of non-current assets not posted to the Surplus/Deficit on the Provision of Services	(2,137)	(41,064)
Difference between fair value and historical cost depreciation	2,809	2,902
Accumulated gains on assets sold or scrapped	29,202	5,073
Amount written off to the Capital Adjustment Account	32,011	7,974
Balance at 31 March	(139,277)	(169,151)

9b Financial Instruments Revaluation Reserve

The Financial Instruments Revaluation Reserve contains the gains made by the authority arising from increases in the value of its investments that are measured at fair value through other comprehensive income. The balance is reduced when investments with accumulated gains are:

- *revalued downwards or impaired and the gains are lost*
- *disposed of and the gains are realised.*

	2024/25 £000	2023/24 £000
Balance at 1 April	(41,598)	(14,941)
Revaluation of investment in Manchester Airport Group (MAG)	2,900	(26,300)
Revaluation of investment in Inspiredspaces Tameside (Holdings 1& 2) Ltd	207	(357)
Surplus on revaluation of Financial Instrument Revaluation Reserve	3,107	(26,657)
Balance at 31 March	(38,492)	(41,598)

9c Capital Adjustment Account

The Capital Adjustment Account absorbs the timing differences arising from the different arrangements for accounting for the consumption of non-current assets and for financing the acquisition, construction or enhancement element of those assets under statutory provisions. The account is debited with the cost of acquisition, construction or enhancement as depreciation, impairment losses and amortisations are charged to the CIES (with reconciling postings from the Revaluation Reserve to convert fair value figures to a historical cost basis). The Account is credited with the amounts set aside by the Council to finance the costs of acquisition, construction and enhancement.

The Account contains accumulated gains and losses on Investment Properties that have yet to be consumed by the Council. The Account also contains revaluation gains accumulated on Property, Plant and Equipment before April 2007, the date that the Revaluation Reserve was created to hold such gains.

	2024/25 £000	2023/24 £000
Balance at 1 April	(205,709)	(214,718)
<i>Reversal of items debited or credited to the CIES:</i>		
Charges for depreciation of non-current assets	18,344	18,105
Revaluation losses on Property, Plant and Equipment	11,613	26,984
Revaluation gains on Property, Plant and Equipment (used to reverse previous revaluation losses)	(37,828)	(3,588)
Amortisation of Intangible Assets	186	177
Revenue expenditure funded from capital under statute	11,845	6,228
Amounts of non-current assets written off on disposal or sale as part of the gain/loss on disposal to the CIES	80,660	17,391
	84,820	65,297
Adjusting amounts written out of the Revaluation Reserve	(32,011)	(7,974)
Net written out amount of the cost of non-current assets consumed in the year	52,809	57,323
<i>Capital financing applied in the year:</i>		
Use of the Capital Receipts Unapplied Account to finance new capital expenditure	(2,309)	(2,098)
Capital grants and contributions credited to the CIES that have been applied to capital financing	(15,514)	(11,680)
Application of grants to capital financing from the Capital Grants and Other Contributions Unapplied Account	(8,411)	(20,476)
Statutory provision for the financing of capital investment charged against the General Fund	(10,525)	(9,185)
Capital expenditure charged against the General Fund and Reserves	(1,668)	(2,709)
	(38,427)	(46,148)
Movements in the market value of Investment Properties debited or credited to the CIES	(2,934)	(2,164)
Balance at 31 March	(194,261)	(205,709)

9d Pensions Reserve

The Pensions Reserve absorbs the timing differences arising from the different arrangements for accounting for post-employment benefits and for funding benefits in accordance with statutory provisions. The debit balance on the Pensions Reserve therefore shows a shortfall in the benefits earned by past and current employees and the resources the Council has set aside to meet them. The statutory arrangements will ensure that funding will have been set aside by the time the benefits come to be paid.

	2024/25 £000	2023/24 £000
Balance at 1 April	45,929	(51,186)
Remeasurement of net defined benefit liability	(436,005)	(225,764)
Reversal of items relating to retirement benefits debited or credited to the Surplus or Deficit on the Provision of Services in the CIES	25,048	23,175
Employer's pensions contributions and direct payments to pensioners payable in the year	(24,708)	(24,449)
Asset Ceiling Adjustment	428,594	324,153
Balance at 31 March	38,858	45,929

9e Collection Fund Adjustment Account

The Collection Fund Adjustment Account manages the differences arising from the recognition of Council Tax income and NDR income in the CIES as it falls due from Council Tax payers and NDR payers compared with the statutory arrangements for paying across amounts to General Fund Balances from the Collection Fund.

	2024/25 £000	2023/24 £000
Balance at 1 April	(9,594)	(7,325)
Amount by which Council Tax income and NDR income credited to the CIES is different from Council Tax income and NDR income calculated for the year in accordance with statutory requirements	7,607	(2,269)
Balance at 31 March	(1,987)	(9,594)

9f Short Term Accumulating Compensated Absences Account

The Short Term Accumulating Compensated Absences Account absorbs the differences that would otherwise arise on General Fund Balances from accruing for compensated absences earned but not taken in the year e.g. annual leave entitlement carried forward at 31 March. Statutory arrangements require that the impact on General Fund Balances is neutralised by transfers to or from the Account.

	2024/25 £000	2023/24 £000
Balance at 1 April	3,529	3,480
Settlement or cancellation of accrual made at the end of the preceding year	(3,529)	(3,480)
Amounts accrued at the end of the current year	3,603	3,529
Amount by which officer remuneration charged to the CIES on an accruals basis is different from remuneration chargeable in the year in accordance with statutory requirements	75	49
Balance at 31 March	3,603	3,529

9g Financial Instruments Adjustment Account

The Financial Instruments Adjustment Account absorbs the timing differences arising from the different arrangements for accounting for income and expenses relating to certain financial instruments and for bearing losses or benefiting from gains per statutory provisions. The Account is used to manage premiums paid on the early redemption of loans.

	2024/25 £000	2023/24 £000
Balance at 1 April	645	665
Proportion of premiums incurred in previous financial years to be charged against the General Fund Balance in accordance with statutory requirements	(20)	(19)
Balance at 31 March	625	645

9h Deferred Capital Receipts Reserve

The Deferred Capital Receipts Reserve holds the gains recognised on the disposal of non-current assets but for which cash settlement has yet to take place. Under statutory arrangements, the Council does not treat these gains as usable for financing new capital expenditure until they are backed by cash receipts. When the deferred cash settlement eventually takes place, amounts are transferred to the Capital Receipts Reserve.

	2024/25 £000	2023/24 £000
Balance at 1 April	(7)	(7)
Transfer to the Capital Receipts Unapplied Account on receipt of cash	0	0
Balance at 31 March	(7)	(7)

9i Dedicated Schools Grant Adjustment Account

The Dedicated Schools Adjustment Account was created following the regulations put in place from the School and Early Years Finance (England) Regulations 2020, (the 2020 Regulations) applicable to local authority accounting periods beginning on 1 April 2020. This set out that a schools budget deficit must be carried forward to be funded from future Dedicated Schools Grant (DSG) income. The Council must charge the amount of the deficit, to an account established, charged and used solely for the purpose of recognising deficits in respect of its schools budget: the Code has established this as the 'Dedicated Schools Grant Adjustment Account', an unusable reserve.

	2024/25 £000	2023/24 £000
Balance at 1 April	7,930	3,306
Dedicated Schools Grant deficit	14,162	4,624
Balance at 31 March	22,093	7,930

10. Transfers to/from Earmarked Reserves

Transfers to/from Earmarked Reserves are the net amounts set aside from General Fund Balances in earmarked reserves to provide financing for future expenditure plans, and the amounts posted back from earmarked reserves to meet General Fund expenditure in the accounting period.

	Balance at 1 April 2024 £000	Net Movement 2024/25 £000	Balance at 31 March 2025 £000	Balance at 1 April 2023 £000	Net Movement 2023/24 £000	Balance at 31 March 2024 £000	Purpose of the Earmarked Reserve
Building Schools for the Future (BSF) Affordability Reserve	(10,832)	(859)	(11,691)	(10,316)	(516)	(10,832)	For further information please see Note 26.
Capital Investment Reserve	0	0	0	(22)	22	0	To be used to finance the Council's Capital Investment Programme.
Earmarked Reserves with a balance at 31 March 2024 under £0.500m	(4,868)	931	(3,937)	(4,422)	(446)	(4,868)	Various
Hard Facilities Management Service Contract Reserve	(512)	14	(498)	(526)	13	(512)	To fund the affordability gap within the Facilities Management service.
Hattersley Reserve	(3,420)	75	(3,345)	(3,328)	(92)	(3,420)	To finance highway improvements and regeneration initiatives in Hattersley.
Health Equalities Reserve	(1,442)	185	(1,257)	(1,551)	109	(1,442)	Ringfenced Public Health reserve per section 10 of the Department of Health Grant determination.
Health Integration Reserve	0	0	0	(815)	815	0	To support the development and implementation of the Care Together Programme.
Insurance Reserves	(3,469)	0	(3,469)	(6,278)	2,809	(3,469)	An estimate of claims incurred but not reported. Includes element to cover any expenditure for insurance claims.
MTFS Investment and Resilience Reserve	(2,211)	(32,922)	(35,132)	(5,885)	3,674	(2,211)	To support the delivery of the Medium Term Financial Strategy.

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	Balance at 1 April 2024 £000	Net Movement 2024/25 £000	Balance at 31 March 2025 £000	Balance at 1 April 2023 £000	Net Movement 2023/24 £000	Balance at 31 March 2024 £000	Purpose of the Earmarked Reserve
Children's Social Care Staffing Investment	0	(0)	0	(853)	853	0	This reserve holds funding for additional capacity in Children's Social Care to support the improvements in line with Ofsted Inspection
Godley Green Reserve	(486)	158	(328)	(907)	421	(486)	Investment to support expenditure pertaining to the Godley Green Garden Village planning application.
Growth and Investment Reserve	(756)	46	(711)	(825)	69	(756)	Investment to support Town Centre master planning and Strategic Site developments across the borough.
Stalybridge HAZ Reserve	0	0	0	(582)	582	0	Match funding investment to support the Stalybridge Heritage Action Zone Programme. The programme is also financed by Historic England grant funding.
PFI Reserve	(2,410)	175	(2,235)	(3,117)	707	(2,410)	For further information please see Note 26.
School Funding Reserve	(303)	0	(303)	(268)	(35)	(303)	Balance of Education grants to be utilised on Education and School related services.
Transport Replacement Fleet Reserve	(2,491)	575	(1,916)	(2,755)	264	(2,491)	To fund future maintenance of vehicles procured via Prudential Borrowing.
Unspent Revenue Grant and Contribution Reserve	(5,732)	1,955	(3,777)	(9,208)	3,476	(5,732)	Unspent revenue grant, with no conditions attached. IFRS require these grants to be classed as reserves.

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	Balance at 1 April 2024	Net Movement 2024/25	Balance at 31 March 2025	Balance at 1 April 2023	Net Movement 2023/24	Balance at 31 March 2024	Purpose of the Earmarked Reserve
	£000	£000	£000	£000	£000	£000	
Waste PFI Reserve	(1,345)	1,345	0	(1,345)	0	(1,345)	To smooth the impact of future years levy increases and associated managed collection costs.
IT Investment Fund	(2,943)	1,017	(1,925)	(2,282)	(661)	(2,943)	The IT Investment reserve has been established to smooth the revenue cost of IT investments.
Collection Fund Reserve	(22,752)	22,752	0	(15,792)	(6,960)	(22,752)	Additional business rates income from the 100% retention pilot, Council Tax Surplus and contingency for Collection Fund Deficits
Care Together	(15,000)	15,000	0	(15,000)	0	(15,000)	To assist any funding risks of the implementation of the Care Together Programme
Service Improvement	(4,638)	2,266	(2,372)	(7,748)	3,110	(4,638)	To support one off service improvements in future to allow services to balance budgets.
Greater Manchester Bus Reform Reserve	(1,450)	0	(1,450)	(1,450)	0	(1,450)	To fund Tameside's contribution towards the Greater Manchester Bus Reform
COVID 19 Grants Reserve	(1,421)	1,421	0	(1,436)	15	(1,421)	COVID 19 grants held in reserve to be utilised.
Total	(88,481)	14,134	(74,347)	(96,710)	8,229	(88,481)	

BALANCE SHEET NOTES**NON-CURRENT ASSETS (INCLUDING FINANCIAL INSTRUMENTS)****11. Property, Plant and Equipment****Recognition**

All expenditure on the acquisition, creation or enhancement of Property, Plant and Equipment is capitalised on an accruals basis. Expenditure on the acquisition of an asset, or expenditure which adds to, and not merely maintains, the value of an existing asset, should be capitalised, provided that it yields benefits to the Council and the services it provides for a period of more than one year.

Capital expenditure includes:

- The acquisition, reclamation, enhancement or laying out of land;
- Acquisition, construction, preparation, enhancement or replacement of roads, buildings and other structures; and
- Acquisition, installation or replacement of movable or immovable plant, machinery, apparatus, vehicles and vessels.

In this context, enhancement means works which are intended to:

- Lengthen substantially the useful life of the asset, or
- Increase substantially the market value of the asset, or
- Increase substantially the extent to which the asset can or will be used for the purposes of or in conjunction with the functions of the Council.

Under this definition, improvement works and structural repairs should be capitalised, whereas expenditure to ensure that the non-current asset maintains its previously assessed standard of performance should be recognised in the revenue account as it is incurred.

A de-minimis level of £10,000 has been adopted by the Council in relation to capital expenditure.

Measurement

Initially the assets are measured at cost, comprising the purchase price, plus any costs associated with bringing the asset into use. The measurement of an operational asset acquired other than through purchase is deemed to be its current value. The Code requires that non-operational property, plant and equipment classified as surplus assets are measured at fair value.

In accordance with 'the Code', Property, Plant and Equipment is further classified as:

- Other Land and Buildings *
- Infrastructure assets
- Vehicles, Plant and Equipment
- Community Assets
- Assets under Construction
- Surplus Assets

Each of these asset classifications are valued on the basis required by proper accounting practice as outlined in the Code and in accordance with the Statements of Asset Valuation Principles and Guidance Notes issued by The Royal Institution of Chartered Surveyors (RICS), as follows:

- Infrastructure – depreciated historic cost (DHC)
- Community Assets and Assets Under Construction – historic cost (HC)
- Other assets (excluding non-operational property) – current value, determined as the amount that would be paid for the asset in its existing use (EUUV)
- Surplus assets (non-operational property, plant and equipment) – fair value

Where there is no market based evidence of current value because of the specialist nature of an asset, depreciated replacement cost (DRC) is used as an estimate of current value. Where non-property assets (such as Vehicles, Plant and Equipment) have short useful lives or low values (or both), depreciated historical cost basis is used as a proxy for current value.

*These asset categories are revalued on a minimum five year rolling cycle by an external valuer. The programme of revaluations is continuing on this cyclical basis although values of those assets falling between scheduled valuation dates are reviewed annually to ensure that any material changes to asset valuations is adjusted in the interim period, as they occur. Assets where expenditure of £750,000 or above has been incurred, these are added to the preceding year's revaluation list

Disposals

Receipts from the disposal of non-current assets are accounted for on an accruals basis. When an asset is disposed of, the value of the asset in the Balance Sheet is written out to the Comprehensive Income and Expenditure Statement, as is the disposal receipt. These amounts are not a charge or receipt to council tax as the cost of non-current assets is fully provided for under separate arrangements for capital financing. The asset value written out is appropriated to the Capital Adjustment Account, the capital receipt is appropriated to the Capital Receipts Unapplied Account, via the Movement in Reserve Statement. Any revaluation gains that have accumulated in the Revaluation Reserve are transferred to the Capital Adjustment Account.

Usable Capital Receipts have been used to finance capital expenditure based on the policy of the Council.

Academy Schools are written out of the Council's Balance Sheet at the time that they legally transfer to Academy status. The net book value of the school at the time of the transfer is charged to Other Operating Income and Expenditure within the Comprehensive Income and Expenditure Statement as a loss on disposal/de-recognition.

Depreciation / Amortisation

Depreciation is provided for on all non-current assets with a finite useful life (this can be determined at the time of acquisition or revaluation) according to the following policy:

All buildings (but not their land) are depreciated over their remaining useful lives. A land and building split has been determined by the Council's external valuers. Estimates of the useful life are determined for each property and where material for components of those properties as part of the valuation process. These estimates of economic life may vary considerably from property to property.

Investment Properties are not depreciated, rather an annual review is undertaken of the fair carrying value. Any changes to these values are charged to the Provision of Services within the Comprehensive Income and Expenditure Statement in the period that they occur.

Infrastructure is depreciated over periods of between 25 to 110 years depending on the asset type. Vehicles, Plant, and Equipment is depreciated over 10 years or less depending on the nature of the asset.

Depreciation is calculated on a straight-line basis. Depreciation is not charged in the year of asset acquisition. Depreciation is charged to the Comprehensive Income and Expenditure Statement but does not impact on council tax and is written out to the Capital Adjustment Account via the Movement in Reserves Statement. Where non-current assets have been re-valued the current value depreciation will be higher than the historic cost depreciation, this increased depreciation charge is written out against the Revaluation Reserve with an offsetting entry to the Capital Adjustment Account.

Impairment of Non-current Assets

Assets have been reviewed for any impairment loss in respect of the consumption of economic benefit (e.g. physical damage). Where an impairment loss occurs this would be charged to the

service revenue account, with a corresponding entry made to reduce the value of the asset in the Balance Sheet.

To remove the impact of the impairment loss on the budget, a credit entry is made in the Movement in Reserves Statement as a charge to the Capital Adjustment Account.

Impairments reflecting a general fall in prices would be recognised in the Revaluation Reserve, up to the value of revaluation for the individual asset, and any further impairment would be treated as a consumption of economic benefit and charged to the service revenue account.

Revaluations

Revaluation of property is undertaken on at least a five year "rolling programme" to ensure all property is measured at current value or fair value as appropriate. A desk top valuation exercise can take place more frequently, however, if the valuer believes that market changes within the year are more significant, an interim valuation will be undertaken. Investment Properties are revalued annually to determine any material change in the carrying value.

A Revaluation Reserve for non-current assets (other than Investment Properties) is held in the Balance Sheet made up of unrealised revaluation gains relating to individual non-current assets, with movements in valuations being managed at an individual non-current asset level.

Movement in the valuation of Investment Properties are charged or credited to the Comprehensive Income Expenditure Statement. Gains arising from the revaluation of Investment Properties are not held within a revaluation reserve.

The Revaluation Reserve contains revaluation gains recognised since 1 April 2007 only, the date of the reserves formal implementation. Gains arising before that date were subsequently consolidated into the Capital Adjustment Account. Movements in the valuations of non-current assets do not impact on General Fund Balances and are not a charge or credit to council tax levies.

Charges to revenue for non-current assets

The Cost of Services includes the following amounts to record the real cost of holding non-current assets throughout the year:

- Depreciation attributable to the assets used by the relevant service
- Impairment losses attributable to non-current assets used by the service in excess of the balances held in the Revaluation Reserve
- Amortisation of Intangible Assets attributable to the service

The Council does not raise council tax to cover depreciation, impairment loss or amortisations. The Council does, however, make an annual provision from revenue to reduce its borrowing requirement, (see note 8). Depreciation, impairment losses, amortisation and gains or losses on the disposal of non-current assets are therefore written out in the Movement in Reserves Statement, by way of an adjusting transaction within the Capital Adjustment Account.

Infrastructure Assets

Highways infrastructure assets include carriageways, footways and cycle tracks, structures (e.g. bridges), street lighting, street furniture (e.g. illuminated traffic signals, bollards) and land which together form a single integrated network. Non-highways assets include digital infrastructure such as high-speed fibre networks.

Recognition

Expenditure on the acquisition or replacement of components of the network is capitalised on an accrual basis, provided that it is probable that the future economic benefits associated with the item will flow to the authority and the cost of the item can be measured reliably.

Measurement

Infrastructure assets are generally measured at depreciated historical cost. However, this is a modified form of historical cost – opening balances for infrastructure assets were originally recorded in balance sheets at amounts of capital undischarged for sums borrowed as at 1 April 1994, which was deemed at that time to be historical cost.

Where impairment losses are identified, they are accounted for by the carrying amount of the asset being written down to the recoverable amount.

Depreciation

Depreciation is provided on the parts of the highways network infrastructure assets that are subject to deterioration or depletion and by the systematic allocation of their depreciable amounts over their useful lives. Depreciation is charged on a straight-line basis.

Non-highways infrastructure assets are depreciated over periods of up to 40 years.

Annual depreciation is the depreciation amount allocated each year.

Useful lives of the various parts of the highways network are assessed by the Head of Engineering Services using industry standards where applicable as follows:

Part of the Highways Network	Useful life
Carriageways (inc. gullies & highways drainage)	25 years
Carriageways – New	35 years
Footways and cycle tracks	25 years
Structures (bridges, tunnels, underpasses & large culverts)	110 years
Small culverts - diameter less than 1.2m	40 years
Street lighting	25 years
Street furniture	40 years
Non-Highways Assets	Useful life
High Speed Fibre Network	40 years

Disposals and derecognition

When a component of the network is disposed of or decommissioned, the carrying amount of the component in the Balance Sheet is written off to the ‘Other operating expenditure’ line in the Comprehensive Income and Expenditure Statement as part of the gain or loss on disposal. Receipts from disposals (if any) are credited to the same line in the Comprehensive Income and Expenditure Statement, also as part of the gain or loss on disposal (ie netted off against the carrying value of the asset at the time of disposal).

The written-off amounts of disposals are not a charge against council tax, as the cost of non-current assets is fully provided for under separate arrangements for capital financing. Amounts are transferred to the capital adjustment account from the General Fund Balance in the Movement in Reserves Statement.

Tameside Metropolitan Borough Council 2024/25

11a. Details of movements in Property, Plant and Equipment in 2024/25:

	Land and Buildings £000	Vehicles, Plant and Equipment £000	Community Assets £000	Surplus Assets £000	Assets Under Construction £000	Total Property, Plant and Equipment £000	PFI Assets Included in Property, Plant and Equipment £000
Cost or Valuation							
Balance at 1 April 2024	339,149	29,113	19,452	19,111	21,320	428,145	120,841
Recognition of Right-Of-Use Assets under IFRS 16	1,146	56	0	0	0	1,202	0
Remeasurement of PFI Assets under IFRS 16	4,495	0	0	0	0	4,495	4,495
Adjusted balance at 1 April 2024	344,790	29,169	19,452	19,111	21,320	433,842	125,336
Additions	6,824	923	113	715	453	9,028	113
Revaluation increases/(decreases) recognised in the Revaluation Reserve	7,362	0	0	(5,224)	0	2,138	12,946
Revaluation increases/(decreases) recognised in the Surplus/Deficit on the Provision of Services	26,276	0	0	(60)	0	26,216	10,548
Accumulated Depreciation Written Out	(8,391)	0	0	0	0	(8,391)	(2,097)
Derecognition/disposal of non-current assets	(79,144)	(186)	0	(1)	0	(79,332)	(49,676)
Assets reclassified in year	(2,467)	0	0	(1,565)	0	(4,032)	0
At 31 March 2025	295,250	29,906	19,565	12,976	21,773	379,471	97,170
Accumulated Depreciation and Impairment							
Balance at 1 April 2024	(1,112)	(15,144)	(3,590)	(2)	0	(19,848)	0
Depreciation charge	(8,817)	(2,867)	0	0	0	(11,684)	(2,914)
Accumulated Depreciation Written Out	8,391	0	0	0	0	8,391	2,097
Assets reclassified in year	0	0	0	0	0	0	0
Derecognition/disposal of non-current assets	1,315	175	0	0	0	1,490	817
At 31 March 2025	(223)	(17,836)	(3,590)	(2)	0	(21,651)	0
Net Book Value							
At 31 March 2025	295,027	12,071	15,975	12,974	21,773	357,820	97,170
At 31 March 2024	338,036	13,970	15,862	19,109	21,320	408,297	120,841
Nature of asset owned at 31 March 2025							
Owned	197,857	12,071	15,975	12,974	21,773	260,650	0
Finance Lease	0	0	0	0	0	0	0
PFI	97,170	0	0	0	0	97,170	97,170
	295,027	12,071	15,975	12,974	21,773	357,820	97,170

Tameside Metropolitan Borough Council 2024/25

11b. Details of the prior year movements in Property, Plant and Equipment:

	Land and Buildings £000	Vehicles, Plant and Equipment £000	Community Assets £000	Surplus Assets £000	Assets Under Construction £000	Total Property, Plant and Equipment £000	PFI Assets Included in Property, Plant and Equipment £000
Cost or Valuation							
Balance at 1 April 2023	350,862	28,000	18,966	20,034	4,178	422,041	115,366
Additions	5,573	1,448	486	0	17,142	24,648	945
Revaluation increases/(decreases) recognised in the Revaluation Reserve	34,625	0	0	866	0	35,491	6,739
Revaluation increases/(decreases) recognised in the Surplus/Deficit on the Provision of Services	(23,434)	0	0	39	0	(23,396)	507
Accumulated Depreciation Written Out	(9,343)	0	0	(23)	0	(9,366)	(2,716)
Derecognition/disposal of non-current assets	(17,730)	(335)	0	0	0	(18,065)	0
Assets reclassified in year	(1,404)	0	0	(1,805)	0	(3,209)	0
At 31 March 2024	339,149	29,113	19,452	19,111	21,320	428,145	120,841
Accumulated Depreciation and Impairment							
Balance at 1 April 2023	(1,255)	(13,327)	(3,590)	(25)	0	(18,198)	0
Depreciation charge	(9,705)	(1,986)	0	0	0	(11,692)	(2,716)
Accumulated Depreciation Written Out	9,343	0	0	23	0	9,365	2,716
Assets reclassified in year	0	0	0	0	0	(1)	0
Derecognition/disposal of non-current assets	505	169	0	0	0	673	0
At 31 March 2024	(1,112)	(15,144)	(3,590)	(2)	0	(19,853)	0
Net Book Value							
At 31 March 2024	338,036	13,970	15,862	19,109	21,320	408,292	120,841
At 31 March 2023	349,607	14,673	15,376	20,010	4,178	403,843	115,366
Nature of asset owned at 31 March 2024							
Owned	217,195	13,970	15,862	19,109	21,320	408,292	0
Finance Lease	0	0	0	0	0	0	0
PFI	120,841	0	0	0	0	0	120,841
	338,036	13,970	15,862	19,109	21,320	408,292	120,841

11c. The effective date of revaluation for non-current assets is 31 March each year. Valuations as at 31 March 2025 have been undertaken by Align Property Partners, First Floor, Morgan House, Mount View, Standard Way, Northallerton, DL6 2YD. An analysis of the Council's rolling programme of revaluations is set out below:

	Land and Buildings £000	Vehicles, Plant and Equipment	Infrastructure £000	Community Assets £000	Surplus Assets £000	Assets Under Construction £000	Total £000
Historical Cost							
Fair Value at year end: Valued at Historical Cost	792	12,040	133,895	15,975	0	21,773	184,475
31 March 2021	20	0	0	0	0	0	20
31 March 2022	57	0	0	0	0	0	57
31 March 2023	0	0	0	0	0	0	0
31 March 2024	764	0	0	0	654	0	1,418
31 March 2025	293,394	30	0	0	12,320	0	305,744
Total Cost or Valuation	295,027	12,071	133,895	15,975	12,974	21,773	491,715

Community Assets are held at historical cost in accordance with the Code of Practice for Local Authority Accounting, and are not subject to revaluation or depreciation. These assets are held for the benefit of the residents and communities of Tameside, and consist of open spaces including: parks, playgrounds, gardens, country parks, allotments, cemeteries and playing fields.

Valuation of Surplus Assets

Where surplus assets do not meet the criteria for a held-for-sale asset or an investment property, they fall to be valued at fair value (at highest and best use). The fair value of surplus assets is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. Valuation techniques used to measure fair value categorise the valuation inputs into three levels as follows:

- Level 1 Inputs – quoted prices (unadjusted) in active markets for identical assets or liabilities that the authority can access at the measurement date.
- Level 2 Inputs – inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly or indirectly.
- Level 3 Inputs – unobservable inputs for the asset or liability.

The valuation of surplus assets is based primarily on level 2 inputs, using observable and comparable land and building sale transaction information for similar sites and locations. There has been no change in the valuation techniques used for surplus properties during the year.

11d. Infrastructure Assets

In accordance with the temporary relief offered by the Update to the Code on infrastructure assets this note does not include disclosure of gross cost and accumulated depreciation for infrastructure assets because historical reporting practices and resultant information deficits mean that this would not faithfully represent the asset position to the users of the financial statements.

The authority has chosen not to disclose this information as the previously reported practices and resultant information deficits mean that gross cost and accumulated depreciation are not measured

accurately and would not provide the basis for the users of the financial statements to take economic or other decisions relating to infrastructure assets.

The authority has determined in accordance with Regulation 30M of the Local Authorities (Capital Finance and Accounting) (England/Wales) (Amendment) Regulations 2022 that the carrying amounts to be derecognised for infrastructure assets when there is replacement expenditure is nil.

	2024/25 £000	2023/24 £000
Balance at 1 April 2024	134,151	133,628
Additions	6,405	6,934
Depreciation	(6,661)	(6,411)
At 31 March 2025	133,895	134,151

Reconciliation to the Balance Sheet:

	2024/25 £000	2023/24 £000
Infrastructure assets	133,895	134,151
Other PPE	357,820	408,297
Total PPE	491,715	542,448

11e. Assets Held for Sale

	2024/25 £000	2023/24 £000
Balance at start of the year	3,209	0
Assets newly classified as held for sale	4,032	3,209
Disposals in year	(2,561)	0
Balance at end of the year	4,680	3,209

11f. Right of Use Assets

	Land and Buildings £000	Vehicles, Plant and Equipment £000	Total Right-Of- Use Assets £000
<u>Cost of Valuation</u>			
Balance at 1 April 2024	0	0	0
Initial Recognition Under IFRS 16	1,146	56	1,202
Additions	0	0	0
Revaluations	(57)	0	(57)
At 31 March 2025	1,090	56	1,146
<u>Accumulated Depreciation and Impairment</u>			
Balance at 1 April 2024	0	0	0
Depreciation charge	(141)	(26)	(167)
Derecognition/disposal	0	0	0
At 31 March 2025	(141)	(26)	(167)
Net Book Value at 31 March 2025	949	30	979

12. Heritage Assets

Heritage Assets are held for their cultural, environmental or historical associations. With the exception of "Statues and Other Monuments", which by their nature are located across the Borough, they are mainly held in the Council's art galleries and museums.

This collection of Heritage Assets has been secured over many years from a variety of sources, being mainly bequeaths, donations and long term loans. Assets acquired from these sources may have restrictions attached which govern how the assets may be managed in the future.

Statues and Other monuments are held at cost and not subject to revaluation or amortisation. Civic Regalia, Art Collections and Militaria are held based on an insurance valuation provided by an external valuer, which is updated with sufficient frequency to ensure the value remains current.

	Civic Regalia £000	Art Collection £000	Militaria £000	Statues and Other Monuments £000	Total Heritage Assets £000
Cost or Valuation					
At 31 March 2024	707	18,963	2,012	911	22,592
At 31 March 2025	707	18,963	2,012	911	22,592

13. Investment Properties

Investment Property is held solely to earn rental income or for capital appreciation or both. Investment Property is initially recognised at cost, but is subject to valuation at fair value at the end of each accounting period. Losses or gains are recognised in the Comprehensive Income and Expenditure Statement.

The following items of income and expense have been accounted for in the Comprehensive Income and Expenditure Statement.

	2024/25 £000	2023/24 £000
Rental income from investment property	(3,882)	(3,378)
Direct operating expenses arising from investment property	2,666	2,602
Gains in fair value of investment property	(8,910)	(3,535)
Losses in the fair value of investment property	5,976	1,372
Net position	(4,150)	(2,939)

The following table summarises the movement in the fair value of investment properties:

	2024/25 £000	2023/24 £000
Balance at start of the year	39,369	37,118
Additions	14	88
Movements in the fair value of investment property	2,934	2,163
Derecognition/disposal of non-current assets	(258)	0
Balance at end of the year	42,059	39,369

Valuation of Investment Property

Investment properties are measured initially at cost and subsequently at fair value, being the price that would be received to sell such an asset in an orderly transaction between market participants at the measurement date. As a non-financial asset, investment properties are measured at highest and best use. In estimating the fair value of the authority's investment properties, the highest and best use of the properties is their current use. Valuation techniques used to measure fair value categorise the valuation inputs into three levels as follows:

- Level 1 Inputs – quoted prices (unadjusted) in active markets for identical assets or liabilities that the authority can access at the measurement date.
- Level 2 Inputs – inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly or indirectly.
- Level 3 Inputs – unobservable inputs for the asset or liability.

The valuation of investment properties is based primarily on level 2 inputs, using observable and comparable information. Valuation inputs for investment properties includes market rents, recent land and building sale transaction information (for similar sites and locations), current rental income, occupancy levels, maintenance costs and other cash flow information. There has been no change in the valuation techniques used for investment properties during the year

14. Intangible Assets

Intangible Assets represent non-current assets that do not have physical substance, but are identifiable and are controlled by the Council through custodial or legal rights. All purchased Intangible Assets are capitalised at historical cost in line with 'the Code'. The Council's Intangible Assets consist of computer software and licences.

In line with other non-current assets, their useful economic life is determined based on the length of time that the benefit will accrue to the Council. Based on the best estimate of the useful economic life, the Intangible Asset is charged to the Comprehensive Income and Expenditure Statement over this period.

	2024/25 £000	2023/24 £000
Gross carrying amount	2,901	2,801
Accumulated amortisation	(2,122)	(1,944)
Balance at start of the year	780	857
In year amortisation	(186)	(177)
Additions	0	100
Balance at end of the year	594	780

15. Capital Expenditure and Capital Financing

The total amount of capital expenditure incurred in the year is shown in the table below, together with the resources that have been used to finance it. Where capital expenditure is to be financed in future years by charges to revenue as assets are used by the Council, the expenditure results in a decrease in the Capital Financing Requirement (CFR), a measure of the capital expenditure incurred historically by the Council that has yet to be financed.

Revenue Expenditure Funded from Capital under Statute represents expenditure which may be properly capitalised, but which does not result in the creation of any non-current asset to the Council. In line with the guidance contained in 'the Code', this expenditure is written off to the Comprehensive Income and Expenditure Statement in the year the expenditure is incurred, because the Council does not control the economic benefits arising from this expenditure

	2024/25 £000	2023/24 £000
Opening CFR plus PFI added in Year	272,594	280,744
<u>Assets Brought on Balance Sheet Under IFRS 16</u>		
Right-Of-Use Assets	1,202	0
PFI Assets	4,495	0
CFR 1 April	278,291	280,744
<u>Capital Investment</u>		
Property, Plant and Equipment (incl. Infrastructure)	15,434	31,583
Investment Properties	14	88
Intangible Assets	0	100
Revenue Expenditure Funded from Capital under Statute	11,845	6,228
<u>Sources of Finance</u>		
Capital Receipts	(2,309)	(2,098)
Government Grants and Other Contributions	(23,925)	(32,156)
Capital expenditure charged against General Fund Balances	(1,668)	(2,709)
Minimum Revenue Provision	(10,525)	(9,185)
Closing CFR	267,158	272,594

Explanation of movements in year:

	2024/25 £000	2023/24 £000
Change in Underlying Need to Borrow	(66)	(4,023)
Principal Element of Lease Repayments	(99)	(7)
Principal Element of PFI Lease Repayments	(5,272)	(4,120)
Increase / (decrease) in CFR	(5,436)	(8,150)

16. Capital Commitments

At the Balance Sheet date, the Council has one scheme which includes contractual commitments for the construction or enhancement of Property, Plant and Equipment in future years.

	2024/25 £000
Ashton Levelling-Up Fund	5,357
Other Capital Commitments	1,096
Total	6,453

17. Long-Term Debtors

Long-Term Debtors comprise amounts owed to the Council that are not investments and that are not expected to be realised within 12 months of the Balance Sheet date.

	2024/25 £000	2023/24 £000
Inspiredspaces Tameside (Holdings 1) Ltd	1,504	1,561
Inspiredspaces Tameside (Holdings 2) Ltd	2,651	2,820
Manchester Airport Loans	29,632	29,632
Manchester Airport Accrued Income	9,490	9,137
Other Long Term Debtors	98	111
Total	43,375	43,261

Inspiredspaces Tameside (Holdings 1) Ltd and Inspiredspaces Tameside (Holdings 2) Ltd – Loan stock held by the Council.

Manchester Airport – The Council’s share of loan debt relating to the construction of Terminal 2 and the Council’s share of debt owing to the Greater Manchester Metropolitan Debt Administration Fund by the Airport. The Airport pays annual fixed interest of 12% on both and will repay the principal of the loans in full on maturity by 2055. In 2018/19 the Council advanced two further loans to Manchester Airport Group (MAG) at a total value of £11.278m at an interest rate of 10%. These loans mature in 2056 and 2057. In 2020/21 a further £9.677m was advanced to MAG also at an interest rate of 10%, repayable in 2058.

Active Tameside – Loans to finance the purchase of equipment and the refurbishment of three leisure centres.

18. Financial Instruments

A Financial Instrument is defined as “any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another”. Although this covers a wide range of items, the main implications are in terms of investments and borrowings.

As reflected in ‘the Code’, accounting standards on Financial Instruments IFRS9, IAS 32 and IFRS7 cover the concepts of recognition, measurement, presentation and disclosure. The adoption of IFRS9 in 2018/19 resulted in some changes to the treatment of financial assets that are classed as financial instruments.

A financial asset or liability should be recognised in the Balance Sheet when, and only when, the holder becomes a party to the contractual provision of the instrument.

Financial liabilities and financial assets are initially measured at fair value less transaction costs and carried at their amortised cost. Fair value is the amount for which an asset could be exchanged or a liability settled between knowledgeable and willing parties in an arm's length transaction. Annual charges to the Comprehensive Income and Expenditure Statement for interest payable and receivable are based on the carrying amount of the liability, multiplied by the effective rate of interest for the instrument. For the borrowings and investments of the Council, this means that the amount included in the Balance Sheet is the outstanding principal repayable plus accrued interest to the end of the financial year. Interest charged to the Comprehensive Income and Expenditure Statement is the effective amount payable for the year in the loan agreement (which is not necessarily the cash amount payable).

When long-term borrowing is reviewed for rescheduling opportunities, the early repayment results in gains and losses (discounts and premiums) which are credited or debited to the Comprehensive Income and Expenditure Statement. If the Council decides to write off these gains or losses on early repurchase/settlement then this can be done over ten years or over the life of the new loan or over a shorter more prudent time scale. The Comprehensive Income and Expenditure Statement is charged with one year related costs with the rest being taken to the Financial Instruments Adjustment Account in the Balance Sheet via the Movement in Reserves Statement. The accounting policy is to charge gains and losses to Net Operating Expenditure in the year of repurchase/settlement.

- **Financial Instrument Balances**

The borrowings and investments disclosed in the Balance Sheet are made up of the following categories of financial instruments:

Financial Assets

	31 March 2025		31 March 2024	
	Long Term £000	Current £000	Long Term £000	Current £000
Investments at Amortised Cost	0	62,640	0	99,025
Adjustment for amortised cost	0	978	0	1,490
Amounts treated as Cash Equivalents	0	(17,685)	0	(100,515)
Debtors	43,375	44,476	43,261	33,628
Financial Assets at amortised cost	43,375	90,410	43,261	33,628
Other Investments	0	0	0	0
<u>Fair Value through Other Comprehensive Income (Designated)</u>				
Inspiredspaces Tameside (Holdings 1) Ltd	3,380	0	3,476	0
Inspiredspaces Tameside (Holdings 2) Ltd	5,497	0	5,606	0
Manchester Airport Group (MAG)	43,400	0	46,300	0
Manchester Airport Group (MAG) Additional Shareholding	4,400	0	4,400	0
Total Investments and Debtors	100,052	90,410	103,043	33,628
Investments treated as Cash Equivalents	0	17,685	0	100,515
Other Cash	0	7	0	1,491
Total Financial Assets	100,052	108,101	103,043	135,634

Financial Liabilities

	31 March 2025		31 March 2024	
	Long Term £000	Current £000	Long Term £000	Current £000
Financial Liabilities Principal Amount	136,025	13,228	136,025	3,431
Adjustment for Amortised Cost	625	1,131	645	1,092
Financial Liabilities at amortised cost	136,650	14,358	136,670	4,523
Total Borrowing	136,650	14,358	136,670	4,523
Creditors	0	74,547	0	69,415
PFI, leases & transferred debt	111,289	5,754	84,396	4,684
Total Financial Liabilities	247,939	94,659	221,066	78,622

There are material changes to the Fair Values disclosed in these notes, some based on the category of their initial valuation:

- Level 1 Inputs – quoted prices (unadjusted) in active markets for identical assets or liabilities that the authority can access at the measurement date.
- Level 2 Inputs – inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly or indirectly.
- Level 3 Inputs – unobservable inputs for the asset or liability.

Some of the authority's financial assets are measured in the balance sheet at fair value on a recurring basis and are described in the following table, including the valuation techniques used to measure them. There have been no transfers between valuation levels, additions, disposals or recognised gains or losses.

Financial Assets Measured at Fair Value

Recurring fair value measurements	Input level	Valuation Technique	31 March 2025 £000	31 March 2024 £000
Fair Value through Other Comprehensive Income (Designated)				
Inspiredspaces Tameside (Holdings 1) Ltd	Level 3	Discounted cash flow (see below)	3,380	3,476
Inspiredspaces Tameside (Holdings 2) Ltd	Level 3	Discounted cash flow (see below)	5,497	5,606
Manchester Airport Group (MAG)	Level 2	Market Value	43,400	46,300
Manchester Airport Group (MAG) Additional Shareholding	Level 2	Market Value	4,400	4,400
Total			56,677	59,782

With the adoption of IFRS9 from 1 April 2018 investments in equity are classified as Fair Value through Profit and Loss (FVPL) unless there is an irrevocable election to designate the asset as fair value through other comprehensive income.

Assets classed as FVPL are assets where the amounts received are not principal and interest. The Council's equity investments would fall within this category as income received would be in the form of dividends. The Council currently holds three equity investments; Inspiredspaces Tameside (Holding Company 1) and Inspiredspaces Tameside (Holding Company 2), both PFI holding companies, and Manchester Airport Group.

Where these equity investments are not held to trade but are held for strategic reasons the Council can choose to designate these investments as Fair Value through Other Comprehensive Income (FVOCI) rather than FVPL. The Council has taken the option to designate all three equity investments as strategic, on the grounds that these holdings are not held to trade but for strategic service or economic reasons. As a result of this any changes will have no impact on the revenue budget and any gains or losses in the value of the shareholding will be transferred to the Financial Instrument Revaluation Reserve.

Inspiredspaces Tameside (Holdings1) Ltd and Inspiredspaces Tameside (Holdings2) Ltd – The Fair values of both Inspiredspaces Tameside (Holdings1) Ltd and Inspiredspaces(Holding 2) Ltd are assessed annually using a discounted cash flow model to determine the estimated fair value of the equity holding based on future cash flows. These equity holdings are not openly traded and relate to Special Purpose Vehicles for PFI schools which do not have comparable markets. The discounted cash flow model includes assumptions about future cash flows which are unobservable and therefore these holdings are categorised as Level 3 investments. The valuation is sensitive to assumptions about future cash flows – any percentage change in the forecast future cash flows would result in an equivalent percentage change in the value of the equity holding.

There has been no change to the valuation technique used during the year to estimate the value of Inspiredspaces equity holdings. The following table provides the reconciliation of fair value measurements for financial assets carried at fair value categorised within Level 3 of the fair value hierarchy for financial assets:

	2024/25 £000	2023/24 Restated £000
Balance at 1 April	9,083	8,727
<u>Total gains or (losses) for the period:</u>		
Included in Surplus or Deficit in the Provision of Services	0	0
Included in Other Comprehensive Income and Expenditure	(207)	356
Balance at 31 March	8,876	9,083

MAG – The Council's shareholding in Manchester Airport Group (MAG) remains at 3.22%. These shares are not traded and an external valuation is obtained on behalf of all Greater Manchester Authorities. This valuation uses an earnings-based method, which takes into account the profitability of the company, assessing its historical earnings and arriving at a view of 'maintainable' or 'prospective' earnings. The valuers have advised of an decrease of £2.900m in the fair value of the Council's ordinary shareholding during the accounting period. In 2024/25, the Council received a dividend of £0.484m from MAG, which is included in Financing and Investment Income and Expenditure. The Council remains highly unlikely to dispose of its shareholding.

MAG Additional Shareholding – the value of additional C shares relating to the Manchester Airport car park investment has remained the same in 2024/25 at £4.400m. In 2024/25, the Council received a dividend of £0.413m from this shareholding.

			31 March 2024	
			Carrying Amount £000	Fair Value £000
PWLB Debt			96,025	77,647
Total			136,025	120,629

The fair value is lower than the carrying amount because the Council's portfolio of loans includes a number of fixed rate loans where the interest rate payable is lower than the rates available for similar loans in the market at the Balance Sheet date.

Loans borrowed by the Council have been valued by discounting the contractual cash flows over the whole life of the instrument at the appropriate market rate for local authority loans.

Discount rates for "Lender's Option Borrower's Option" (LOBO) loans have been reduced to reflect the value of the embedded options. The size of the reduction has been calculated using proprietary software.

The fair values of other long-term loans and investments have been discounted at the market rates for similar instruments with similar remaining terms to maturity on 31st March.

The Council's financial assets are as follows:

	31 March 2025		31 March 2024	
	Carrying Amount £000	Fair Value £000	Carrying Amount £000	Fair Value £000
<u>Investments</u>				
Less Than 1 Year	63,618	63,618	100,515	100,515
Greater Than 1 Year	0	0	0	0
Long Term Debtors	43,375	43,375	43,261	43,261
Total Financial Assets at Amortised Cost	106,994	106,994	143,776	143,776

• **Mark to Model Valuation for Financial Instruments**

As at 31st March the Council held £106.994m financial assets and £146.025m financial liabilities for which Level 2 valuations will apply. All the financial assets are with Money Market Funds, Local Authorities and Banks and are held at amortised cost. The financial liabilities are held with PWLB and Market lenders. All of these investments and borrowings were not quoted on an active market and a Level 1 valuation is not available. To provide a fair value which provides a comparison to the carrying amount, we have used a financial model valuation provided by Arlingclose. This valuation applies the Net Present Value approach, which provides an estimate of the value of payments in the future in today's terms as at the balance sheet date using market rates. This is a widely accepted valuation technique commonly used by the private sector. Our accounting policy uses early repayment rates to discount the future cash flows.

Items of income, expense, gains or losses

The gains and losses recognised in the Comprehensive Income and Expenditure Statement in relation to financial instruments are made up as follows;

	31 March 2025 £000	31 March 2024 £000
Gains or Losses on:		
Financial Assets at Fair Value Through Other Comprehensive Income	(3,105)	26,655
Interest Income		
Financial Assets at Amortised Cost	(4,242)	(6,198)
Financial Assets at Fair Value Through Other Comprehensive Income	(5,476)	(4,808)
Total Interest Income	(9,718)	(11,006)
Interest Expense	14,537	15,971

19. Nature and Extent of Risks Arising from Financial Instruments

Key Risks

The Council's activities expose it to a variety of financial risks, the key risks are:

- Credit risk – the possibility that other parties might fail to pay amounts due;
- Liquidity risk – the possibility that the Council might not have funds available to meet its commitments to make payments;
- Re-financing risk – the possibility that the Council might be required to renew a financial instrument on maturity at disadvantageous interest rates or terms;
- Market risk – the possibility that financial loss might arise for the Council as a result of changes in such measures as interest rate movements.

Overall Procedures for Managing Risk

The Council's overall risk management procedures focus on the unpredictability of financial markets, and are structured to implement suitable controls to minimise these risks. The procedures for risk management are set out through a legal framework in the Local Government Act 2003 and the associated regulations. These require the Council to comply with the CIPFA Prudential Code, the CIPFA Treasury Management in the Public Services Code of Practice and Investment Guidance issued through the Act. Overall these procedures require the Council to manage risk in the following ways:

- By formally adopting the requirements of the Code of Practice;
- By the adoption of a Treasury Management Strategy and treasury management clauses within its constitution;
- By approving annually in advance prudential indicators for the following three years limiting:
 - The Council's overall borrowing;
 - Its maximum and minimum exposures to fixed and variable rates;
 - Its maximum and minimum exposures to the maturity structure of its debt; and
 - Its maximum annual exposures to investments maturing beyond a year.
- By approving an investment strategy for the forthcoming year setting out its criteria for both investing and selecting investment counterparties in compliance with the Government Guidance.
- By approving a borrowing strategy for the forthcoming year setting out its criteria for borrowing, approved sources of borrowing and priorities when funding the Council's capital programme.

These are required to be reported and approved at or before the Council's annual budget setting meeting. These items are reported with the annual Treasury Management Strategy Statement which outlines the detailed approach to managing risk in relation to the Council's financial instrument exposure. Actual performance is also reported to Members on a quarterly basis.

The 2024/25 Budget Report, which incorporates the prudential indicators, was approved by Council in March 2024 and is available on the Council's website. The key indicators were:

Indicator	Limit	Outturn
Ratio of financing costs to net revenue stream	6.6%	6.6%
Capital financing requirement	£190,856,000.00	£186,828,000.00
Capital expenditure in year	£56,111,000.00	£27,297,000.00
Incremental impact on capital investment decisions	£0.01	£0.01
Authorised limit for external debt	£221,400,000.00	£146,269,000.00
Operational boundary for external debt	£201,400,000.00	£146,269,000.00
Upper limit for fixed interest rate exposure	£190,856,000.00	£146,269,000.00
Upper limit for variable interest rate exposure (negative figure represents investments in excess of borrowing)	£63,619,000.00	(£17,640,000.00)
Upper limit for total principal sums invested for over 364 days	£30,000,000.00	£0.00

These policies are implemented by the Treasury Management team. The Council maintains written principles for overall risk management, as well as written policies covering specific areas, such as interest rate risk, credit risk, and the investment of surplus cash through Treasury Management practices. These Treasury Management practices are a requirement of the Code and are reviewed periodically.

Credit Risk

Credit risk arises from deposits with banks and financial institutions, as well as credit exposures to the Council's customers.

This risk is minimised through the Annual Investment Strategy, which requires that deposits are not made with financial institutions unless they meet identified minimum credit criteria, in accordance with the Fitch, Moody's and Standard and Poor Ratings Services. The Annual Investment Strategy also imposes a maximum amount and time limits in respect of each financial institution. Deposits are not made with banks and financial institutions unless they meet the minimum requirements of the investment criteria outlined above. Additional selection criteria are also applied after this initial criteria is applied.

The key areas of the Investment Strategy are that the minimum criteria for investment counterparties include:

- Credit ratings of Short Term F1, Long Term A- or greater. There may be occasions when the counterparty ratings from one rating agency are marginally lower than these ratings but may still be used. In these instances consideration will be given to the whole range of ratings available, or other topical market information, to support their use.
- Domiciled in a country which has a minimum sovereign rating AA;
- UK Institutions provided with support from the UK Government.

The full Investment Strategy for 2024/25 was approved by Full Council in March 2024 and is available on the Council's website.

The Council's maximum exposure to credit risk in relation to its investments in banks and financial institutions cannot be assessed generally as the risk of any institution failing to make interest payments or repay the principal sum will be specific to each individual institution. Recent experience has shown that it is rare for such entities to be unable to meet their commitments. A risk of recoverability applies to all of the Council's deposits, but there was no evidence at the Balance Sheet date that this was likely to crystallise.

Expected Credit Loss

Calculation of expected credit loss (ECL) is a way of assessing the credit risk of investments and other financial assets and is a requirement under IFRS9. Credit losses are recognised on either a 12 month or lifetime basis, with the 12 month method being used for assets where the risk of default remains low and is not expected to increase and the lifetime method used when the risk of default is high or expected to increase significantly.

The Council uses its treasury advisor Arlingclose to provide ECL calculations on its Treasury Investments. The Arlingclose methodology uses forward looking data within these calculations as per IFRS 9 requirements. Arlingclose take historical default rates for similar credit quality investments, and then adjust them using the Moody's Credit Rating Agency forward looking estimation of defaults for the following year which is published annually.

As the Council's Treasury Investments held at 31 March 2025 comprised of Local Authority Loans, which are exempt from requiring ECL calculations per the CIPFA code, and Money Market Fund investments held at Fair Value through Profit and Loss, there were no ECL calculations required on Treasury Investments.

The Council has assessed its assets as follows:

Asset Type	Risk Assessment	Expected Credit Loss Model	Assessment Criteria
Treasury Investments	Low	12 month	Historical default tables provided by credit rating agencies
Loans to Third Parties	Low/High	12 month/lifetime	Assets to be assessed on an individual basis using external ratings, economic conditions, and internal assessment of risk level of counterparty

Following an assessment of the Council's investments it has been determined that there is no material expected credit loss and therefore no allowance has been made.

A summary of the credit quality of the Council's financial assets is below.

Treasury Deposits	Amount at 31 March 2025 £000	Credit Rating	12 Month Expected Credit Loss £000
Banks and Financial Institutions			
LGIM	3,350	AAA	0
Morgan Stanley	14,290	AAA	0
Total	17,640		0
Other Local Authorities	45,000	N/A	0
Total	62,640		0

No breaches of the Council's counterparty criteria occurred during the year and the Council does not expect any losses from non-performance by any of its counterparties in relation to deposits.

The Council does not generally allow credit for its trade debtors. Debt is impaired in line with IFRS9 based on knowledge and experience of past debts and current conditions. At the Balance Sheet date a balance of £25.868m net of impairment was outstanding and is analysed by age below:

	31 March 2025 £000	31 March 2024 £000
Less than three months	13,506	9,450
Three to four months	517	596
More than four months	11,845	10,390
Total	25,868	20,435

Liquidity Risk

The Council manages its liquidity position through the risk management procedures above, as well as through a comprehensive cash flow management system, as required by the Code. This seeks to ensure that cash is available when it is needed.

The Council has ready access to borrowings from the Money Markets to cover any day to day cash flow need, and the PWLB and Money Markets for access to longer term funds. The Council is also required to provide a balanced budget through the Local Government Finance Act 1992, which ensures sufficient monies are raised to cover annual expenditure. There is therefore no significant risk that it will be unable to raise finance to meet its commitments under financial instruments.

The maturity analysis of financial assets (principal amount) is as follows:

	31 March 2025 £000	31 March 2024 £000
Less than one year	62,640	99,025
Greater than one year	0	0
Total	62,640	99,025

Refinancing and Maturity Risk

The Council maintains a significant debt and investment portfolio. Whilst the cash flow procedures above are considered against the refinancing risk procedures, longer term risk to the Council relates to managing the exposure to replacing financial instruments as they mature. This risk relates to both the maturing of longer term financial liabilities and longer term financial assets.

The approved prudential indicator limits for the maturity structure of debt and the limits placed on investments of greater than one year in duration are the key parameters used to address this risk.

The Council's approved Treasury Management and Investment Strategies address the main risks and the Treasury Management team address the operational risks within the approved parameters. These include:

- Monitoring the maturity profile of financial liabilities and amending the profile through either new borrowing or the rescheduling of the existing debt; and
- Monitoring the maturity profile of investments to ensure sufficient liquidity is available for the Council's day to day cash flow needs, and the spread of longer term investments provide stability of maturities and returns in relation to the longer term cash flow needs.

The maturity analysis of financial liabilities (principal amount) is as follows, with the maximum and minimum limits for fixed interest rates maturing in each period:

	Approved maximum limits %	Approved minimum limits %	31 March 2025 £000	31 March 2024 £000
Less than one year	15	0	0	244
Between one and two years	15	0	0	0
Between two and five years	30	0	3,550	3,550
Between five and ten years	40	0	3,000	3,000
More than ten years	100	50	129,475	129,475
Total			136,025	136,269

Market Risk

Interest rate risk - The Council is exposed to interest rate movements on its borrowings and investments. Movements in interest rates have a complex impact on the Council, depending on how variable and fixed interest rates move across differing financial instrument periods. For instance, a rise in variable and fixed interest rates would have the following effects:

- Borrowings at variable rates – the interest expense charged to the CIES will rise;
- Borrowings at fixed rates – the fair value of the borrowing liability will fall (no impact on revenue balances);
- Investments at variable rates – the interest income credited to the CIES will rise;
- Investments at fixed rates – the fair value of the assets will fall (no impact on revenue balances).

Borrowings are not carried at fair value on the Balance Sheet, so nominal gains and losses on fixed rate borrowings would not impact on the CIES. However, changes in interest payable and receivable on variable rate borrowings and investments will be posted to the CIES and affect General Fund Balances, subject to influences from Government grants. Movements in the fair value of fixed rate investments that have a quoted market price will be reflected in the CIES.

The Council has a number of strategies for managing interest rate risk. The Annual Treasury Management Strategy draws together the Council's prudential indicators and its expected treasury operations, including an expectation of interest rate movements. From this Strategy a prudential indicator is set which provides maximum and minimum limits for fixed and variable interest rate exposure. The Treasury Management team will monitor the market and forecast interest rates within the year to adjust exposures appropriately. For instance during periods of falling interest rates, and where economic circumstances make it favourable, fixed rate investments may be taken for longer periods to secure better long term returns, similarly the drawing of longer term fixed rate borrowing would be postponed.

If all interest rates had been 1% higher (with all other variables held constant) the financial effect would be:

	31 March 2025 £000	31 March 2024 £000
Decrease in the fair value of fixed rate borrowings liabilities (no impact on CIES)	13,809	16,749

The approximate impact of a 1% fall in interest rates would be an increase in fair value of £17.3m. These assumptions are based on the same methodology as used in Note 19 – Fair value of Financial Assets and Liabilities Carried at Amortised Cost.

Price Risk - The Council, excluding the Greater Manchester Pension Fund, does not generally invest in equity shares but does in common with all Greater Manchester Districts have a 3.22% shareholding in Manchester Airports Group (except Manchester City Council which holds 35.5%). The shares are shown in the Balance Sheet at an estimated fair value of £43.4m with an additional £4.4m of C shares relating to the Airport car park investment. Whilst this holding is generally illiquid, the Council is exposed to losses arising from movements in the price of the shares.

As the shareholding has arisen from the acquisition of a specific interest, the Council is not in a position to limit its exposure to price movements by diversifying its portfolio. Instead, the Council monitors factors that might cause a fall in the value of its shareholding.

Foreign Exchange Risk - The Council has no financial assets or liabilities denominated in foreign currencies. It therefore has no exposure to loss arising from movements in exchange rates.

CURRENT ASSETS

20. Short Term Debtors

Short Term Debtors comprise amounts due to the Council that are not investments and that have not been received at the Balance Sheet date.

Debt is impaired in line with IFRS9 based on knowledge and experience of past debts and current conditions. Assessment is made based on the risk of the debtors' ability to pay future cash flows due under the contractual terms. This risk is estimated based on historical loss experience, credit rating for a debtor and other impacting factors. The impairment is charged against the Financing and Investment line in the CIES.

	2024/25 £000	2023/24 £000
Central Government Bodies	11,193	9,705
NHS Bodies	383	336
Other Local Authorities	3,441	3,386
Other Entities and Individuals	80,015	73,152
Allowance for Expected Credit Loss	(19,910)	(21,999)
Total	75,123	64,581
Capital Debtors	1,465	672
Payments In Advance	3,184	2,440
Transferred Services	32	32
Total	79,803	67,725

The past due but not impaired amount for local taxation (council tax and non-domestic rates) can be analysed by age as follows:

	2024/25 £000	2023/24 £000
Less than one year	9,582	9,884
One year to two years	6,277	6,548
More than two years	16,297	16,781
	32,155	33,213

21. Cash and Cash Equivalents

Cash and Cash equivalents are short term, highly liquid investments that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value. The Council has deemed that deposits held within money market funds are categorised as cash equivalents.

	2024/25 £000	2023/24 £000
Cash held by the Council	7	3
Cash Equivalent Short Term Investments	17,685	100,620
Bank Current Accounts	0	1,488
	17,692	102,111
Bank Overdraft	(400)	(163)
Total	17,292	101,948

CURRENT LIABILITIES

22. Short Term Creditors

Short Term Creditors comprise amounts owed by the Council for work done, goods received or services rendered, for which payment has not been received at the Balance Sheet date.

	2024/25 £000	2023/24 £000
Central Government Bodies	(4,461)	(6,577)
NHS Bodies	(12,636)	354
Other Local Authorities	(5,616)	(3,027)
Other Entities and Individuals	(16,114)	(47,463)
Total	(38,827)	(56,713)
Capital Creditors	(1,916)	(1,094)
Deposits and Receipts in Advance	(30,897)	(10,269)
Short Term Accumulating Compensated Absences	(3,604)	(3,529)
Total	(75,244)	(71,605)

23. Other Long Term and Short Term Liabilities

Other Long Term and Short Term Liabilities comprise amounts due to individuals or organisations which will have to be paid at some time in the future. Long term liabilities are usually payable more than one year from the Balance Sheet date.

	Note	Long Term £000	Short Term £000	Total £000
2024/25	-			
Pension Liability	28	(38,858)	0	(38,858)
PFI	26	(80,190)	(5,529)	(85,720)
Leases	25	(2,989)	(99)	(3,088)
Other Liabilities		(104)	0	(104)
Total		(122,141)	(5,628)	(127,770)
2023/24	-			
Pension Liability	28	(45,929)	0	(45,929)
PFI	26	(81,811)	(4,686)	(86,497)
Leases	25	(2,585)	(7)	(2,592)
Other Liabilities		(29)	0	(29)
Total		(130,354)	(4,693)	(135,046)

24. Provisions

Provision has been made in the Balance Sheet for liabilities that have been incurred by the Council, but where the amounts or dates on which they will arise are uncertain.

Provisions are required to be recognised when the Council has a present obligation, as a result of a past event, where it is probable that an outflow of resources embodying economic benefit or service potential will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. When expenditure is incurred to which the provision relates, it is charged directly against the provision in the Balance Sheet and not against the CIES.

	Business Rate Appeals £000	Insurance Fund £000	Other Provisions £000	Total £000
Balance at 1 April 2024	(5,595)	(4,967)	(599)	(11,161)
Additional provisions made in the period	0	0	0	0
Provision - written back	115	0	599	715
Amounts used	3,703	998	0	4,701
Provision Balance at 31 March 2025	(1,776)	(3,968)	0	(5,745)
Long Term Provision	(1,776)	(3,968)	0	(5,745)
Short term Provision	0	0	0	0
Total	(1,776)	(3,968)	0	(5,745)

The provision for Business Rate Appeals is required for forecast losses on business rates as a result of appeals.

The Insurance fund mainly covers the third party and employer's liability claims that are settled for amounts less than the excess on the policy for that year. External insurers continue to cover claims for amounts above the excess. The level of insurance provision and reserve is based on an assessment undertaken by an independent external insurance actuary.

25. Leases

The Council accounts for leases in accordance with IFRS 16 (Leases), as adopted by the CIPFA/LASAAC Code of Practice on Local Authority Accounting 2024/25. This accounting policy was applied from 1 April 2024 and comparative information has not been restated in line with the Code transitional provisions.

Council as lessee

The Council assesses whether a contract is, or contains, a lease by determining whether it conveys the right to control the use of an identified asset for a period of time in exchange for consideration. The Council recognises a right-of-use asset and a lease liability at the commencement date for most leases, except for short-term leases (12 months or less) and leases of low-value items, which are expensed (see Exempt Leases).

Council as lessor

Where the Council is a lessor, leases are classified as operating or finance leases in accordance with IFRS 16 lessor requirements.

Measurement Basis (Lessee)

Right-of-Use assets

Right-of-use (RoU) assets are initially measured at cost. Cost comprises the initial measurement of the lease liability, plus any lease payments made at or before commencement (less any lease incentives received), initial direct costs and any restoration obligations where applicable.

Lease liabilities are initially measured at the present value of lease payments not paid at commencement, discounted using the interest rate implicit in the lease where readily determinable, otherwise the Council's incremental borrowing rate (IBR).

Peppercorn/nominal/nil consideration leases

Where a peppercorn, nominal or nil consideration lease gives rise to a RoU asset, the Council applies the Code's public sector adaptation. The RoU asset is recognised initially at fair value and the difference between the consideration and fair value is treated as a non-exchange element (donated/benefit-in-kind), in accordance with the Code.

Council as Lessee

Right of Use Assets

The Council holds leases for property and equipment, which have been recognised on the balance sheet as right of use assets. These assets are initially measured at the present value of future lease payments and are depreciated over the non-cancellable period of the lease. The following table shows the change in value of right of use assets held under leases by the Council.

	Land and Buildings £000	Vehicles, Plant and Equipment £000	Total Right-Of-Use Assets £000
Cost of Valuation			
Balance at 1 April 2024	0	0	0
Initial Recognition Under IFRS 16	1,146	56	1,202
Additions	0	0	0
Revaluations	(57)	0	(57)
At 31 March 2025	1,090	56	1,146
Accumulated Depreciation and Impairment			
Balance at 1 April 2024	0	0	0
Depreciation charge	(141)	(26)	(167)
Derecognition/disposal	0	0	0
At 31 March 2025	(141)	(26)	(167)
Net Book Value at 31 March 2025	949	30	979

The newly recognised lease liability as at 1 April 2024, £3.198m, compares with the operating lease commitments of £2.592m reported in the 2023/24 Statement of Accounts. The weighted average discount rate applied was 5.28%.

IAS 17 to IFRS 16 Reconciliation - Lease commitments	£000
Future Lease commitments as at 31st March 2024	2,592
Less: Leases where commitments previously recognised or exempt	0
Additional Lease Agreements Identified	744
Total Updated Lease Commitments as at 1 April 2024	3,336
Less: Discounting Adjustment using IBR	(138)
Lease Liability as at 1 April 2024	3,198

The following table shows the change in the value of liabilities associated with ROU assets held under lease by the Council.

	2024/25 £000
Lease Liability as at 1 April 2024	3,198
Interest	296
Lease Payment	(406)
Lease Liability as at 31 March 2025	3,088

The Council has elected to recognise lease payments for short-term and low-value leases as an expense on a straight-line basis.

Low-value leases are those where the underlying asset is low value when new, assessed on an absolute basis (e.g. small office equipment). The expenses are included within the table below.

	2024/25 £000
Interest expense on lease liabilities	296
Expense relating to short-term leases and/or of low-value assets	238
Expense relating to variable lease payments not included in lease liabilities	0
Income from subleasing right-of-use assets	(120)
Total cash outflow for leases	414
Gains/(losses) arising from sale and leaseback transactions	0

*The adoption of IFRS16 from 01/04/2024 means that there are no prior year comparatives.

Council as Lessor - Operating Leases

The Council recognises an operating lease to be a lease which is not a finance lease. Under IFRS 16, this mainly includes short-term leases and leases of low-value assets such as equipment. Where the Council is the lessor for an operating lease, normally the asset is classified as an investment property. Any rental income is credited to the relevant service income.

During the year the Council continued to lease land and buildings by means of operating leases. The future minimum lease payments due under non-cancellable leases in future years are:

	2024/25 £000	2023/24 £000
Not later than one year	2,411	2,032
Later than one year and not later than five years	8,334	7,470
Later than five years	95,995	97,351
	106,740	106,853

Risk Management for Rights Retained in Underlying Assets

The Council manages risk associated with rights retained in underlying leased assets through mechanisms such as rent review and break clause management; tenant covenant assessment and monitoring; contractual repair/maintenance obligations and inspections; security deposits/guarantees where applicable; and insurance requirements and compliance monitoring.

26. Service Concession Agreements (Private Finance Initiatives (PFI) and Similar Contracts)

PFI and similar schemes are accounted for in a manner that is consistent with the adaptation of IFRIC 12 Service Concession Arrangements. They are agreements to receive services, where the responsibility for making available the property, plant and equipment needed to provide the services passes to the PFI contractor. PFI and similar contracts are assessed to determine whether the risks and rewards incidental to ownership lie with the Council or the contractor.

Those which lie with the contractor – payments made during the life of the contract are chargeable to revenue as incurred.

Those which lie with the Council – are recognised as an asset in the Balance Sheet for the construction costs of the asset. Once recognised this asset is treated in line with all non-current

assets. A corresponding long term liability is also recognised at the construction value. Payments made during the life of the contract are split into finance costs, capital costs and service costs. Determining the split of payments is calculated at the inception of the contract and is based on the inherent interest rate within the original agreement. Finance costs are chargeable to the Comprehensive Income and Expenditure Statement (CIES) as interest payable. Capital costs reduce the level of liability in the Balance Sheet. Service costs are chargeable Cost of Services within the CIES. Pre-payments reduce the level of liability at the start of the contract.

PFI credits are treated as revenue grants and included in Cost of Services within the CIES.

General

The Council has entered into three PFI contracts to construct, finance, maintain and operate various schools across the Borough. These contracts are:

- Hattersley Schools PFI Project (Pyramid Schools);
- Inspiredspaces Tameside (Project Co 1) Ltd;
- Inspiredspaces Tameside (Project Co 2) Ltd.

Hattersley Schools PFI Project (Pyramid Schools)

The Council entered into a 30 year PFI contract on 19 June 2002 to deliver new schools and facilities management services for Arundale Primary and Nursery School, Pinfold Primary School and Alder Community High School. Services commenced at the primary schools on 9 September 2002 and at the high school in April 2003.

The Council pays an annual unitary charge for the provision of accommodation and facilities management at the schools of £2.548m in 1 April 2001 prices. The unitary charge had been subject to inflation at RPI in prior years, but as the Council has adopted IFRS 16 treatment from 2024/25 onwards, all future assumptions are based on known costs.

The Council has set up an interest bearing equalisation reserve effective for the period of the contract, to ensure that future estimated unitary charge payments are provided for over the remaining term of the contract. The affordability of future unitary charge payments will be assessed on an annual basis.

The Council does not hold an equity share.

Inspiredspaces Tameside (Project Co 1) Ltd – Mossley Hollins & St Damians PFI Contract

The Council entered into a 25 year Building Schools for the Future (BSF) PFI agreement to deliver new schools and facilities management services for Mossley Hollins and St Damians High Schools on 4 February 2009. Services commenced at Mossley Hollins in February 2011 and St Damians in April 2011.

The Council pays an annual unitary charge for the provision of accommodation and facilities management at the schools of £5.405m in 1 April 2008 prices. The unitary charge had been subject to inflation at RPI in prior years, but as the Council has adopted IFRS 16 treatment from 2024/25 onwards, all future assumptions are based on known costs.

The Council has a 46% equity share in this company.

Inspiredspaces Tameside (Project Co 2) Ltd – Five School PFI Contract

A second 25 year BSF PFI contract was signed in April 2010, to deliver new facilities and services for Hyde Community College, Thomas Ashton School, Denton Community College, White Bridge

College and Elmbridge School. The first school, White Bridge College, was completed and services commenced in September 2011, with the remaining four being completed with services commencing in January 2012.

The Council pays an annual unitary charge for the provision of accommodation and facilities management at the schools of £9.409m in 1 April 2010 prices. The unitary charge had been subject to inflation at RPI in prior years, but as the Council has adopted IFRS 16 treatment from 2024/25 onwards, all future assumptions are based on known costs.

The Council has a 46% equity share in this company.

Affordability

The affordability of the PFI contracts was tested on the basis of predetermined, sensitivities of projected budgets, inflation and interest rates as determined by HM Treasury, prior to the contracts being agreed by the Government.

The cost of the unitary charge is met by pre-agreed payments as follows:

- An annual PFI grant from the Government;
- Pre agreed capital contributions;
- Annual contributions from the schools from the Dedicated Schools Grant;
- Contributions from individual school budgets;
- Accumulation of interest, equity returns and directors fees.

However, there have been significant changes in the way that the Department for Education allocate revenue funding to schools in recent years, meaning that more and more funding is allocated to schools through a formula and there is less opportunity to provide support for individual schools. Inflation and interest rates have also been significantly different from that projected.

Details of movements in PFI assets in the accounting period are below:

	Pyramid Schools (Tameside) Limited £000	Inspiredspaces Tameside (Hold Co1) Limited £000	Inspiredspaces Tameside (Hold Co2) Limited £000	Total £000
<u>Cost or Valuation</u>				
At 1 April 2024	23,927	34,074	62,839	120,839
Remeasurement of PFI assets under IFRS 16	4,042	1,193	(740)	4,495
Additions	0	23	90	113
Revaluation gains/(losses)	767	10,829	9,801	21,397
Disposals	(10,615)	0	(39,061)	(49,676)
At 31 March 2025	18,120	46,120	32,929	97,168
<u>Accumulated Depreciation and Impairment</u>				
At 1 April 2024	0	0	0	0
Depreciation charge	(646)	(803)	(1,466)	(2,914)
Accumulated depreciation written out	547	803	747	2,097
Disposals	99	0	719	818
At 31 March 2025	0	0	0	0
<u>Net Book Value</u>				
At 31 March 2025	18,120	46,120	32,929	97,169
At 31 March 2024	23,927	34,074	62,839	120,839

Details of the comparative movements in PFI assets are below:

	Pyramid Schools (Tameside) Limited £000	Inspiredspaces Tameside (Hold Co1) Limited £000	Inspiredspaces Tameside (Hold Co2) Limited £000	Total £000
<u>Cost or Valuation</u>				
1 April 2023	23,043	29,377	62,945	115,366
Additions	0	51	894	944
Revaluation gains/(losses)	884	4,646	(1,000)	4,530
At 31 March 2024	23,927	34,074	62,839	120,840
<u>Accumulated Depreciation and Impairment</u>				
1 April 2023	0	0	0	0
Depreciation charge	(605)	(675)	(1,435)	(2,715)
Revaluation gains/(losses)	605	675	1,435	2,715
At 31 March 2024	(0)	0	(0)	(0)
<u>Net Book Value</u>				
At 31 March 2024	23,927	34,074	62,839	120,839
At 31 March 2023	23,043	29,377	62,945	115,366

Details of movements in PFI liabilities in the accounting period are below:

	Pyramid Schools (Tameside) Limited £000	Inspiredspaces Tameside (Hold Co1) Limited £000	Inspiredspaces Tameside (Hold Co2) Limited £000	Total £000
Liability outstanding at 1 April 2024	(9,914)	(27,723)	(48,860)	(86,497)
Remeasurement of opening liability under IFRS 16	(4,042)	(1,193)	740	(4,495)
Adjusted opening balance at 1 April 2024	(13,955)	(28,917)	(48,120)	(90,992)
Payments made During the year	1,078	1,409	2,785	5,272
Liability outstanding at 31 March 2025	(12,878)	(27,508)	(45,335)	(85,720)
Short term finance Lease liability	(1,085)	(1,593)	(2,852)	(5,529)
Long term finance lease liability	(11,792)	(25,914)	(42,484)	(80,190)
Total	(12,877)	(27,507)	(45,335)	(85,720)

Details of comparative movements in PFI liabilities are below:

	Pyramid Schools (Tameside) Limited £000	Inspiredspaces Tameside (Hold Co1) Limited £000	Inspiredspaces Tameside (Hold Co2) Limited £000	Total £000
Liability outstanding at 1 April 2023	(10,504)	(29,161)	(50,952)	(90,617)
Payments made During the year	591	1,438	2,092	4,120
Liability outstanding at 31 March 2024	(9,914)	(27,723)	(48,860)	(86,497)
Short term finance Lease liability	(775)	(1,380)	(2,530)	(4,685)
Long term finance lease liability	(9,139)	(26,343)	(46,330)	(81,812)
Total	(9,914)	(27,723)	(48,860)	(86,497)

The table below summarises the estimated basic contract payment values for each PFI contract:

	Liability £000	Finance Costs £000	Service Charges incl. Lifecycle Costs £000	Total £000	Indexation	Contract Expiry
Pyramid Schools (Tameside) Limited						
Payments within 1 year	1,085	1,381	1,686	4,151	RPI	2033
Payments within 2 to 5 years	5,679	4,186	6,739	16,604		
Payments within 6 to 10 years	6,113	1,440	4,900	12,453		
	12,877	7,007	13,324	33,208		
Inspiredspaces Tameside (ProjectCo1) Limited						
Payments within 1 year	1,593	2,483	3,150	7,226	RPIX	2036
Payments within 2 to 5 years	8,125	8,234	12,543	28,902		
Payments within 6 to 10 years	12,262	6,126	17,740	36,128		
Payments within 11 to 15 years	5,527	658	4,051	10,236		
	27,507	17,501	37,484	82,492		
Inspiredspaces Tameside (ProjectCo2) Limited						
Payments within 1 year	2,852	4,503	3,914	11,269	RPIX	2038
Payments within 2 to 5 years	10,496	15,415	19,163	45,074		
Payments within 6 to 10 years	18,619	12,577	25,147	56,343		
Payments within 11 to 15 years	13,369	2,423	11,441	27,232		
	45,335	34,917	59,666	139,918		

27. Pension Schemes Accounted for as Defined Contribution Schemes

Teachers' Pension Scheme is a defined benefit scheme administered by Capita Teachers' Pensions on behalf of the Department for Education (DfE). The assets and liabilities of the Teachers' Pension Scheme are not attributable to the Council, therefore the Council accounts for the scheme as if it were a defined contribution scheme. This means that the Children and Education Services line in the CIES will include the Council's contributions payable to the scheme.

NHS Pension Scheme is a defined benefit scheme administered by EA Finance NHS Pensions. The assets and liabilities of the NHS Pension Scheme are not attributable to the Council, therefore the Council accounts for the scheme as if it were a defined contribution scheme. This means that the Public Health Services line in the CIES will include the Council's contributions payable to the scheme.

Teachers' Pension Scheme

In 2024/25 the Council paid £11.615m to the Teachers' Pension Agency in respect of the employers' contribution rate for teacher's pensions (£10.275m in 2023/24). These contributions are based on a national rate of 28.68% (23.68% in 2023/24).

In addition, the Council is responsible for all pension payments relating to added years that it has awarded (plus annual related increases). The Council is also responsible for apportioned pension costs for supported early retirements (teachers taking early retirement between the ages of 50 to 60), together with the related increases. In 2024/25 these costs amounted to £1.583m (£1.523m in 2023/24). All the above figures exclude teachers' pay and pension contributions for the academies that have retained responsibility for their own payrolls.

The Council is responsible for any additional benefits awarded upon early retirement outside of the terms of the teachers' scheme. These costs are accounted for on a defined benefit basis and detailed in Note 28.

The total contributions expected to be made to the Teacher's Pension Scheme by the council in the year to 31 March 2026 are £8.600m

NHS Staff Pension Scheme

In 2024/25 the Council paid £0.044m (£0.062m in 2022/23) to the NHS Pension Scheme in respect of former NHS staff retirement benefits. These contributions are based on a national rate of 14.38% throughout the financial year.

The Council is responsible for the costs awarded upon early retirement outside the terms of the NHS scheme; however no such additional benefits have been awarded in 2024/25.

28. Defined Benefit Pension Schemes

Greater Manchester Local Government Pension Scheme is administered by the Council and is accounted for as a defined benefit scheme. The liabilities of the scheme attributable to the Council are included in the Balance Sheet on an actuarial basis using the projected unit method i.e. an assessment of the future payments that will be made in relation to retirement benefits earned to date by employees, based on assumptions about mortality rates, employee turnover rates, and projections of future earnings for current employees.

Pension liabilities are measured using the projected unit method, discounted using the rate on high quality corporate bonds of equivalent term to the liabilities. The discount rate is the weighted average of "spot yields" on AA rated corporate bonds.

The change in the net pensions liability is analysed into the following components:

Service cost comprising:

Current service cost – the increase in liabilities as a result of years of service earned this year – allocated in the CIES to the services for which the employees worked.

Past service cost – the increase in liabilities as a result of a scheme amendment or curtailment whose effect relates to years of service earned in earlier years will be debited to the Surplus or Deficit on the Provision of Services in the CIES.

Net interest on the net defined benefit liability i.e. net interest expense for the Council - the change during the period in the net defined benefit liability that arises from the passage of time is charged to the Financing and Investment Income and Expenditure line of the CIES. This is calculated by applying the discount rate used to measure the defined benefit obligation at the beginning of the period to the net defined benefit liability at the beginning of the period, taking into account any changes in the net defined benefit liability during the period as a result of contribution and benefit payments.

Re-measurement comprising:

The return on plan assets – excluding amounts included in net interest on the net defined benefit liability – charged to the Pensions Reserve as Other Comprehensive Income and Expenditure.

Actuarial gains and losses – changes in the net pensions liability that arise because events have not coincided with assumptions made at the last actuarial valuation or because the actuaries have updated their assumptions – charged to the Pensions Reserve as Other Comprehensive Income and Expenditure.

In relation to retirement benefits, statutory provisions require the General Fund Balance to be charged with the amount payable by the Council to the Pension Fund in the year, not the amount calculated according to the relevant accounting standards. Adjustments are therefore made in the Movement in Reserves Statement.

Early Retirement, Discretionary Payments

The Council has restricted powers to make discretionary awards of retirement benefits in the event of early retirements. Any liabilities estimated to arise as a result of an award to any member of staff (including teachers) are accrued in the year of the decision to make the award and accounted for using the same policies which are applied to the Local Government Pension Scheme.

As part of the terms and conditions of employment of its Officers, the Council makes contributions towards the cost of post-employment benefits. Although these benefits will not actually be payable

until employees retire, the Council has a commitment to make the payments and this needs to be disclosed at the time that employees earn their future entitlement.

All employees (except those mentioned in Note 27) are, unless they have opted out, members of The Greater Manchester Pension Fund which is administered by the Council and operates in accordance with the rules of the Local Government Pension Scheme. This is a funded scheme, meaning that the Council and employees pay contributions into a fund, calculated at a level intended to balance the pension liabilities with investment assets.

In 2024/25 the Council paid an employer's contribution of £21.337m (£21.014m in 2023/24) into the Fund representing 19.3% (19.3% in 2023/24) of pensionable pay. Contributions payable in 2025/26 are estimated to be £21.126m based on a contribution rate of 19.3%. The Council also paid £1.299m in 2024/25 (£1.298m in 2023/24) for pension payments relating to added years that it has awarded.

Transactions Relating to Post-employment Benefits

The cost of retirement benefits is recognised in the reported Cost of Services when they are earned by the employees rather than when they are eventually paid as pensions. However, the charge made against Council Tax is based on the cash payable in the year, so the real cost of post-employment/retirement benefits is reversed out of General Fund Balances through the MiRS.

In 2024/2025, the figures used in the financial statements were taken from the Actuary's report in April 2025. The opening balances used by the Actuary for 2024/25 reflect the previous year's actuary report.

	2024/25 £000	2023/24 £000
Service Cost		
- Current service costs	18,794	20,991
- Past service costs (including curtailments)	2,038	2,353
- Effect of settlements	2,019	(137)
Total Service Cost	22,851	23,207
Financing and Investment Income and Expenditure		
- Interest income on scheme assets	(60,608)	(56,376)
- Interest cost on defined benefit obligation	49,566	48,834
- Interest on Asset Ceiling	13,239	7,510
Total Net Interest	2,197	(32)
Total Post Employment Benefit Charged to the Surplus or Deficit on the Provision of Services	25,048	23,175
Remeasurements of the Net Defined Liability		
- Return on plan assets excluding amounts included in net interest	11,765	(28,748)
- Actuarial (gains)/losses arising from changes in demographic assumptions	(1,797)	(7,028)
- Actuarial (gains)/losses arising from changes in financial assumptions	(148,400)	(56,793)
- Other experience	(11,367)	32,414
- Changes in the effect of the Asset Ceiling	(286,206)	(165,609)
Total Remeasurements Recognised in Other Comprehensive Income and Expenditure	(436,005)	(225,764)

	2024/25 £000	2023/24 £000
Total Post Employment Benefits Charged to the Comprehensive Income and Expenditure Statement	(410,957)	(202,589)
Movement in Reserves Statement		
- Reversal of net charges made for retirement benefits	(11,809)	(15,665)
- Reversal of interest on the effect of the asset ceiling	(13,239)	(7,510)
Actual Amounts charged against the general fund balance		
- Employers contributions payable to the scheme	21,838	21,571
- Unfunded benefits payable to pensioners	2,870	2,878

a. Pensions Assets and Liabilities Recognised in the Balance Sheet

The amount included in the Balance Sheet arising from the Council's obligation in respect of its defined benefit scheme is as follows:

	2024/25 £000	2023/24 £000
Fair value of employers assets	1,286,217	1,264,147
Present value of funded liabilities	(874,125)	(1,010,322)
Present value of unfunded liabilities - LGPS	(9,470)	(11,430)
Present value of unfunded liabilities - TPS	(12,886)	(15,357)
Asset Ceiling Adjustment to funded liabilities	(428,594)	(272,967)
Net Asset/(Liability) arising from Defined Benefit obligation	(38,858)	(45,929)

Asset Ceiling

Following the pensions valuation by the Councils actuary, Hymans Robertson LLP, the Council determined that the fair value of its pension plan assets outweighed the present value of the plan obligations at 31 March 2025 resulting in a pension plan asset.

IAS 19 Employee Benefits requires that, where a pension plan asset exists, it is measured at the lower of:

- The surplus in the defined benefit plan; and
- The asset ceiling.

The asset ceiling is the present value of any economic benefits available in the form of refunds from the plan or reductions in future contributions to the plan. The Council's actuary's calculated the asset ceiling as the net present value of future service costs less net present value of future contributions.

The Council has therefore limited the Pension asset recognised in its balance sheet to the asset ceiling. The adjustment has been recognised within other comprehensive income and expenditure of the CIES.

The following is a reconciliation of the effect of the asset ceiling position.

	2024/25 £000	2023/24 £000
Opening Value of the additional liability	(272,967)	(106,919)
Interest on the effect of the asset ceiling	(13,239)	(7,510)
Actuarial losses in the effect of the asset ceiling	(142,388)	(158,538)
Closing Position as at 31 March	(428,594)	(272,967)

Reconciliation of the Movements in Fair Value of Scheme Assets:

	2024/25 £000	2023/24 £000
Opening fair value of scheme assets	1,264,147	1,196,011
Interest income	60,608	56,376
Effect of settlements	(15,157)	(3,470)
<u>Remeasurement gain</u>		
- Return on plan assets excluding amounts included in net interest	(11,765)	28,748
Employer Contributions	21,838	21,571
Benefits paid	(40,705)	(42,306)
Contributions from employees into the scheme	7,251	7,217
Other Experience	0	0
Closing fair value of scheme assets	1,286,217	1,264,147

Reconciliation of Present Value of Scheme Liabilities (Defined Benefit Obligation):

	2024/25 £000	2023/24 £000
Opening fair value of scheme liabilities brought forward	(1,037,109)	(1,196,011)
Current service cost	(18,794)	(20,991)
Interest cost	(49,566)	(48,834)
Interest on the effect of the asset ceiling	0	(7,510)
Contributions from scheme participants	(7,251)	(7,217)
Effect of settlements	13,138	3,607
<u>Remeasurement gain</u>		
- Actuarial gains/(losses) arising from changes in financial assumptions	148,400	56,793
- Actuarial gains/(losses) arising from changes in demographic assumptions	1,797	7,028
- Changes in the effect of the asset ceiling	0	165,609
- Other experience	11,367	(32,414)
Unfunded benefits paid	2,870	2,878
Past service cost	(2,038)	(2,353)
Benefits paid	40,705	42,306
Closing fair value of scheme liabilities	(896,481)	(1,037,109)

Employer's contributions to the Greater Manchester Pension Fund for the year ended 31 March 2026 will be approximately £21.085m

Tameside Metropolitan Borough Council 2024/25

Fair Value of Employer Assets:

Asset Category	31 March 2025				31 March 2024			
	Quoted Prices in Active Markets £000	Prices Not Quoted in Active Markets £000	Total £000	%	Quoted Prices in Active Markets £000	Prices Not Quoted in Active Markets £000	Total £000	%
Equity Securities:								
Consumer	82,451	0	82,451	6%	76,547	0	76,547	6%
Manufacturing	62,124	0	62,124	5%	69,895	0	69,895	6%
Energy and Utilities	68,497	0	68,497	5%	68,274	0	68,274	5%
Financial Institutes	104,575	0	104,575	8%	107,314	0	107,314	8%
Health and Care	58,468	0	58,468	5%	63,215	0	63,215	5%
Information Technology	69,476	0	69,476	5%	65,941	0	65,941	5%
Other	17,534	0	17,534	1%	14,117	0	14,117	1%
Debt Securities:								
Corporate Bonds (investment grade)	42,079	0	42,079	3%	52,560	0	52,560	4%
Corporate Bonds (non-investment grade)	0	0	0	0%	0	0	0	0%
UK Government	54,894	0	54,894	4%	33,490	0	33,490	3%
Other	49,266	0	49,266	4%	39,462	0	39,462	3%
Private Equity:								
All	0	82,084	82,084	6%	0	86,659	86,659	7%
Real Estate:								
UK Property	0	66,303	66,303	5%	0	51,196	51,196	4%
Investment funds and Unit Trusts:								
Equities	55,748	0	55,748	4%	59,117	0	59,117	5%
Bonds	129,399	0	129,399	10%	126,751	0	126,751	10%
Infrastructure	0	107,746	107,746	8%	0	107,215	107,215	8%
Other	31,692	167,253	198,945	15%	29,100	180,414	209,514	17%
Derivatives:								
Other	(2,004)	0	(2,004)	0%	0	0	0	0%
Cash and Cash Equivalents:								
All	38,632	0	38,632	3%	32,882	0	32,882	3%
Totals	862,831	423,386	1,286,217	100%	838,665	425,484	1,264,149	100%

The GMPF does not formally account for each employer's assets separately and therefore the Tameside share of the assets does not have any authority specific risks. Further information on the risks associated with the GMPF can be found in the Funding Strategy Statement on the GMPF website. The Tameside membership is not considered to have any particular demographic factors which expose the authority to specific risks.

b. Basis for Estimating Assets and Liabilities

The Council's liabilities in respect of the Greater Manchester Pension Fund have been assessed under IAS19 (Employee Benefits) by Hymans Robertson, an independent firm of actuaries, using the projected unit credit method.

The significant assumptions used by the actuary in his assessment are as follows:

	2024/25	2023/24
<u>Mortality assumptions</u> *		
Longevity at 65 for current pensioners:		
Men	20.1 years	20.1 years
Women	22.9 years	23.2 years
Longevity at 65 for future pensioners:		
Men	20.7 years	20.8 years
Women	24.5 years	24.6 years
Rate of inflation	2.75%	2.75%
Rate of increase in salaries	3.55%	3.55%
Rate of increase in pensions	2.75%	2.75%
Rate for discounting scheme liabilities	5.80%	4.85%

* The mortality assumptions included in the table above are measured using VitaCurves, which is a method of measuring mortality to specifically fit the membership profile of the Fund.

An allowance is included for future retirements to elect to take 55% of the maximum additional tax free cash up to the HRMC limits for pre-April 2008 service and 80% of the maximum tax-free cash for post-April 2008 service.

c. Sensitivity Analysis

The estimation of the defined benefit obligations is sensitive to the actuarial assumptions set out above. The sensitivity analysis below has been determined based on reasonably possible changes of the assumptions occurring at the end of the reporting period and assumes for each change that the assumption analysed changes, while all the other assumptions remain constant.

The estimations in the sensitivity analysis have followed the accounting policies for the scheme, i.e. on an actuarial basis using the projected unit credit method. The methods and types of assumptions used in preparing the sensitivity analysis below are consistent with that adopted in the previous year.

Change in Assumptions at 31 March 2025	Approximate % change to Employer Liability	Approximate Monetary Amount £000
0.1% decrease in Real Discount Rate	2%	17,868
1 year increase in member life expectancy	4%	41,516
0.1% increase in the Salary Increase Rate	0%	2,094
0.1% increase in the Pension Increase Rate (CPI)	2%	16,033

d. Impact on the Council's Cash Flows

As the Administering Authority of Greater Manchester Pension Fund (the Fund), the Council has prepared a Funding Strategy Statement (FSS) which sets out the funding objectives for the Fund. The main valuation objectives within the FSS are to hold sufficient assets to meet the cost of members' accrued pension benefits on the target funding basis and to set employer contribution rates which ensure the long term solvency and cost efficiency of the Fund.

GMPF's funding target for most ongoing employers is a "funding level" of 100% at the end of an appropriate time horizon, calculated using the Actuary's ongoing funding basis. The funding level is the ratio of the value of assets compared to the present value of the expected cost of meeting the accrued benefits. Further information on target funding levels and calculation of contribution rates can be found in the Funding Strategy Statement 2025 on the GMPF website. As at the date of the most recent valuation, the duration of the Council's funded liabilities is 20 years.

The Council's share of Fund assets is rolled forward by the actuary from the latest formal valuation date (31 March 2025). The roll forward amount is then adjusted for investment returns, contributions paid in and benefits paid out by the Council and its employees. As such this estimate may differ from the actual assets held by the Pension Fund at 31 March 2025.

In June 2023, the High Court ruled in the case of Virgin Media Ltd v NTL Pension Trustees. The case is relevant to defined benefit pension schemes that were contracted out between April 1997 and 2016. From 6 April 1997, contracted out schemes were required to provide pensions for members that were at least broadly equivalent to those set out in a reference scheme test (known as section 9(2B) rights) and this had to be certified by the scheme's actuary. Any amendments to rights could only be made if the scheme's actuary was notified of the change and confirmed to the trustees in writing that the scheme would continue to satisfy the reference scheme test if the alterations were made. The Virgin Media case concerned the validity of an amendment to section 9(2B) rights where no confirmation from an actuary was obtained.

The ruling was that the pension scheme amendments were invalid if they were not accompanied by the correct actuarial confirmation. The case was appealed but in July 2024 the Court of Appeal upheld the original High Court decision. The ruling is case law and therefore is expected to apply across all other schemes. For LGPS, there is potential for additional pension liabilities to arise as a consequence and the historical rule amendments are in the process of being reviewed.

Recognising the increased uncertainty brought about by the Court of Appeal judgement, and the need for clarity, in June 2025 the government announced that it will introduce legislation to give affected pension schemes the ability to retrospectively obtain written actuarial confirmation that historic benefit changes met the necessary standards. Scheme obligations will otherwise be unaffected and the government will continue to maintain its robust framework for the funding of defined benefit pension schemes in order to protect people's hard-

earned pensions. Given the June 2025 announcement, the Virgin Media case is unlikely to have an impact on LGPS liabilities. The council will continue to monitor developments.

CASH FLOW STATEMENT NOTES

29. Operating Activities

The cash flows for operating activities include the following items:

a) Adjust net surplus or deficit on the provision of services for non-cash movements	2024/25 £000	2023/24 £000
Depreciation and amortisation of non-current assets	(18,530)	(18,283)
Increase/(Decrease) in inventories	(238)	(231)
(Increase)/Decrease in Creditors	4,113	(591)
Increase/(Decrease) in Debtors	13,095	4,567
Pensions Liability	(340)	1,274
Contributions (to)/from Provisions	0	129
Revaluation Losses	26,215	(23,396)
Carrying value on disposal of non-current assets	(80,660)	(17,391)
Other non-cash adjustments	8,967	7,771
	(47,378)	(46,149)

b) Adjust for items included in the net surplus or deficit on the provision of services that are investing or financing activities	2024/25 £000	2023/24 £000
Proceeds from the sale of non-current assets	2,717	2,119
Proceeds from short-term and long-term investments	(10,000)	(155,705)
Capital grants received and other items	19,208	22,365
	11,925	(131,221)

c) Interest received, interest paid and dividends received	2024/25 £000	2023/24 £000
Interest received	(8,112)	(12,283)
Interest paid	14,518	15,971
	6,406	3,688

30. Investing Activities

	2024/25 £000	2023/24 £000
Purchase of property, plant and equipment, investment property and intangible assets	14,630	31,759
Purchase of short term and long term investments	55,000	55,000
Other movements in investing activities	0	10
Proceeds from the sale of non-current assets	(2,717)	(2,119)
Proceeds from short term and long term investments	0	0
Other receipts from investing activities	(25,915)	(26,131)
Net cash flows from investing activities	40,999	58,519

31. Financing Activities

	2024/25 £000	2023/24 £000
Cash receipts of short term and long term borrowing	(10,000)	0
Cash payments for the reduction of the outstanding liabilities relating to leases and on-balance sheet PFI contracts	5,383	4,685
Repayments of short term and long term borrowing	203	3,431
Billing Authority - Council Tax and NDR adjustments	(301)	450
Net cash flows from financing activities	(4,715)	8,566

31a. Reconciliation of liabilities arising from financing activities

	1 April 2024	Financing cash flows	Non-cash changes		31 March 2025
	£000		£000	Acquisition £000	Other non-cash changes £000
Long-term borrowing	(136,669)	0	0	18	(136,651)
Short-term borrowings	(4,523)	(9,797)	0	(38)	(14,358)
Lease Liabilities	(2,592)	110	(605)	0	(3,087)
On balance sheet PFI liabilities	(86,497)	5,107	(33,077)	0	(114,467)
Billing Authority - Council Tax and NDR adjustments	1,338	(301)	0	0	1,037
Total liabilities from financing activities	(228,943)	(4,881)	(33,682)	(20)	(267,526)

	1 April 2023	Financing cash flows	Non-cash changes		31 March 2024
	£000		£000	Acquisition	Other non-cash changes
			£000	£000	
Long-term borrowing	(136,689)	3,229	0	(3,209)	(136,669)
Short-term borrowings	(7,935)	203	0	3,209	(4,523)
Lease Liabilities	(2,585)	(7)	0	0	(2,592)
On balance sheet PFI liabilities	(90,616)	4,691	0	(572)	(86,497)
Billing Authority - Council Tax and NDR adjustments	888	450	0	0	1,338
Total liabilities from financing activities	(236,937)	8,566	0	(572)	(228,943)

OTHER NOTES

32. Members' Allowances

	2024/25 £000	2023/24 £000
Payments to Members	1,549	1,511

33. Termination Benefits

Termination benefits are amounts payable as a result of a decision by the Council to terminate an officer's employment before the normal retirement date or an officer's decision to accept voluntary redundancy and are charged on an accruals basis to the relevant service lines in the Comprehensive Income and Expenditure Statement at the earlier of when the Council can no longer withdraw the offer of those benefits or when the Council recognises costs for a restructuring.

Where termination benefits involve the enhancement of pensions, statutory provisions require General Fund Balances to be charged with the amount payable by the Council to the Pension Fund or pensioner in the year, not the amount calculated according to the relevant accounting standards. In the Movement in Reserves Statement, appropriations are required to and from the Pensions Reserve to remove the notional debits and credits for pension enhancement termination benefits and replace them with debits for the cash paid to the Pension Fund and pensioners and any such amounts payable but unpaid at the year-end.

Exit package cost band (including special payments)	Number of Compulsory Redundancies		Number of other departures agreed		Total number of exit packages by cost band		Total cost of exit packages in each band £000	
	2024/25	2023/24	2024/25	2023/24	2024/25	2023/24	2024/25	2023/24
£0-£20,000	0	0	11	47	11	47	70	326
£20,001-£40,000	0	0	2	2	2	2	55	55
£40,001-£60,000	0	0	0	0	0	0	0	0
£60,001-£80,000	0	0	0	0	0	0	0	0
Total	0	0	13	49	13	49	125	381

34. Officer's Remuneration

The remuneration paid to the Council's Senior Officers is as follows:

Post Holder Information	2024/25				
	Salary Entitlement (Full Time Equivalent)	Salary, Fees and Allowances (Paid in year) (a)	Compensation for Loss of Office (b)	Employer's Pensions Contribution (c)	Total (a+b+c)
	£	£	£	£	£
Chief Executive and Director of Greater Manchester Pension Fund (i) - Sandra Stewart	198,058	147,757	30,000	19,935	197,691
Interim Chief Executive (ii)	3,994	3,994	0	250	4,244
Interim Chief Executive (iii)	70,145	70,145	0	0	70,145
Director of Adults Services	112,356	112,356	0	21,685	134,041
Director of Children's Services (iv) - 01/04/2024 to 27/08/2024	126,000	126,000	0	0	126,000
Director of Children's Services (iv) - 10/10/2024 to 10/01/2025	47,600	47,600	0	0	47,600
Director of Children's Services (iv) - 01/01/2025 to 31/03/2025 - Jill Colbert	166,000	41,500	0	8,009	49,509
Director Of Place	129,348	129,348	0	24,964	154,312
Director of Public Health (v)	104,338	26,084	0	5,034	31,119
Interim Director of Public Health (v)	104,338	78,816	0	15,211	94,027
Director of Resources (vi)	127,305	127,305	0	25,091	152,396
Interim Asst Director of Legal Services - (Monitoring Officer) to 21/05/2024 (vii)	43,832	43,832	0	0	43,832
Borough Solicitor - (Monitoring Officer) from 22/05/2024 (vii)	99,804	84,385	0	0	84,385
Chief Executive of Greater Manchester Pension Fund (viii)	198,058	94,770	0	18,291	113,060

- (i) The Chief Executive was also the Director of the Greater Manchester Pension Fund, the salary is paid by the council, however 50% of the salary and oncosts are recharged to the Greater Manchester Pension Fund for the services to the Pension Fund. This role was occupied for the period 01/04/2024 to 08/10/2024. The Chief Executive is also the Placed Based lead for the Greater Manchester Integrated Care Board (GM ICB) for which the council receive annual funding of £50,000.
- (ii) The Director of Resources was the Interim Chief Executive for the period 09/10/2024 to 29/10/2024. The Salary of the Director of Resources (Section 151 Officer) is paid by the Council, however 10% of the salary and oncosts are recharged to the Greater Manchester Pension Fund for the Services to the pension Fund.

- (iii) Interim Chief Executive from the 30/10/2024 to 31/03/2025 is seconded from Oldham MBC at a cost for this period of £70,145.
- (iv) The Director of Childrens Services left this role on the 27/08/2024 at a cost of £126,000 and with effect 10/10/2024 a new Director of Childrens Services commenced for a period to 10/01/2025 at a cost of £47,600. There was a further appointment to this role with effect 01/01/2025 at a cost of £49,509.
- (v) The Director of Public Health left on the 30/06/2024 and the Interim Director of Public Health commenced 01/07/2024.
- (vi) The Salary of the Director of Resources (Section 151 Officer) is paid by the Council, however 10% of the salary and oncosts are recharged to the Greater Manchester Pension Fund for the Services to the pension Fund.
- (vii) There was an interim Director of Legal Services (Monitoring Officer) in post for a period 01/04/2024 to 21/05/2024 at a cost of £43,832 and then a Borough Solicitor (Monitoring officer) in post for the period 22/05/2024 to 31/03/2025 at a cost of £84,385.
- (viii) Chief Executive of the Greater Manchester Pension Fund from 09/10/2024, this role is wholly funded by the Greater Manchester Pension Fund.

Post Holder Information	2023/24				
	Salary Entitlement (Full Time Equivalent)	Salary, Fees and Allowances (Paid in year) (a)	Compensation for Loss of Office (b)	Employer's Pensions Contribution (c)	Total (a+b+c)
	£	£	£	£	£
Chief Executive and Director of Greater Manchester Pension Fund (i) - Sandra Stewart	193,227	193,227	0	37,293	230,520
Director of Adults Services	109,615	109,615	0	21,126	130,741
Director of Children's Services (ii) 01/04/2023-31/08/2023	128,056	53,357	30,000	9,493	92,850
Director of Childrens Services (ii) - Allison Parkinson	194,910	194,910	0	0	194,910
Director Of Place	126,193	126,193	0	24,355	150,548
Director of Public Health	101,793	101,793	0	19,646	121,439
Director of Resources (iii)	124,200	123,510	0	23,837	147,347
(iv) Interim Asst Director of Legal Services - (Monitoring Officer) from 16/10/2023 to 31/03/2024	124,934	124,934	0	0	124,934

- (i) The Chief Executive is also the Director of the Greater Manchester Pension Fund, the salary is paid by the council, however 50% of the salary and oncosts are recharged to the Greater Manchester Pension Fund for the services to the Pension Fund. The Chief Executive is also the Placed Based lead for the Greater Manchester Integrated Care Board (GM ICB) for which the council receive funding of £50,000.
- (ii) The Director of Childrens Services left this role on the 31/08/2023 and with effect 21/08/2023 a new Director of Childrens Services commenced at a cost of £194,910 for the period 31/03/2024

- (iii) The Salary of the Director of Resources (Section 151 Officer) is paid by the Council, however 10% of the salary and oncosts are recharged to the Greater Manchester Pension Fund for the Services to the pension Fund.
- (iv) There was an interim Director of Legal Services (Monitoring Officer) in post for a period from 16/10/2023 to 31/03/2024 at a cost of £124,934

Employees' Remuneration

The Council's other employees including teachers on the Council's payroll (excluding the Chief Executive and members of the Executive Team) receiving more than £50,000 remuneration for the year (excluding employer's pension contributions) were paid the following amounts:

Remuneration Band	Number of employees (excluding severance payments) 2024/25	Number of employees (including severance payments) 2024/25	Number of employees (excluding severance payments) 2023/24	Number of employees (including severance payments) 2023/24
£50,000 - £54,999	208	208	141	141
£55,000 - £59,999	98	98	87	87
£60,000 - £64,999	40	40	33	34
£65,000 - £69,999	23	23	26	26
£70,000 - £74,999	18	19	22	21
£75,000 - £79,999	18	18	9	9
£80,000 - £84,999	6	6	6	7
£85,000 - £89,999	5	5	8	8
£90,000 - £94,999	11	11	0	2
£95,000 - £99,999	1	1	4	4
£100,000 - £104,999	6	6	4	4
£105,000 - £109,999	1	1	1	1
£125,000 - £129,999	0	0	1	1
£130,000 - £134,999	0	0	0	0
£135,000 - £139,999	0	0	0	0
£140,000 - £144,999	0	0	0	0
£145,000 - £149,999	0	0	0	0
Total	435	436	342	345

A number of employees in the accounting period received one off severance payments and left the organisation. The figures above have been presented both excluding and including this payment.

35. Contingent Liabilities

A contingent liability arises where an event has taken place that gives the Council a possible obligation whose existence will only be confirmed by the occurrence or otherwise of uncertain future events not wholly within the control of the Council. Contingent liabilities also arise in circumstances where a provision would otherwise be made but either it is not probable that an outflow of resources will be required or the amount of the obligation cannot be measured reliably. Contingent liabilities are not recognised in the Balance Sheet but have been disclosed below.

The Council has no material contingent liabilities at 31 March 2025.

36. Contingent Assets

A contingent asset arises where an event has taken place that gives the Council a possible asset whose existence will only be confirmed by the occurrence or otherwise of uncertain future events not wholly within the control of the Council. Contingent assets are not recognised in the Balance Sheet but have been disclosed below where it is possible but not certain that there will be an inflow of economic benefits or service potential.

The Council has no material contingent assets at 31 March 2025.

37. External Audit Costs

The Council has incurred the following costs in relation to services provided by the Council's external auditors:

	2024/25 £000	2023/24* £000
Fees payable with regard to external audit services	313	140
Total	313	140

* 2023/24 audit fee includes a £15,000 charge in relation to work on Value of Money Risks of Significant Weakness (detailed work to determine whether risks are actual significant weaknesses in arrangements)

38. Events after the Balance Sheet Date

Events after the Balance Sheet date are reflected up to the date when the Statement of Accounts is authorised for issue. This date and who gave that authorisation is disclosed in the notes to the accounts, including confirmation that this is the date up to which events after the Balance Sheet date have been considered.

Where a material event is identified after the Balance Sheet date, whether favourable or unfavourable, for which it can be shown that the conditions already existed at the Balance Sheet date, it is an adjusting event and the amounts in the accounts would be adjusted accordingly.

However, where a material event is identified which occurred after the Balance Sheet date but it cannot be shown that the conditions existed before the Balance Sheet date, then it is a non-adjusting event and the accounts would not be adjusted (although a disclosure would be made in the notes to the accounts).

The Statement of Accounts was authorised for issue by the Interim Director of Finance (Section 151 Officer) on 30th June 2025. Events taking place after this date are not reflected in the financial statements or notes. Where events taking place before this date provided information about conditions existing at 31 March 2025, the figures in the financial statements and notes have been adjusted in all material respects to reflect the impact of this information.

On 1 April 2025, Hyde High School converted to Academy Status. On 1 June 2025 Hollingworth Primary School, Mossley Hollins High School and Oakdale Special School converted to Academies. These four schools have a value of £72.630m on the balance sheet at 31 March 2025. As a result of the academy conversion, these values will be written out as a derecognition in the 2025/26 Statement of Accounts.

39. Accounting Policies

The accounting policies adopted by the Council determine the accounting treatment that is applied to transactions during the financial year and in the preparation of the Statement of Accounts at the year end. They determine the specific principles, bases, conventions, rules and practices that will be applied by the Council in preparing and presenting its financial statements.

STATEMENT OF ACCOUNTING POLICIES FROM 1 APRIL 2024

The Statement of Accounts summarises the Council's income, expenditure, assets and liabilities held and incurred during the 2024/25 financial year and its position at 31 March 2025.

The Council is required to prepare an annual Statement of Accounts by the Accounts and Audit Regulations 2014 (as amended), which require accounts to be prepared in accordance with proper accounting practices.

Proper accounting practice for local government comprises the CIPFA Code of Practice on Local Authority Accounting in the United Kingdom 2024/25 (the 'Code') which is based on International Financial Reporting Standards and statutory guidance.

The accounting convention adopted in the Statement of Accounts is principally historical cost, modified by the revaluation of certain categories of non-current assets and financial instruments. The accounting policies of the Council as far as possible have been developed to ensure that the accounts of the Council are understandable, relevant, free from material error or misstatement, reliable and comparable.

ACCOUNTING PRINCIPLES

a) Going Concern

The Council prepares its accounts on the basis that it remains a going concern; that is, that there is the assumption that the functions of the Council will continue in operational existence for the foreseeable future. In the case of a pending local government reorganisation, where assets and liabilities are due to be redistributed, the Council would still account on the basis of going concern as the provision of services would continue in another council.

b) Accruals Concept

The Council accounts for income and expenditure in the period to which the service has taken place, rather than when cash payments are received or made. Where income and expenditure has been recognised but cash has not been received or paid, a debtor or creditor for the relevant amount is recorded in the Balance Sheet. Equally, where cash has been received or paid which is not yet recognised as income or expenditure, a creditor (income in advance) or debtor (payment in advance) is recorded in the Balance Sheet.

c) Cost of Services

The cost of services analysis within the Comprehensive Income and Expenditure Statement (CIES) is shown by Council directorates in line with the revenue monitoring reports to Executive Cabinet and internal reporting. The CIES reports income and expenditure in accordance with generally accepted accounting practice. The Expenditure and Funding Analysis then demonstrates how the funding available to the Council (i.e., government grants, rents, council tax and business rates) for the year has been used in providing services in comparison with those resources consumed or earned by authorities in accordance with generally accepted accounting practices.

d) Value Added Tax (VAT)

Income and expenditure transactions exclude any amounts relating to VAT as currently all VAT collected is payable to HM Revenue and Customs and all VAT paid is recoverable from them.

e) Changes in Accounting Policy

Where there is a known future change in accounting policy required by the CIPFA Code, the Council will disclose the following in the notes to the accounts:

- The nature of the change in accounting policy;
- The reasons why applying the new accounting policy provides reliable and more relevant information;
- For both the current reporting period, and the previous-year comparatives reported, the extent to which the change in accounting policy would have impacted on the financial statements if it had been adopted in that year;
- The amount of adjustment relating to years previous to those reported in the set of financial statements, had the proposed policy been adopted retrospectively; and
- If retrospective application is impracticable for a particular period, the circumstances that led to the existence of that condition and a description of how and from when the change in accounting policy has been applied. The Council will also disclose information relating to an accounting standard which has been issued but not yet adopted.

f) Previous-Year Adjustments

Changes in accounting policies are only made when required by proper accounting practices or the change provides more reliable or relevant information about the Council's financial position or financial performance. Where a change is made it is applied retrospectively (unless stated otherwise) by adjusting opening balances and comparative amounts for the prior period as if the new policy had always been applied. Material errors discovered in prior-period figures are corrected retrospectively by way of a prior-period adjustment and an appropriate disclosure in the notes to the accounts. A change to the accounting policy may also require that the basis of estimates is changed. This will be disclosed in accordance with the policy on changes to accounting estimates.

g) Events after the Balance Sheet Date

Events after the Balance Sheet date are reflected up to the date when the Statement of Accounts is authorised for issue. This date and who gave that authorisation is disclosed in the notes to the accounts, including confirmation that this is the date up to which events after the Balance Sheet date have been considered.

Where a material event is identified after the Balance Sheet date, whether favourable or unfavourable, for which it can be shown that the conditions already existed at the Balance Sheet date, it is an adjusting event and the amounts in the accounts would be adjusted accordingly. However, where a material event is identified which occurred after the Balance Sheet date but it cannot be shown that the conditions existed before the Balance Sheet date, then it is a non-adjusting event and the accounts would not be adjusted (although a disclosure would be made in the notes to the accounts).

h) Material Items

When items of income and expenditure are material, their nature and amount is disclosed separately, either on the face of the Comprehensive Income and Expenditure Statement or in the notes to the accounts, depending on how significant the items are to an understanding of the Council's financial performance.

i) Contingent Assets and Liabilities

A contingent liability arises where an event has taken place that gives the Council a possible obligation whose existence will only be confirmed by the occurrence or otherwise of uncertain future events not wholly within the control of the Council. Contingent liabilities also arise in circumstances where a provision would otherwise be made but either it is not probable that an outflow of resources will be required or the amount of the obligation cannot be measured reliably. Contingent liabilities are not recognised in the Balance Sheet but disclosed in a note to the accounts.

A contingent asset arises where an event has taken place that gives the Council a possible asset whose existence will only be confirmed by the occurrence or otherwise of uncertain future events not wholly within the control of the Council.

Contingent assets are not recognised in the Balance Sheet but disclosed in a note to the accounts where it is possible but not certain that there will be an inflow of economic benefits or service potential that cannot be reliably measured.

2. CAPITAL ACCOUNTING

a) Recognition

All expenditure on the acquisition, creation or enhancement of Property, Plant and Equipment is capitalised on an accruals basis. Expenditure on the acquisition of an asset, or expenditure which adds to, and not merely maintains, the value of an existing asset, should be capitalised, provided that it yields benefits to the Council and the services it provides for a period of more than one year.

Capital expenditure includes:

- the acquisition, reclamation, enhancement or laying out of land;
- acquisition, construction, preparation, enhancement or replacement of roads, buildings and other structures;
- acquisition, installation or replacement of movable or immovable plant, machinery, apparatus, vehicles and vessels.

In this context, enhancement means works which are intended to:

- Lengthen substantially the useful life of the asset, or
- Increase substantially the market value of the asset, or
- Increase substantially the extent to which the asset can or will be used for the purposes of or in conjunction with the functions of the Council.

Under this definition, improvement works and structural repairs should be capitalised, whereas expenditure to ensure that the non-current asset maintains its previously assessed standard of performance should be recognised in the revenue account as it is incurred.

A de-minimis level of £10,000 has been adopted by the Council in relation to capital expenditure.

Infrastructure Assets - Expenditure on the acquisition or replacement of components of the network is capitalised on an accruals basis, provided that it is probable that the future economic benefits associated with the item will flow to the authority and the cost of the item can be measured reliably.

b) Measurement

Initially the assets are measured at cost, comprising the purchase price, plus any costs associated with bringing the asset into use. The measurement of an operational asset acquired other than through purchase is deemed to be its current value. The Code requires that non-operational property, plant and equipment classified as surplus assets are measured at fair value.

In accordance with the Code, Property, Plant and Equipment is further classified as:

- Other Land and Buildings*
- Infrastructure assets
- Vehicles, Plant and Equipment
- Community Assets
- Assets under Construction
- Surplus Assets

Each of these asset classifications is valued on the base recommended by CIPFA and in accordance with the Statements of Asset Valuation Principles and Guidance Notes issued by The Royal Institution of Chartered Surveyors (RICS), as follows:

- Infrastructure – depreciated historical cost (DHC)

- Community Assets and Assets Under Construction – historical cost (HC)
- Other assets (excluding non-operational property) – current value, determined as the amount that would be paid for the asset in its existing use (EUV)
- Surplus assets (non-operational property, plant and equipment) – fair value

Where there is no market-based evidence of fair value because of the specialist nature of an asset, depreciated replacement cost (DRC) is used as an estimate of fair value. Where non-property assets (such as Vehicles, Plant and Equipment) have short useful lives or low values (or both), depreciated historical cost basis is used as a proxy for fair value.

*These asset categories are revalued on a five-year rolling cycle. The programme of revaluations is continuing on this cyclical basis, although values of those assets falling between scheduled valuation dates are reviewed annually to ensure that any material changes to asset valuations is adjusted in the interim period, as they occur. For assets where expenditure of £750,000 or above has been incurred, these are added to the preceding year's revaluation list.

Infrastructure Assets - infrastructure assets are generally measured at depreciated historical cost. However, this is a modified form of historical cost – opening balances for highways infrastructure assets were originally recorded in balance sheets at amounts of capital undischarged for sums borrowed as at 1 April 1994, which was deemed at that time to be historical cost. Where impairment losses are identified, they are accounted for by the carrying amount of the asset being written down to the recoverable amount.

c) Revaluation

Revaluation of property is undertaken on at least a five year “rolling programme”. A desk top valuation exercise can take place more frequently, however, if the valuer believes that market changes within the year are more significant, an interim valuation will be undertaken. Investment Properties are revalued annually to determine any material change in the carrying value.

A Revaluation Reserve for non-current assets (other than Investment Properties) is held in the Balance Sheet made up of unrealised revaluation gains relating to individual non-current assets, with movements in valuations being managed at an individual non-current asset level.

Movement in the valuation of Investment Properties are charged or credited to the Comprehensive Income Expenditure Statement. Gains arising from the revaluation of Investment Properties are not held within a revaluation reserve.

The Revaluation Reserve contains revaluation gains recognised since 1 April 2007 only, the date of the reserves formal implementation. Gains arising before that date were subsequently consolidated into the Capital Adjustment Account. Movements in the valuations of non-current assets do not impact on General Fund Balances and are not a charge or credit to council tax levies.

d) Disposals

Receipts from the disposal of non-current assets are accounted for on an accruals basis. When an asset is disposed of, the value of the asset in the Balance Sheet is written out to the Comprehensive Income and Expenditure Statement, as is the disposal receipt. These amounts are not a charge or receipt to council tax as the cost of non-current assets is fully provided for under separate arrangements for capital financing. The asset value written out is appropriated to the Capital Adjustment Account, the capital receipt is appropriated to the Capital Receipts Unapplied Account, via the Movement in Reserve Statement. Any revaluation gains that have accumulated in the Revaluation Reserve are transferred to the Capital Adjustment Account.

The Capital Adjustment Account absorbs the timing differences arising from the different arrangements for accounting for the consumption of non-current assets and for financing the acquisition, construction or enhancement element of those assets under statutory provisions. The account is debited with the cost of acquisition, construction or enhancement as depreciation, impairment losses and amortisations are charged to the CIES (with reconciling postings from the Revaluation Reserve to convert fair value figures to a historical cost basis). The Account is credited with the amounts set aside by the Council to finance the costs of acquisition, construction and enhancement. The Account contains accumulated gains and losses on Investment Properties

that have yet to be consumed by the Council. The Account also contains revaluation gains accumulated on Property, Plant and Equipment before April 2007, the date that the Revaluation Reserve was created to hold such gains.

Usable Capital Receipts have been used to finance capital expenditure based on the policy of the Council.

Academy Schools are written out of the Council's Balance Sheet at the time that they legally transfer to Academy status. The net book value of the school at the time of the transfer is charged to Other Operating Income and Expenditure within the Comprehensive Income and Expenditure Statement as a loss on disposal/de-recognition.

Infrastructure Assets - When a component of the network is disposed of or decommissioned, the carrying amount of the component in the Balance Sheet is written off to the 'Other operating expenditure' line in the Comprehensive Income and Expenditure Statement as part of the gain or loss on disposal. Receipts from disposals (if any) are credited to the same line in the Comprehensive Income and Expenditure Statement, also as part of the gain or loss on disposal (i.e. netted off against the carrying value of the asset at the time of disposal).

The written-off amounts of disposals are not a charge against council tax, as the cost of non-current assets is fully provided for under separate arrangements for capital financing. Amounts are transferred to the capital adjustment account from the General Fund Balance in the Movement in Reserves Statement.

e) Heritage Assets

Heritage Assets are held for their cultural, environmental or historical associations. With the exception of "Statues and Other Monuments", which by their nature are located across the Borough, they are mainly held in the Council's art galleries and museums.

This collection of Heritage Assets has been secured over many years from a variety of sources, being mainly bequeaths, donations and long term loans. Assets acquired from these sources may have conditions attached which govern how the assets may be managed in the future. Any assets with conditions attached are recognised in Donated Assets as a long term liability in the Balance Sheet until any outstanding conditions cease.

Any acquisitions of Heritage Assets are initially recognised at cost and donations are recognised at valuation with valuations provided by external valuers. The Council's collections of Heritage Assets are accounted for as follows:

- Art Collection;
- Militaria;
- Civic Regalia and Silver; and
- Statues and Other Monuments.

f) Investment Properties

Investment Property is held solely to earn rental income or for capital appreciation or both. Investment Property is initially recognised at cost, but is subject to valuation at fair value at the end of each accounting period. Losses or gains are recognised in the Comprehensive Income and Expenditure Statement.

g) Intangible Assets

Intangible Assets represent non-current assets that do not have physical substance, but are identifiable and are controlled by the Council through custodial or legal rights. All purchased Intangible Assets are capitalised at historical cost in line with 'the Code'.

In line with other non-current assets, their useful economic life is determined based on the length of time that the benefit will accrue to the Council. Based on the best estimate of the useful economic life, the Intangible Asset is charged to the Comprehensive Income and Expenditure Statement over this period.

h) Depreciation / Amortisation Methodology

Depreciation is provided for on all non-current assets with a finite useful life (this can be determined at the time of acquisition or revaluation) according to the following policy:

- In accordance with the CIPFA Code of Practice on Local Authority Accounting, all buildings (but not their land) are depreciated over their remaining useful lives. A land and building split has been determined by the Council's external valuers. Estimates of the useful life are determined for each property and where material for components of those properties as part of the valuation process. These estimates of economic life may vary considerably from property to property.
- Investment Properties are not depreciated, rather an annual review is undertaken of the fair carrying value. Any changes to these values are charged to the Provision of Services within the Comprehensive Income and Expenditure Statement in the period that they occur.
- Infrastructure is depreciated over a 40 year period.
- Vehicles, Plant, and Equipment is depreciated over 10 years or less depending on the nature of the asset.

Depreciation is calculated on a straight-line basis. Depreciation is not charged in the year of asset acquisition. Depreciation is charged to the Comprehensive Income and Expenditure Statement but does not impact on council tax and is written out to the Capital Adjustment Account via the Movement in Reserves Statement. Where non-current assets have been re-valued the current value depreciation will be higher than the historic cost depreciation, this increased depreciation charge is written out against the Revaluation Reserve with an offsetting entry to the Capital Adjustment Account.

Infrastructure Assets - Depreciation is provided on the parts of the highways network infrastructure assets that are subject to deterioration or depletion and by the systematic allocation of their depreciable amounts over their useful lives. Depreciation is charged on a straight-line basis.

Non-highways infrastructure assets are depreciated over periods of up to 40 years.

Annual depreciation is the depreciation amount allocated each year.

Useful lives of the various parts of the highways network are assessed by the Head of Engineering Services using industry standards where applicable as follows:

Part of the Highways Network	Useful life
<i>Carriageways (inc. gullies & highways drainage)</i>	<i>25 years</i>
<i>Carriageways – New</i>	<i>35 years</i>
<i>Footways and cycle tracks</i>	<i>25 years</i>
<i>Structures (bridges, tunnels, underpasses & large culverts)</i>	<i>110 years</i>
<i>Small culverts - diameter less than 1.2m</i>	<i>40 years</i>
<i>Street lighting</i>	<i>25 years</i>
<i>Street furniture</i>	<i>40 years</i>
Non-Highways Assets	Useful life
<i>High Speed Fibre Network</i>	<i>40 years</i>

i) Charges to revenue for non-current assets

Service revenue accounts, support services and trading accounts are charged with the following amounts to record the real cost of holding non-current assets throughout the year:

- Depreciation attributable to the assets used by the relevant service
- Impairment losses attributable to non-current assets used by the service in excess of the balances held in the Revaluation Reserve
- Amortisation of Intangible Assets attributable to the service

The Council does not raise council tax to cover depreciation, impairment loss or amortisations. The Council does, however, make an annual provision from revenue to reduce its borrowing requirement, (see section m). Depreciation, impairment losses, amortisation and gains or losses

on the disposal of non-current assets are therefore written out in the Movement in Reserves Statement, by way of an adjusting transaction within the Capital Adjustment Account.

j) Revenue Expenditure Funded from Capital under Statute

Revenue Expenditure Funded from Capital under Statute represents expenditure which may be properly capitalised, but which does not result in the creation of any non-current asset to the Council. In line with the guidance contained in 'the Code', this expenditure is written off to the Comprehensive Income and Expenditure Statement in the year the expenditure is incurred, because the Council does not control the economic benefits arising from this expenditure.

k) Impairment of Non-current Assets

Assets have been reviewed for any impairment loss in respect of the consumption of economic benefit (e.g. physical damage). Where an impairment loss occurs this would be charged to the service revenue account, with a corresponding entry made to reduce the value of the asset in the Balance Sheet.

To remove the impact of the impairment loss on the budget, a credit entry is made in the Movement in Reserves Statement as a charge to the Capital Adjustment Account.

Impairments reflecting a general fall in prices would be recognised in the Revaluation Reserve, up to the value of revaluation for the individual asset, and any further impairment would be treated as a consumption of economic benefit and charged to the service revenue account.

l) Capital Receipts

Capital receipts (in excess of £10,000) arising from the sale of non-current assets are credited to Capital Receipts Unapplied Account.

Any capital receipts relating to the repayment of former Housing Revenue Account (HRA) mortgages (principal amounts) are subject to provisions included within the Local Government Act 2003. The Council is required to pay a specified amount from these receipts to the national pool. All other capital receipts are usable.

Usable capital receipts are shown separately in the Balance Sheet and can be used either to finance new capital investment, to repay grant received in relation to the asset disposed of, to finance the premium sum arising from the rescheduling of debt, or set aside to reduce the Council's underlying need to borrow.

m) Minimum Revenue Provision

Where capital expenditure has been financed by borrowing there is a provision for the repayment of debt to be made in accordance with the Minimum Revenue Provision requirements of the Local Authorities ('MRP' - as set out in Capital Financing and Accounting (Amendment) Regulations 2009).

Since 2015/16 the Council has adopted the following policy in relation to calculating the Minimum Revenue Provision

- (i) Borrowing taken up prior to 01/04/2015 will be provided for using a straight-line method of calculating 'MRP'. A total of £185,215,128 will be provided for in equal instalments over 50 years which will result in an annual charge of £3.704m. The debt will be extinguished in full by 31 March 2065. If the Council elects to make additional voluntary MRP then the annual charge will be adjusted accordingly.
- (ii) The following will be required in relation to borrowing taken up on or after 01/04/2015.
 - For borrowing taken up on or after 1 April 2015, MRP is to be provided for based upon the average expected useful life of the assets funded by borrowing in the previous year. The debt will be repaid on a straight-line basis over the average useful life calculated, meaning the debt will be fully extinguished at the end of period. If the Council elects to make additional voluntary MRP then the annual charge will be adjusted accordingly.
 - For certain investment projects it may be deemed more prudent to use the asset life annuity method in order to calculate MRP. In this case, the Council will use the annuity method, with the MRP based on the prevailing PWLB interest rate for a loan

with a term equal to the estimated life of the project. If the Council uses capital receipts to repay borrowing for the year then the value of MRP which would have otherwise been set aside to repay borrowing will be reduced by this amount. The level of capital receipts to be applied to redeem borrowing will be determined annually by the Section 151 Officer, taking into account forecasts for future expenditure and the generation of further receipts.

- For any finance leases recognised under IFRS 16 and any on-balance sheet Public Finance Initiative (PFI) schemes, the MRP charge will be equal to the principal repayment during the year, calculated in accordance with proper practices.
- There will be no MRP charge for any cash-backed Local Authority Mortgage Scheme (LAMS) that the Council operates. As for this type of scheme, any future debt liability would be met from the capital receipt arising from the deposit maturing after a five year period. Any repossession losses for this type of scheme would be charged to a LAMS reserve.
- The Council has considered the statutory guidance, which recommends a 25-year repayment charge for loans to third parties, and concluded that this provision is not necessary where there is a realistic expectation that the loan will be repaid. The Council considers an MRP charge is not necessary in respect of any loans made to third parties as the debt liability is covered by the existence of a debtor; typically long term depending on the life of the loan. The only expenditure consequence of a loan for an authority is the interest on its cash shortfall whilst the loan is outstanding, so provision for the principal amount would be over-prudent until such time as the assumption has to be made that the loan will not be repaid.

n) Capital Grants and Contributions

The Council recognises capital grants and contributions as being related to capital assets and uses them to fund capital expenditure on those assets. Grants, contributions and donations are recognised as income at the date that the Council has satisfied the conditions of entitlement, and there is reasonable assurance that the monies will be received.

Any grant received before these recognition criteria were satisfied would be held as a creditor. Any grant which had met the recognition criteria but had not been received would be shown as a debtor. This is in line with the accruals concept policy.

Once the recognition criteria above have been satisfied, capital grants are recognised as income in the Comprehensive Income and Expenditure Statement.

In order to not impact on the level of Council Tax, the Council removes the credit from the general reserves through the Movement in Reserves Statement, and makes a credit to the Capital Grants Unapplied Reserve.

Once expenditure has been incurred on the related asset, the credit is removed from the Capital Grants Unapplied Reserve and credited to the Capital Adjustment Account.

o) Capital Reserves

The Council holds capital reserves for the purpose of financing capital expenditure. Reserves will be disclosed as either usable (available to fund capital expenditure) or unusable (reserves held as a result of timing differences associated with recognition of capital expenditure and related financing).

Movements in capital reserves are accounted through the Movement in Reserves Statement.

p) Leases

The Council accounts for all leases (with the exception of Service Concession arrangements) in line with IFRS 16 (Leases), except where adaptations to fit the public sector are detailed in the Code. This accounting policy is applied from 1 April 2024.

In applying the transition requirements, the Authority has used the practical expedient permitting the continuation of lease assessments made under IAS 17 ('grandfathering'). Existing lease contracts have not been reassessed. Right-of-use assets and corresponding lease liabilities have

been recognised for all relevant leases previously classified as operating leases. Former finance leases have been reclassified to right-of-use assets and lease liabilities. Low-value and short-term leases continue to be charged to revenue as incurred. The transition does not impact council tax requirements due to statutory accounting adjustments under the capital finance framework.

IFRS 16 replaces IAS 17, establishing a single lessee accounting model and requiring lessees to recognise assets and liabilities for most leases.

The Council as Lessee

The Council classifies contracts as leases based on their substance. The Council determines whether contracts, and parts of contracts, convey the right to control the use of an identified asset, through rights to both obtain substantially all the economic benefits or service potential from that asset, and to direct its use.

Lease arrangements are recognised as right-of-use assets with a corresponding liability at the date from which the leased asset is available for use (or 1 April 2024 if later). Leases are for periods in excess of one year, and are usually for fixed periods but may have extension options.

Lease Liabilities

The lease liabilities arising from a lease are initially measured on a present value basis comprising the following lease payments:

- Fixed payments (including in-substance fixed payments) less any lease incentives receivable
- Variable lease payments that are based on an index or a rate, initially measured using the index or rate as at the commencement date.
- Amounts expected to be payable by the Council under residual value guarantees.
- The exercise price of a purchase option if the Council is reasonably certain to exercise that option.
- Payments of penalties for terminating the lease, if the lease term reflects the Council exercising that option.
- Lease payments to be made under reasonably certain extension options.

The lease payments shall be discounted using the interest rate implicit in the lease, if that rate can be readily determined. If that rate cannot be readily determined, the lessee shall use the lessee's incremental borrowing rate, being the rate the Council would have to pay to borrow the funds necessary to obtain an asset of similar value to the right-of-use asset in a similar economic environment with similar terms, security and conditions. For the current year, the Council's incremental borrowing rate is determined to be the Public Works Loan Board (PWL) annuity rate for the term equivalent to the lease, as this is the source of borrowing that the Council would use if it was to purchase equivalent assets.

The lease liability is subsequently measured at amortised cost principles. The liability is remeasured when:

- There is a change in future lease payments arising from a change in index or rate
- There is a change in the group's estimate of the amount expected to be payable under a residual value guarantee
- The Council changes its assessment of whether it will exercise a purchase, extension or termination option
- There is a revised in-substance fixed lease payment.

When such a remeasurement occurs, a corresponding adjustment is made to the carrying amount of the right-of-use asset, with any further adjustment required from remeasurement being recorded in the Comprehensive Income and Expenditure Statement.

Right-of-Use Assets

The right-of-use asset is initially measured at cost, which is recognised as the initial measurement of the lease liability. Right-of-use assets are then subsequently measured using the cost model. The Council considers the cost model to be a reasonable proxy except for:

- Assets held under non-commercial leases
- Leases where rent reviews do not necessarily reflect market conditions
- Leases with terms of more than five years that do not have any provision for rent reviews
- Leases where rent reviews will be at periods of more than five years.

For these leases, the asset is carried at a revalued amount. The right-of-use asset is depreciated on a straight-line basis over the shorter period of either the remaining lease term, or the useful life of the asset as at the date of adoption.

Low-value and short leases

As permitted by the Code, the Council excludes leases:

- For low-value items that cost less than £10,000 when new
- With a term shorter than 12 months at the date of adoption or the commencement of the lease (comprising the non-cancellable period plus any extension options that the Council is reasonably certain to exercise and any termination options that the Council is reasonably certain not to exercise).

These excluded leases continue to be treated as operating leases, with the associated costs recognised as expenditure in the Comprehensive Income and Expenditure Statement.

Lease Expenditure

Lease payments are allocated between the repayment of principal and finance costs. The finance costs, depreciation and any asset impairments are charged to the Comprehensive Income and Expenditure Statement over the lease period so as to produce a constant periodic rate of interest on the remaining balance of the liability for each period. The repayment of principal is debited against the liability. Payments relating to low-value and short leases are expensed as incurred.

The Council as Lessor

Leases are classified as finance leases where the terms of the lease transfer substantially all the risks and rewards incidental to ownership of the property, plant or equipment from the lessor to the lessee. All other leases are classified as operating leases.

Finance leases

Where the Council grants a finance lease over a property or an item of plant or equipment, the relevant asset is written out of the Balance Sheet as a disposal. At the commencement of the lease, the carrying amount of the asset in the Balance Sheet is written off to the Other Operating Expenditure line in the Comprehensive Income and Expenditure Statement as part of the gain or loss on disposal. A gain, representing the Council's net investment in the lease, is credited to the same line in the Comprehensive Income and Expenditure Statement also as part of the gain or loss on disposal (i.e., netted off against the carrying value of the asset at the time of disposal) matched by a lease (long-term debtor) asset in the Balance Sheet.

Lease rentals receivable are apportioned between:

- A charge for the acquisition of the interest in the property – applied to write down the lease debtor (together with any premiums received), and
- Finance income (credited to the Financing and Investment Income and Expenditure line in the Comprehensive Income and Expenditure Statement).

The gain credited to the Comprehensive Income and Expenditure Statement on disposal is not permitted by statute to increase the General Fund balance and is required to be treated as a capital receipt. Where a premium has been received, this is posted out of the General Fund balance to the Capital Receipts Reserve in the Movement in Reserves Statement. Where the amount due in

relation to the lease asset is to be settled by the payment of rentals in future financial years, this is posted out of the General Fund balance to the Deferred Capital Receipts reserve in the Movement in Reserves Statement. When the future rentals are received, the element for the capital receipt for the disposal of the asset is used to write down the lease debtor. At this point, the deferred capital receipts are transferred to the Capital Receipts Reserve.

Operating Leases

Where the Council grants an operating lease over a property or an item of plant or equipment, the asset is retained in the Balance Sheet. Lease income from operating leases is recognised as income on a straight-line basis over the lease term. Any inflation-linked annual increases in rentals are treated as contingent rents and are recognised as income when they occur. Rental income based on turnover is considered variable and therefore is recognised in the period in which it is earned. The respective leased assets are included in the Balance Sheet within Property, Plant and Equipment based on their nature. Any lease modifications are treated as new leases from the date of modification.

q) Defining a Finance Lease

A finance lease is where substantially all of the risks and rewards relating to ownership transfer to the lessee.

Tests to give an indication of the transfer of risk and reward are:

- If the lessee will gain ownership of the asset at the end of the lease term (e.g. hire purchase)
- If the lessee has an option to purchase the asset at a sufficiently favourable price that it is reasonably certain, at the inception of the lease, that it will be exercised
- If the lease term is for the major part of the economic life of the asset even if the title is not transferred. Measures to identify this include:
 - The economic life of the asset is deemed to be that which is consistent with the class of asset in the depreciation policy.
 - The Council recognises 'major part' to be 75% of the life of the asset, unless on an individual case basis this would not give a true representation of the substance of the transaction.
- At the inception of the lease, the present value of the minimum lease payments amounts to at least substantially all of the fair value of the leased asset. Measures to identify this include:
 - Fair value of the leased asset is assessed by a RICS qualified valuer.
 - The present value of the minimum lease payments is calculated by discounting at the rate inherent in the lease.
 - If this rate cannot be determined the incremental borrowing rate applicable for that year is used.
 - The Council recognises 'substantially all' to be 75% of the value of the asset, unless on an individual case basis this would not give a true representation of the substance of the transaction.
- The leased assets are of such a specialised nature that only the lessee can use them without major modifications.
- If the lessee cancels the lease, the losses of the lessor, associated with the cancellation are borne by the lessee.
- Gains or losses from the fluctuation in the fair value of the residual accrue to the lessee (e.g. in the form of a rent rebate equalling most of the sales proceeds at the end of the lease).
- The lessee has the ability to continue the lease for a secondary period at a rent that is substantially lower than market rent.

A suitably experienced accountant, with assistance from qualified valuers, will make a judgement based on the level of risk and reward held by the Council as to whether an asset is operating or finance.

r) Defining an Operating Lease

The Council recognises an operating lease to be a lease which is not a finance lease. Where the Council is the lessor for an operating lease, normally the asset is classified as an Investment Property. Any rental income is credited to the relevant service income.

s) Service Concession Agreements (Private Finance Initiative (PFI) and other similar contracts)

PFI and similar contracts are agreements to receive services, where the responsibility for making available the property, plant and equipment needed to provide the services passes to the PFI contractor. The Council accounts for such arrangements in line with adaptation of IFRIC12 Service Concession Arrangements contained in the government's Financial Reporting Manual. PFI and similar contracts are assessed against criteria within IFRIC 12 to determine whether the risks and rewards incidental to ownership lie with the Council or the contractor.

- Those which lie with the contractor – payments made during the life of the contract are chargeable to revenue as incurred.
- Those which lie with the Council are recognised as an asset in the Balance Sheet for the construction costs of the asset. Once recognised, this asset is treated in line with all capital assets. A corresponding long-term liability is also recognised at the construction value. Payments made during the life of the contract are split into finance costs, capital costs and service costs.

Determining the split of payments is calculated at the inception of the contract and is based on the inherent interest rate within the original agreement. Finance costs are chargeable to the Comprehensive Income and Expenditure Statement as interest payable. Capital costs reduce the level of liability in the Balance Sheet. Service costs are chargeable to the relevant revenue service expenditure. Pre-payments reduce the level of liability at the start of the contract.

Long-term liabilities arising from PFI arrangements are accounted for in line with IFRS 16. As PFI unitary charge payments increase each year with inflation, the liability is remeasured to reflect those higher payments. The old IAS 17 standard took a different approach, where the liability only reflected minimum lease payments, with inflationary increases expensed each year as contingent rent.

PFI credits are treated as general revenue government grants.

3. REVENUE ACCOUNTING

a) Recognition of Revenue Expenditure

The Council recognises revenue expenditure as expenditure which is not capital.

b) Employee Costs

In accordance with IAS 19, the Council accounts for the total benefit earned by employees during the financial year.

Employee Costs are split into 3 categories; short term benefits, termination benefits and pensions costs.

Short Term Employee Benefits

- Salaries and Wages – The total salary and wages earned by employees during the financial year are charged to the Comprehensive Income and Expenditure Statement. Where the amount accrued exceeds the amount paid at the 31 March, a creditor will be reflected in the accounts.
- Leave Owed, Accumulating Absences – The Council allows employees to earn time off in one period with the resulting cost to the Council in a later period when that time is either taken off or paid to the employee. Examples of this accumulating leave are annual leave, flexi-time and time off in lieu.

If an employee were to leave the Council, cash payment would be made for entitlements such as annual leave; this leave is termed vesting. Where no cash payment would be due, the leave is termed non-vesting.

In order to correctly reflect the cost of time owed to staff, a charge has been made to the Comprehensive Income and Expenditure Statement and a creditor accrual has been reflected in the Balance Sheet. This charge is reflective of the estimated time cost value of all accumulating leave owed to employees. Vesting leave will be charged in full; however non-vesting leave has been adjusted to reflect the turnover of staff.

- Non-accumulating Absences – are periods of leave that cannot be carried forward for use in future periods. Examples include Maternity Leave, Special Leave, Sick Leave and Jury Service. The Council does not recognise non-accumulating compensated absences until the time that the absence occurs.
- Non-monetary Benefits – Where employees have non-monetary benefits (e.g. retirement benefits or life insurance), the associated cost of providing that benefit has been charged to the Comprehensive Income and Expenditure Statement.

Termination benefits

Termination benefits are amounts payable as a result of a decision by the Council to terminate an officer's employment before the normal retirement date or an officer's decision to accept voluntary redundancy and are charged on an accruals basis to the relevant service lines in the Comprehensive Income and Expenditure Statement at the earlier of when the Council can no longer withdraw the offer of those benefits or when the Council recognises costs for a restructuring.

Where termination benefits involve the enhancement of pensions, statutory provisions require the General Fund Balance to be charged with the amount payable by the Council to the Pension Fund or pensioner in the year, not the amount calculated according to the relevant accounting standards. In the Movement in Reserves Statement, appropriations are required to and from the Pensions Reserve to remove the notional debits and credits for pension enhancement termination benefits and replace them with debits for the cash paid to the pension fund and pensioners and any such amounts payable but unpaid at the year-end.

Pensions Costs

Employees of the Council are members of three separate pension schemes:

- The Teachers' Pension Scheme is a defined benefit scheme administered by Capita Teachers' Pensions on behalf of the Department for Education (DfE).

The assets and liabilities of the Teachers' Pension Scheme are not attributable to the Council, therefore the Council accounts for the scheme as if it were a defined contribution scheme. This means that the Children and Education Services line in the Comprehensive Income and Expenditure Statement will only include the Council's contributions payable to the scheme.

- NHS Pension Scheme is a defined benefit scheme administered by EA Finance NHS Pensions.

The assets and liabilities of the NHS Pension Scheme are not attributable to the Council, therefore the Council accounts for the scheme as if it were a defined contribution scheme. This means that the Public Health Services line in the Comprehensive Income and Expenditure Statement will only include the Council's contributions payable to the scheme.

- The Greater Manchester Local Government Pension Scheme, administered by the Council, is accounted for as a defined benefit scheme. The liabilities of the scheme attributable to the Council are included in the Balance Sheet on an actuarial basis using the projected unit method - i.e. an assessment of the future payments that will be made in relation to retirement benefits earned to date by employees, based on assumptions about mortality rates, employee turnover rates, and projections of future earnings for current employees.

Pension liabilities are measured using the projected unit method, discounted using the rate on high quality corporate bonds of equivalent term to the liabilities. The discount rate is the weighted average of "spot yields" on AA rated corporate bonds.

The change in the net pensions liability is analysed into the following components:

Service cost comprising:

1. Current service cost – the increase in liabilities as a result of years of service earned this year – allocated in the Comprehensive Income and Expenditure Statement to the services for which the employees worked.
2. Past service cost – the increase in liabilities as a result of a scheme amendment or curtailment whose effect relates to years of service earned in earlier years will be debited to the Surplus or Deficit on the Provision of Services in the Comprehensive Income and Expenditure Statement.
3. Net interest on the net defined benefit liability i.e. net interest expense for the Council - the change during the period in the net defined benefit liability that arises from the passage of time charged to the Financing and Investment Income and Expenditure line of the Comprehensive Income and Expenditure Statement. This is calculated by applying the discount rate used to measure the defined benefit obligation at the beginning of the period to the net defined benefit liability at the end of the period, taking into account any changes in the net defined benefit liability during the period as a result of contribution and benefit payments.

Re-measurement comprising:

4. The return on plan assets – excluding amounts included in net interest on the net defined benefit liability – charged to the Pensions Reserve as Other Comprehensive Income and Expenditure.
5. Actuarial gains and losses – changes in the net pensions liability that arise because events have not coincided with assumptions made at the last actuarial valuation or because the actuaries have updated their assumptions – charged to the Pensions Reserve as Other Comprehensive Income and Expenditure.

In relation to retirement benefits, statutory provisions require the General Fund Balance to be charged with the amount payable by the Council to the Pension Fund in the year, not the amount calculated according to the relevant accounting standards. Adjustments are therefore made in the Movement in Reserves Statement.

Pensions Reserve

The Pensions Reserve absorbs the timing differences arising from the different arrangements for accounting for post-employment benefits and for funding benefits in accordance with statutory provisions. The debit balance on the Pensions Reserve therefore shows a shortfall in the benefits earned by past and current employees and the resources the Council has set aside to meet them. The statutory arrangements will ensure that funding will have been set aside by the time the benefits come to be paid.

Early Retirement, Discretionary Payments

The Council has restricted powers to make discretionary awards of retirement benefits in the event of early retirements. Any liabilities estimated to arise as a result of an award to any member of staff (including teachers) are accrued in the year of the decision to make the award and accounted for using the same policies which are applied to the Local Government Pension Scheme.

c) Revenue Recognition

Revenue from contracts with service recipients, whether for services of the provision of goods, is recognised when (or as) the goods or services are transferred to the service recipient in accordance with the performance obligations in the contract.

Where the Council is acting as Agent of another organisation, the amounts collected on behalf of that organisation are excluded from the Council's revenue.

d) Revenue Grants and Contributions

Grants, contributions and donations (referred to as grants for the purposes of this policy) are recognised as income at the date that the Council has satisfied the conditions of entitlement, and

there is reasonable assurance that the monies will be received. Any grant received before these recognition criteria were satisfied would be held as a creditor (income in advance). Any grant which had met the recognition criteria but had not been received would be shown as a debtor.

Revenue grants will either be received to be used only for a specific purpose, or can be used for general purpose. Those for a specific purpose are recognised in the Comprehensive Income and Expenditure Statement within the Net Cost of Services. Those which are for general purpose are shown within Other Operating (Income) and Expenditure in the Comprehensive Expenditure and Income Statement.

The Council recognises capital grants and contributions as being related to capital assets and uses them to fund capital expenditure on those assets. Grants, contributions and donations are recognised as income at the date that the Council has satisfied the conditions of entitlement, and there is reasonable assurance that the monies will be received.

Any grant received before these recognition criteria were satisfied would be held as a creditor. Any grant which had met the recognition criteria but had not been received would be shown as a debtor. This is in line with the Accruals Concept.

Once the recognition criteria above have been satisfied, capital grants are recognised as income in the Comprehensive Income and Expenditure Statement.

In order to not impact on the level of Council Tax, the Council removes the credit from the General Reserves through the Movement in Reserves Statement, and makes a credit to the Capital Grants Unapplied Reserve.

Once expenditure has been incurred on the related asset, the credit is removed from the Capital Grants Unapplied Reserve and credited to the Capital Adjustment Account.

e) Provisions

Provision has been made in the Comprehensive Income and Expenditure Statement for liabilities that have been incurred by the Council, but where the amounts or dates on which they will arise are uncertain.

Provisions are required to be recognised when the Council has a present obligation, as a result of a past event, where it is probable that an outflow of resources embodying economic benefit or service potential will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation, (IAS 37 – Provisions, Contingent Liabilities and Contingent Assets).

When expenditure is incurred to which the provision relates, it is charged directly against the provision in the Balance Sheet and not against the Comprehensive Income and Expenditure Statement.

The Council has made a provision for the costs of settling claims for back pay arising from discriminatory payments incurred before the Council implemented its equal pay strategy. However, statutory arrangements allow settlements to be financed from General Fund Balances in the year that payments actually take place, not when the provision is established. The provision is therefore balanced by an entry within the Capital Adjustment Account (CAA) created from amounts credited to the General Fund Balance in the year the provision was made or modified. The balance within the CAA will be debited back to the General Fund Balance in the Movement in Reserves Statement in future financial years as payments are made.

f) Revenue Reserves

The Council holds usable revenue reserves for the purpose of funding future expenditure. The General Fund Balance represents the balance of reserves to meet short term, unforeseeable expenditure and to enable significant changes in resources or expenditure to be properly managed over the period of the Medium Term Financial Strategy. Earmarked Reserves represent balances where approval has been received to use the reserve for a specific purpose.

Unusable revenue reserves represent timing differences such as those associated with the recognition of retirement benefits, Council tax income and financial instruments.

Movement in reserves are accounted through the Movement in Reserves Statement.

g) Council Tax and Business Rates Recognition

Council Tax and Business Rates income included in the Comprehensive Income and Expenditure Statement includes the Council's share of accrued income recognised by billing authorities in the production of the Collection Fund Statements.

The difference between the income included in the Comprehensive Income and Expenditure Statement and the amount required by regulation to be credited to the General Reserve is taken to the Collection Fund Adjustment Account and reported in the Movement in Reserves Statement.

Billing authorities act as agents, collecting council tax and business rates on behalf of the major preceptors and, as principals, collecting council tax and business rates for themselves. Billing authorities are required by statute to maintain a separate fund (the Collection Fund) for the collection and distribution of amounts due in respect of council tax and business rates. Under the legislative framework for the Collection Fund, billing authorities and major preceptors share proportionately the risks and rewards that the amount of council tax and business rates collected could be less or more than predicted.

The Council Tax and Business Rates income included in the Comprehensive Income and Expenditure Statement is the Council's share of accrued income for the year. However, regulations determine the amount of council tax and NDR that must be included in the Council's General Fund. Therefore The difference between the income included in the Comprehensive Income and Expenditure Statement and the amount required by regulation to be credited to the General Reserve is taken to the Collection Fund Adjustment Account and reported in the Movement in Reserves Statement.

The Balance Sheet includes the Council's share of the end of year balances in respect of council tax and NDR relating to arrears, impairment allowances for expected credit losses, overpayments and prepayments and appeals.

h) Inventories and Work in Progress

Work in progress is valued at the lower of cost (including all related overheads) or net realisable value.

No amounts are included for such items as small stores at Community Services residential homes, or stocks at special schools and outdoor education centres as these are not regarded as having material value due to their size. It is considered that this difference in treatment (together with the exclusion of certain types of stock) does not have a material effect on the values stated.

i) Expected credit losses

The Council maintains an estimate for expected credit losses for any potential non-payment of debtors at each Balance Sheet date. Assessment is made based on the risk of debtors' ability to pay future cash flows due under the contractual terms. This risk is estimated where possible based on historical loss experience, expected future credit losses, credit rating for a debtor and other impacting factors.

Expected credit losses are offset against the debtor amount shown as an asset, the movement is charged against Financing and Investment in the Comprehensive Income and Expenditure Statement.

4. TREASURY MANAGEMENT

a) Financial Instruments

Financial Assets

Financial Assets e.g. investments and debtors are classified into three types – amortised cost, fair value through other comprehensive income (FVOCI) and fair value through profit or loss (FVPL).

The categorisation of financial assets into these types is dependent on the reason for holding these assets (to collect cash flows, to sell assets or both).

Financial assets are brought onto the balance sheet at fair value when the Council becomes a party to contractual provisions.

Amortised Cost

These assets relate to financial instruments where the amounts received relating to them are solely principal and interest and they are held to generate cash flows (e.g. investments of surplus cash with the government's debt management office or loans to third parties).

The interest received on these assets is spread evenly over the life of these instruments. Any gain or loss in the value of these assets is recognised in the net surplus / deficit on the net provision of services at the point of de-recognition (disposal) or reclassification.

Fair Value through Other Comprehensive Income (FVOCI)

These assets relate to financial instruments where the amounts received relating to them are solely principal and interest but they are held to collect cash and sell the assets (e.g. money market funds). The interest received on these assets is spread evenly over the life of these instruments.

Changes in the fair value of these assets are charged to Other Comprehensive Income and Expenditure. Cumulative gains and losses are charged to the surplus / deficit on provision of services when they are disposed of.

Under capital accounting regulations where these assets were treated as capital expenditure the gain or loss is reversed to an unusable reserve - the Financial Instruments Revaluation Reserve.

Fair Value through Profit and Loss (FVPL)

These assets relate to financial instruments where the amounts received relating to them are not principal and interest (e.g. equity investments).

Dividends received are accounted for at the point they are declared.

Charges in fair value are charged to the surplus / deficit on the net provision of services as they occur.

Under capital accounting regulations where these assets were treated as capital expenditure the gain or loss is reversed through the Movement in Reserves Statement and charged to an unusable reserve - the Capital Adjustment Account. . An equity instrument that has been classed as FVPL can be designated as FVOCI if it is not held for trading (e.g. a strategic investment). Once this designation has been made it cannot be reversed. This designation would mean that any gains and losses would be held in the Financial Instruments Revaluation Reserve.

Credit loss

The Council will recognise a loss allowance for expected credit losses, if applicable, on assets where cash flows are solely principal and interest (i.e. financial instruments measured at amortised cost or FVOCI unless they have been designated as such). This does not apply where the counterparty is central government or another local authority.

At each year end the loss allowance for a financial instrument is calculated as equal to the lifetime expected credit losses if the credit risk on that financial instrument has increased significantly since initial recognition.

If at year end the credit risk has not increased significantly since initial recognition the loss allowance is measured at an amount equal to twelve month expected credit losses.

Where the financial asset was treated as capital expenditure any losses will be reversed via the Movement in Reserves Statement to the Capital Adjustment Account.

Financial Liabilities

Financial liabilities (e.g. borrowings and creditors) are recognised when the other party has met a commitment under the contract that creates an obligation for the Council to transfer economic benefits. For instance, when the Council takes out a loan, the advance of cash from the lender initiates the obligation to repay at some future date, and the loan would be recognised as a liability on the Balance Sheet when the advance is received.

Charges to the Financing and Investment Income and Expenditure line in the Comprehensive Income and Expenditure Statement for interest payable are based on the carrying amount of the liability multiplied by the effective rate of interest for the instrument. (The effective interest rate is the rate that exactly discounts estimated future cash payments over the life of the instrument to the amount at which it was originally recognised).

For many of the borrowings that the Council has, this means that the amount shown in the Balance Sheet is the outstanding principal repayable plus accrued interest, and the amount charged to the Comprehensive Income and Expenditure Statement is the amount payable per the loan agreement.

For Lender Option Borrower Option (LOBO) loans the effective interest rate has been calculated over the life of the loan. This is an average and differs from the amounts actually paid in the year. The difference between the calculated interest charge and interest paid has been adjusted in the carrying amount of the loan on the balance sheet. The amount charged in the Comprehensive Income and Expenditure Statement is the effective interest rate for the life of the loan rather than the amount payable per the loan agreement.

Where the Council is in receipt of loans that are interest free or at less than prevailing market interest rates if material, the effective interest rate is calculated so that the value of the financial assistance to the Council by the lender is separated from the financial cost of the transaction. This gain is calculated by working out the net present value of all future cash payments using the interest rate for a similar loan taken by the Council. This results in a lower figure for the fair value of the loan with the difference from the loan received treated as a government grant. This gain is reversed out in the Movement in Reserves Statement to the Financial Instruments Adjustment Account.

Gains and losses on the repurchase or early settlement of borrowing are credited or debited to the Financing and Investment Income and Expenditure line in the Comprehensive Income and Expenditure Statement in the year of repurchase or settlement. However if the repurchase takes place as part of a restructuring of the loan portfolio that involves the modification or exchange of existing instruments, the premium or discount is deducted from or added to the amortised cost of the new or modified loan. In this scenario the write down to the Comprehensive Income and Expenditure Statement is spread over the life of the loan by an adjustment to the effective interest rate.

Where premiums and discounts (amounts paid or received on the rescheduling of a loan) have been charged to the Comprehensive Income and Expenditure Statement, regulations allow the impact of premiums on the General Fund balance to be spread over the longer of the outstanding period of the replaced loan or the period of the replacement loan or any other shorter period that the Council wishes to choose. Discounts are required to be credited to revenue over a maximum period equal to the outstanding term of the replaced loan or ten years (if shorter). The difference between the amount charged to the Comprehensive Income and Expenditure Statement and the net charge against the General Fund balance is transferred to or from the Financial Instruments Adjustment Account in the Movement of Reserves Statement.

b) Cash and cash equivalents

Cash equivalents are short term investments that are of a highly liquid nature. The Council has deemed that deposits held within money market funds are categorised as cash equivalents.

c) Interests in Companies and Other Entities

Where the Council has material interests in companies and other entities that have the nature of subsidiaries, associates and joint arrangements, it is required to prepare group accounts. In the Council's own single-entity accounts, the interests in companies and other entities are recorded as investments, i.e. at cost, less any provision for losses. The Council has identified Inspired Spaces Tameside as an associate but group accounts have not been prepared on the grounds of materiality. Information on financial transactions between the Council and this associate are disclosed as related party transactions.

40. Accounting Policies Issued but not yet adopted

The Code of Practice on Local Authority Accounting in the United Kingdom (the Code) requires the disclosure of information relating to the expected impact of an accounting change that will be required by a new standard which has been issued but is yet to be adopted by the 2024/25 Code.

The Code also requires that changes in accounting policy are to be applied retrospectively unless transitional arrangements are specified, this would, therefore result in an impact on disclosures spanning two financial years.

Accounting changes that are introduced by the 2025/26 Code are:

- (i) **IAS 21 The Effects of Changes in Foreign Exchange Rate (Lack of Exchangeability)** issued in August 2023. The amendments to IAS 21 clarify how an entity should assess whether a currency is exchangeable and how it should determine a spot exchange rate when exchangeability is lacking, as well as require the disclosure of information that enables users of financial statements to understand the impact of a currency not being exchangeable.
- (ii) **IFRS 17 Insurance Contracts** issued in May 2017. IFRS 17 replaces IFRS 4 and sets out principles for recognition, measurement, presentation and disclosure of insurance contracts.
- (iii) The changes to the measurement of non-investment assets within the 2025/26 Code include adaptations of **IAS16 Property, Plant and Equipment** and **IAS38 Intangible Assets**. These include setting out three revaluation processes for operational property, plant and equipment, requiring indexation for tangible non-investment assets and a requirement to value intangible assets using the historical cost approach. Transitional arrangements will apply to these changes so they will be applied prospectively, with no restatement of prior year figures. This is an amendment to the Code and isn't a new standard.

Items (i) and (ii) are not expected to have an impact on the Statement of Accounts for Tameside Council. Item (iii) is not expected to have a significant impact but may impact on narrative disclosures as changes are applied and explained.

41. Critical Judgements in Applying Accounting Policies

The following are critical management judgements in applying the accounting policies of the Council that have the most significant effect on the financial statements.

Accounting for Schools – Consolidation

In line with accounting standards and 'the Code' on group accounts and consolidation, all maintained schools in the Borough are now considered to be entities controlled by the Council. Rather than produce group accounts the income, expenditure, assets, liabilities, reserves and cash flows of each school are recognised in the Council's single entity accounts.

Accounting for Schools – Balance Sheet Recognition of Schools

The Council recognises schools in line with the provisions of the Code. Schools are recognised on the Balance Sheet only if the future economic benefits or service potential associated with the school will flow to the Council. The Council regards that the economic benefits or service potential of a school flows to the Council where the Council has the ability to appoint the employees of the school and is able to set the admission criteria.

There are generally five categories of schools:

- Community schools
- Voluntary Controlled (VC) schools
- Voluntary Aided (VA) schools
- Foundation/Trust schools
- Academies

Employees at community schools are appointed by the Council and the Council sets the admission criteria. These schools are therefore recognised on the Council's Balance Sheet.

In order to comply with the Code of Practice on Local Authority Accounting the Council wrote to each of the diocese who occupy schools within the borough of Tameside in order to establish the accounting arrangements.

Diocese of Salford, The Church of England Diocese of Chester, The Church of England Diocese of Manchester and Diocese of Shrewsbury have all responded in writing to confirm that the schools occupy the school premises under the direction of the trustees and that the legal ownership resides with the religious body. The Council has also had confirmation that the religious bodies referred to above account for the school buildings within their Balance Sheets.

The legal ownership of Voluntary Controlled School buildings belong to a charity, normally a religious body, therefore the Council does not recognise these non-current assets on the Balance Sheet. However the adjoining school playing fields remain in Council ownership and are therefore included on the Council's Balance Sheet.

Foundation Trust, Voluntary Aided and Academy school employees are appointed by the schools' governing body, which also set the admission criteria. As a consequence the Council does not receive the economic benefit or service potential of these schools and does not recognise them on the Council's Balance Sheet. However the playing fields surrounding Voluntary Aided schools remain in Council ownership and are therefore included on the Council's Balance Sheet. In addition, the assets relating to PFI VA schools are recognised on the Council's balance sheet, together with the corresponding liability.

Type of School	No of Primary School	No of Secondary School	No of Special School	Total	Land on the Balance Sheet £000s	Buildings on the Balance Sheet £000s
Community	12	3	1	16	14,988	110,770
Voluntary Controlled (VC)	6	0	0	6	102	0
Voluntary Aided (VA)	12	2	0	14	2,371	24,090
Foundation	0	0	0	0	0	0
Foundation Trust	0	0	0	0	0	0
Maintained Schools	30	5	1	36	17,460	134,860
Free Schools	0	1	0	1	0	0
Academies	46	10	5	61	0	0
Total	76	16	6	98	17,460	134,860

Accounting for schools - Transfers to Academy status

When a school that is held on the Council's Balance Sheet transfers to Academy status the Council accounts for this as a disposal for nil consideration on the date that the school converts to Academy status, rather than as an impairment on the date that approval to transfer to Academy status is announced.

Where the Council has entered into construction contracts for replacement schools on behalf of an Academy, the Council charges the cost of construction against Assets Under Construction (part of Property, Plant and Equipment), whilst the Academy is constructed. Once the construction is complete the asset is transferred to Property, Plant and Equipment on the date of transfer to Academy status. The Council accounts for this as a disposal for nil consideration.

Investment Properties

Investment Properties have been identified using criteria under 'the Code', and are those assets held solely for rental income or for capital appreciation, or both. The assessment of Investment Properties using these criteria is subject to interpretation.

Leases

In determining whether an arrangement contains a lease, as required by IFRS16 Leases, there is a significant judgement in determining whether the arrangement conveys the right to control the use of an identified asset and determining the lease term, particularly in respect of whether the Council is reasonably certain to exercise extension or renewal options.

Classification of Financial Assets

Under IFRS9 (Financial Instruments) the Council's equity holdings would be classified as valued at Fair Value through Profit and Loss. However, it is the Council's view that the majority of its equity instruments are strategic investments (i.e., are not held for trading) and designating these at Fair Value through Other Comprehensive Income results in a reasonable and reliable accounting policy for the investment.

Funding

There remains uncertainty about future levels of funding for Local Government. However, the Council has determined that this uncertainty is not yet sufficient to provide an indication that the assets of the Council might be impaired as a result of a need to close facilities and reduce levels of service provision.

42. Assumptions made about the future and other major sources of estimated uncertainty

Property, Plant and Equipment

An asset is depreciated over a useful life that is dependent on assumptions about the level of repairs and maintenance that will be incurred in relation to the individual asset. The current economic climate makes it uncertain that the Council will be able to sustain its current spending on repairs and maintenance bringing into doubt the useful life assigned to assets. If the useful life of an asset is reduced, the depreciation charge increases and the carrying amount of the asset falls.

An important estimation contained in the accounts is that of the useful economic life of non-current assets (or useful remaining economic life where assets are revalued). This is important as it determines the depreciation charge posted to the Comprehensive Income and Expenditure Statement.

Depreciation is provided for on all non-current assets with a finite useful life (this can be determined at the time of acquisition or revaluation) according to the following policy:

Asset Category	Useful Economic Life
Buildings	Up to 70 years
Infrastructure assets (such as roads)	Up to 40 years (110 years for structures)
Other non-current assets (such as vehicles, plant and equipment)	10 years or less
Investment properties	Not depreciated - revalued each year
Surplus assets	Not depreciated - revalued each year

All assets held at current value are revalued as a minimum every five years. Specific assets may be valued more frequently depending on the wider economic context, particularly if it is expected that there has been a material reduction in their value during the year. The total value of assets subject to revaluation at 31 March 2024 was £312.788m. A 1% change in the value of these assets would result in a £3.128m change in the balance sheet value.

Depreciation could also be calculated by adopting a fixed policy regarding economic life for each identified class of asset. However, it has been determined by the Council that a 'catch-all' policy cannot be as accurate as the case-by-case review that is employed, because of the wide variety of assets held. The depreciation charge in the 2024/25 financial year was £18.531m. An increase of one to all useful economic lives would reduce this depreciation charge by £0.921m, and a reduction of one to all useful economic lives would increase the depreciation charge by £1.318m.

Pension Fund Liability

The estimation of the Pension Fund liability depends on a number of complex judgements relating to the discounts used, the rate at which salaries are projected to increase, changes in retirement ages, mortality rates and expected returns on Pension Fund assets. A firm of consulting actuaries is engaged to provide the Council with expert advice about the assumptions to be applied. The estimation of the defined benefit obligations is sensitive to the actuarial assumptions. Further information including sensitivity analysis is set out in Note 28.

PFI Liabilities

The estimation of the future liabilities relating to PFI schemes includes assumptions about the future, in particular future inflation, which impact on the future value of the liability.

Financial Assets Measured at Fair Value

Some of the Council's financial assets are measured at Fair Value using valuation techniques that include unobservable or indirectly observable inputs. Further details on these Financial Assets and the valuation methodology used to measure them are set out in Note 18.

43. Related Parties

The Council is required to disclose material transactions with related parties – bodies or individuals that have the potential to control or influence the Council or to be controlled or influenced by the Council. Disclosure of these transactions allows readers to assess the extent to which the Council might have been constrained in its ability to operate independently, or might have secured the ability to limit another party's ability to bargain freely with the Council. In this context, related parties include Central Government (UK), Members, Officers, other public bodies and entities controlled or significantly influenced by the Council.

Central Government (UK)

Central Government (UK) has significant influence over the general operations of the Council. It is responsible for providing the statutory framework within which the Council operates, provides the majority of its funding in the form of grants and prescribes the terms of many of the transactions that the Council has with other parties (e.g. Council Tax billing and Housing Benefits). Grants received from government departments are set out in Note 4 and 5.

Elected Members of the Council

Members of the Council have direct control over the Council's financial and operating policies. The total of Members' Allowances paid in 2024/25 is shown in Note 32

Members' interests outside of the Council are recorded in the register of interests and register of gifts and hospitality maintained by the monitoring officer. A small number of members hold official positions in organisations independent of their role as elected members of the Council. Where the Council has contracts for services and/or has awarded grants to such organisations, the Council's standing orders were fully complied with, ensuring proper consideration of any declaration of interests.

Members hold positions on boards of various community and voluntary organisations in and around Tameside. In 2024/25 there were no material transactions with any individual bodies where a member has a controlling interest in the organisation. Transactions with the individual bodies where a member has an influence in the organisation are as follows:

Related Party	2024/25			
	Receipts £000	Payments £000	Creditors £000	Debtors £000
Active Tameside (Tameside Sport Trust)	(1)	3,786	(60)	-
Ashton Pioneer Homes	-	24	-	-
Jigsaw Homes (New Charter Housing)	(115)	2,745	77	-
	2023/24			
Active Tameside (Tameside Sport Trust)	-	4,399	(94)	-
Ashton Pioneer Homes	-	23	-	-
Jigsaw Homes (New Charter Housing)	(233)	2,271	378	-

Active Tameside (Tameside Sport Trust) – Payments were made by the Council to the Trust during the year in respect of the annual management fee to operate leisure facilities, improvement works to facilities, educational programmes and Adult day care provision

Ashton Pioneer Homes – Payments were made by the Council to Ashton Pioneer Homes during the year in respect of supported accommodation and homelessness.

New Charter Housing Trust (Part of the Jigsaw Homes Group) – Payments were made by the Council to New Charter during the year in respect of supported accommodation and homelessness. Income was received from New Charter in the form of fees and charges for various services including pest control and trade waste.

Other Public Bodies

The Council pays the following levies:

Levying Body	2024/25 £000	2023/24 £000
Greater Manchester Combined Authority - Waste Disposal	16,349	15,295
Greater Manchester Combined Authority - Transport	16,480	15,961
Environmental Agency - Flood Defense	129	125

Greater Manchester Pension Fund (GMPF)

The Council administers the GMPF, but there are separate management and governance arrangements in place to ensure the GMPF is able to act as an independent entity. Further details can be found in the GMPF Statement of Accounts.

	2024/25 £000	2023/24 £000
Balance B/fwd owed from/(to) the Pension Fund at 1st April	(8,261)	(1,891)
Cost incurred of behalf of Pension Fund	11,839	9,930
VAT Refund obtained from HMRC	(136)	(16,300)
Due from Tameside MBC to the Pension Fund	3,442	(8,261)
Reimbursements by the Pension Fund to TMBC	(1,693)	-
Owed from/(to) the Pension Fund by TMBC at 31st March	1,749	(8,261)

In the course of fulfilling its role as administering authority to the GMPF, the Council incurs costs for services (e.g. salaries and support costs), and manages the GMPF's VAT liabilities on its behalf. The Council in turn recovers these costs from the GMPF.

In March 2025, the Council borrowed £10m from GMPF on a 7 day recallable basis at a rate based on a contemporaneous deal to a comparable counterpart, to cover short-term liquidity. The Director of Resources, as Section 151 Officer of both the Council and GMPF, and responsible for all treasury management arrangements, assessed the risk and suitability and deemed it safe given the Council's underborrowed position.

Chief Officers

All Chief Officers have been asked to disclose any relationships or interests with entities that could be a related party of the Council.

Chief Officer	Interests Declared
Chief Executive and Director of Greater Manchester Pension Fund	<ul style="list-style-type: none"> • Director of Greater Manchester Pension Fund • Director of Northern Pool General Partner (Number 1) Ltd representing Greater Manchester Pension Fund • Director of Inspired Spaces Tameside Ltd 01/04/2024 - 24/10/2024

From 01/04/2024 to 08/10/2024	<ul style="list-style-type: none"> • Director of Inspired Spaces Tameside (Project Co 1) Ltd and Inspired Spaces Tameside (Project Co 2) Ltd 01/04/2024 - 24/10/2024 • Director of Inspired Spaces Tameside (Holdings 1) Ltd and Inspired Spaces Tameside (Holdings 2) Ltd 01/04/2024 - 24/10/2024
Director of Resources.	<ul style="list-style-type: none"> • Director of Inspired Spaces Tameside Ltd • Director of Inspired Spaces Tameside (Project Co 1) Ltd and Inspired Spaces Tameside (Project Co 2) Ltd • Director of Inspired Spaces Tameside (Holdings 1) Ltd and Inspired Spaces Tameside (Holdings 2) Ltd • Board member of STAR Procurement

Inspired Spaces Tameside Ltd, Inspired Spaces Tameside (Project Co 1) Ltd and Inspired Spaces Tameside (Project Co 2) Ltd have been identified as related parties and further information on transactions and balances is set out below.

Entities Controlled or Significantly Influenced by the Council

The Council carries out a complex range of activities, often in conjunction with external organisations. Where those organisations are in partnership with or under the ultimate control of the Council a judgement is made by management as to whether they are within the Council's group boundary. A group structure may exist where the Council has a controlling (or significant ability to influence) another entity. A group structure would necessitate the preparation of group accounts. This judgement is made in line with the provisions set out in the Code and relevant accounting standards.

The Council's group boundaries have been assessed using the criteria outlined in 'the Code'. It was determined that the Council has a significant influence over Inspiredspaces Tameside Ltd, Inspired Spaces Tameside (Project Co 1) Ltd and Inspired Spaces Tameside (Project Co 2) Ltd. However, on the basis of materiality the Council has determined that the preparation of group accounts is not required because group accounts would not be materially different to the single entity accounts.

Transactions and balances with Inspiredspaces Tameside Ltd, Inspired Spaces Tameside (Project Co 1) Ltd, Inspired Spaces Tameside (Project Co 2) Ltd were as follows:

Related Party	2024/25			
	Receipts £000	Payments £000	Creditors £000	Debtors £000
Inspired SpacesTameside Ltd	-	22,299	672	-
Inspired Spaces Tameside (Project Co 1) Ltd	(404)	-	-	(120)
Inspired Spaces Tameside (Project Co 2) Ltd	(586)	-	-	(235)
	2023/24			
Inspired SpacesTameside Ltd	-	31,899	1,079	(13)
Inspired Spaces Tameside (Project Co 1) Ltd	(388)	-	-	(115)
Inspired Spaces Tameside (Project Co 2) Ltd	(483)	-	-	(262)

A review of the Council's relationship with other entities has also been undertaken to ensure they are properly reported. Following the current guidance, with the exception of the investments above, it is clear that the Council is not in a further group arrangement, as it does not have the ability to exercise either influence or control at a material level over another entity.

Tameside Metropolitan Borough Council 2024/25

44. Agency Services and Pooled Budgets

2024/25

	HMP £000	iStandUK £000	i-Network £000	GMPHLG £000	NAFN £000	GMHSCP £000	NW ADASS £000	GMEU £000	PPP £000
Balance Brought Forward	(4,486)	(122)	(425)	(1,000)	(1,542)	(2,761)	(498)	(441)	(140)
Contributions	0	(350)	(379)	(354)	(1,431)	(1,157)	(268)	(1,036)	(352)
Interest earned on Balances	(215)	0	(30)	0	(98)	0	0	0	0
Total Income	(215)	(350)	(409)	(354)	(1,529)	(1,157)	(268)	(1,036)	(352)
Employee Expenses	0	39	331	355	784	0	0	511	133
Payments as per Business Plan	0	0	0	0	0	0	0	0	0
Project Payments to Authorities	0	0	0	0	0	0	0	0	221
Supplies & Services/Other expenditure	425	93	104	112	615	1,667	752	506	8
Total Expenditure	425	132	435	467	1,399	1,667	752	1,017	362
Balance Carried Forward	(4,276)	(340)	(399)	(886)	(1,672)	(2,251)	(13)	(460)	(130)

2023/24

	HMP £000	iStandUK £000	i-Network £000	GMPHLG £000	NAFN £000	GMHSCP £000	NW ADASS £000	GMEU £000	PPP £000
Balance Brought Forward	(4,230)	(244)	(443)	(956)	(1,590)	(1,332)	(581)	(452)	(51)
Contributions	(164)	(41)	(338)	(354)	(1,196)	(1,794)	(1,587)	(518)	(240)
Interest earned on Balances	(325)	(1)	(24)	0	(95)	0	0	0	0
Total Income	(489)	(42)	(362)	(354)	(1,291)	(1,794)	(1,587)	(518)	(240)
Employee Expenses	0	38	279	218	697	5	517	408	88
Payments as per Business Plan	0	0	0	0	0	0	0	0	0
Project Payments to Authorities	0	0	0	0	0	0	0	0	0
Supplies & Services/Other expenditure	232	126	101	93	642	385	1,154	124	64
Total Expenditure	232	164	380	311	1,339	390	1,670	532	152
Balance Carried Forward	(4,487)	(121)	(425)	(1,000)	(1,542)	(2,737)	(498)	(438)	(139)

Hattersley/Mottram Project (HMP)

HMP involves the regeneration of land previously owned by Manchester City Council and the Council mainly for residential use. In addition, the former Manchester City Council housing stock was transferred and is now owned by Onward. This is being improved and refurbished as part of the latter's business plan, for which £18.5m has been provided from the proceeds from Base Hattersley to be able to build in Hattersley.

The Council's partners in the project are Homes England and Onward. The partners operate under a Collaboration Agreement and, in accordance with this Agreement signed by the principal partners, the Council acts as the accountable body on behalf of the partnership. The Council received funds from the developer (Base Hattersley) as per the respective agreements (Collaboration Agreement and Development Agreement) and distributes the funds to the partners in priority ranking as per the Agreement. The balance will be carried forward into 2025/26 and used to fund the remaining elements of the Collaboration Agreement and Public Realm.

iStandUK

I StandUK is a programme established to develop and promote data standards that support the efficiency, transformation, and transparency of local public services in the UK. The Council is the lead partner and accountable body for the programme. During 2024/25 iStandUK continued work on the SAVVI standards project, funded by Local Digital, MHCLG, to identify and support vulnerable individuals and households. Phase 4 of the SAVVI project continues into 2025/26 and the 2024/25 funding balance will be carried forward to continue the work of the project. The iStandUK programme is sustained by Central Government sponsorship and commissions.

i-Network

iNetwork is a partnership that brings together local authorities, police, fire, health, housing and voluntary sector organisations across the North to support innovation and the transformation of local public services. The Council acts as treasurer and accountable body. iNetwork charges membership and service fees in order to sustain the partnership and deliver set outcomes. The 2024/25 balance will be carried forward into 2025/26.

Greater Manchester Public Health Leadership Group (GMPHLG)

GMPHLG is a collaborative network that works on behalf of the Greater Manchester Directors of Public Health which is funded by contributions from constituent members. The network supports Greater Manchester Local Authorities to fulfil their statutory public health functions under the Health and Social Care Act 2012. The network works with local partners to improve health and wellbeing for residents across Greater Manchester and the Greater Manchester economy, reducing health inequalities

National Anti-Fraud Network (NAFN)

Established in 1997, the National Anti-Fraud Network (NAFN) is hosted by Tameside Metropolitan Borough Council and operates as a collaborative, not-for-profit service supporting the public sector in the prevention and detection of fraud. The NAFN Service Team consists of 22.5 full-time equivalent officers and one fixed-term post, delivering professional, expert-led support to organisations managing public funds and assets. NAFN provides a trusted, national resource designed to help safeguard the public purse. Our operational costs are met through a combination of grant funding, membership subscriptions and service-based recharges. Membership is entirely voluntary, ensuring that our services are shaped by the needs of members and demonstrate clear value for money.

As of 2024/25, 98% of UK local authorities are members, alongside a rapidly expanding number of affiliated public bodies, including social housing providers and other government-funded

organisations. NAFN serves as the national Single Point of Contact (SPoC) for local authorities seeking access to communications data under relevant legislation, and is recognised as a leading provider of intelligence and data services in support of fraud prevention and wider criminal investigations.

Membership is open to any organisation responsible for managing public sector finances or assets. Our continued growth reflects the value, trust, and impact of our services within the counter-fraud and law enforcement community.

NHS Greater Manchester Integrated Care (GMHSCP)

NHS Greater Manchester Integrated Care is in charge of the NHS money and making sure services are in place to put plans into action. Made up of representatives from the NHS and the local council, they're responsible for making decisions about health services across Greater Manchester. The partnership operates at three levels: neighbourhood, locality and Greater Manchester and has a single vision and strategy. Hospitals, GPs, community services, voluntary services and others have come together to form 'provider collaboratives' within all 3 levels, helping to join care and help people live well across our ten boroughs. Tameside Council is the accountable body for the Greater Manchester Adult Social Care Transformation programme, a function of NHS Greater Manchester Integrated Care.

North West Association of Directors of Adult Social Services (NWADASS)

From 1 October 2024 the Council ceased its role as accountable body of the North West Association of Directors of Adult Social Services, the accountable body from this date is now Wigan Metropolitan Borough Council.

North West ADASS incorporates the sub-regions of Cheshire and Merseyside; Lancashire and South Cumbria; plus Greater Manchester. The region encompasses tremendous diversity and relative poor health. The component 23 local authorities are at the forefront of innovation through regional sector led improvement programmes and participation in a range of integration activity with key partners. Each component local authority contributes an equal annual subscription funding contribution to the financing of the association infrastructure and agreed work programme priorities. In addition, the association receives various non-recurrent grant funding allocations and DHSC contracts to support the delivery of specified programmes of work.

Greater Manchester Ecology Unit (GMEU)

The Greater Manchester Ecology Unit (GMEU) provides specialist advice to, and on behalf of, Local Authorities on biodiversity, nature conservation and wildlife issues. Although hosted by Tameside MBC, GMEU works across the whole of Greater Manchester and North West England.

The Ecology Unit maintains the habitats and species database for Greater Manchester, maintains the Register of designated nature conservation sites, comments on the ecological impact of development proposals on behalf of planning departments, and provides advice on safeguarding wildlife on development sites.

Public Protection Partnership (PPP)

The Public Protection Partnership (PPP) in Greater Manchester – made up of heads of service from each of the ten GM local authorities' regulatory teams and GMFRS – have a long history of strong collaboration. In 2017, they created the Greater Manchester Regulatory Centre of Excellence (GMRCE), in part, as a means to join the national Better Business for All (BBfA) programme created by the former Department for Business, Energy & Industrial Strategy (BEIS). A BBfA/GMRCE coordinator was appointed in March 2018, funded by contributions from each GM local authority and Greater Manchester Fire & Rescue Service (GMFRS), and has further developed GMRCE's flagship offer – primary authority – which enables a business or business organisation to form a long-term,

legally recognised partnership with a local authority or fire service to access advice and support about how they can comply most efficiently with regulation. The business pays for this service on a cost-recovery basis.

45. Building Control

The Council sets charges for work carried out in relation to building regulations with the aim of covering all costs incurred. The Council aims to ensure that, taking one financial year with the next, Building Control fees are set to cover costs without generating a material surplus or loss.

However, certain activities performed by the Building Control Unit cannot be charged for, such as providing general advice and liaising with other statutory authorities, including pre-application advice of up to one hour duration. The total net cost of operating the Building Control Unit was £0.220m in 2024/25, which was made up of a deficit on chargeable activities of £0.226m and a surplus on non-chargeable activities of £0.006m.

	2024/25		
	Chargeable	Non-Chargeable	Total
	£000	£000	£000
Expenditure:			
Employee Expenses	265	29	294
Premises	0	0	0
Transport	0	0	0
Supplies and Services	8	1	9
Recharge Expenses	0	0	0
Central and Support Service Charges	59	6	65
	332	36	368
Income:			
Building Regulation Charges	(106)	(42)	(148)
Miscellaneous Income	0	0	0
	(106)	(42)	(148)
(Surplus)/Deficit for year	226	(6)	220

	2023/24		
	Chargeable	Non-Chargeable	Total
	£000	£000	£000
Expenditure:			
Employee Expenses	122	52	174
Premises	0	0	0
Transport	0	0	0
Supplies and Services	4	2	6
Central and Support Service Charges	0	0	0
	126	54	180
Income:			
Building Regulation Charges	0	0	0
Miscellaneous Income	(115)	0	(115)
	(115)	0	(115)
(Surplus)/Deficit for year	11	54	65

46. Pooled Budget

In 2022/23 the Council and the Tameside Locality Integrated Commissioning Board (ICB) reported budgets that were within the Integrated Commissioning Fund. The fund included Section 75, Aligned and In Collaboration Funded Services of both organisations. The single fund was reported to members of the Tameside Strategic Partnership Board.

In 2024/25 the Council and Tameside Locality ICB have agreed to report just the Section 75 funded services. This comprises the Locality Better Care Fund allocations as set out in the table. This ensures compliance with the national NHS Better Care Fund assurance requirement that all Better Care Fund (BCF) funding awarded to localities is pooled within a section 75 agreement as a minimum.

The BCF was established by the Government pursuant to the Care Act 2014 to provide funds to local areas to support the integration of health and social care to achieve mandatory National Conditions and Local Objectives. It is a National Health Service England requirement that the Council and locality Integrated Care Board (ICB) establish a pooled fund for this purpose. A section 75 agreement under the National Health Service (NHS) act 2006 must be updated annually and set out the detail of budget areas pooled for the respective financial year.

Funding provided to the pooled budget:			
Section 75	2024/25 Funding		
	Council £000	ICB £000	Total £000
Revenue			
Better Care Fund	13,889	7,848	21,737
Improved Better Care Fund	12,585	0	12,585
Discharge Fund	2,941	2,340	5,281
Capital			
Disabled Facilities Grant (DFG)	3,108	0	3,108
DFG - Additional	428	0	428
Section 75 Total	32,950	10,188	43,139

Funding provided to the pooled budget:			
Section 75	2023/24 Funding		
	Council £000	ICB £000	Total £000
Revenue			
Better Care Fund	13,145	7,427	20,572
Improved Better Care Fund	12,585	0	12,585
Discharge Fund	1,765	1,598	3,363
Capital			
Disabled Facilities Grant (DFG)	2,849	0	2,849
DFG - Additional	249	0	249
Section 75 Total	30,593	9,025	39,618

Expenditure met from the pooled budget:			
Section 75	2024/25 Expenditure		
	Council £000	ICB £000	Total £000
Revenue			
Better Care Fund	13,889	7,848	21,737
Improved Better Care Fund	12,585	0	12,585
Discharge Fund	2,941	2,340	5,281
Capital			
Disabled Facilities Grant (DFG)	3,108	0	3,108
DFG - Additional	428	0	428
Section 75 Total	32,950	10,188	43,139

Expenditure met from the pooled budget:			
Section 75	2023/24 Expenditure		
	Council £000	ICB £000	Total £000
Revenue			
Better Care Fund	13,252	7,427	20,679
Improved Better Care Fund	12,585	0	12,585
Discharge Fund	1,765	1,598	3,363
Capital			
Disabled Facilities Grant (DFG)	2,849	0	2,849
DFG - Additional	142	0	142
Section 75 Total	30,593	9,025	39,618

Collection Fund

Section 89 of the Local Government Finance Act 1988 (as amended by the Local Government Finance Act 1992) for billing authorities to establish and maintain a separate Collection Fund account that holds details of transactions relating to Council Tax, Non-Domestic Rates and Precept Demands (and any Residual Community Charge adjustments), together with details of how any balances have been distributed.

Collection Fund Account for the year ended 31 March 2025

This account reflects statutory requirements for billing authorities to maintain a separate Collection Fund to account for the income from Council Tax and NDR.

	31 March 2025			31 March 2024		
	Council Tax £000	NDR £000	Total £000	Council Tax £000	NDR £000	Total £000
Income						
Income from Council Tax	(145,108)	0	(145,108)	(136,547)	0	(136,547)
Transfers from General Fund (S13A relief)	0	0	0	(455)	0	0
Income from NDR	0	(54,714)	(54,714)	0	(50,840)	(50,840)
Total Income	(145,108)	(54,714)	(199,823)	(137,003)	(50,840)	(187,388)
Expenditure						
<u>Council Tax</u>						
The Council	117,903	0	117,903	110,234	0	110,234
GMCA Mayoral Police and Crime Commissioner	16,588	0	16,588	15,457	0	15,457
GMCA Mayoral General Precept (inc. Fire)	7,310	0	7,310	6,858	0	6,858
<u>NDR</u>	0	0		0	0	0
The Council	0	58,372	58,372	0	54,431	54,431
Central Government	0	0	0	0	0	0
GM Fire and Rescue Authority	0	590	590	0	550	550
Allowance for cost of collection	0	287	287	0	288	288
Transitional Protection Payments	0	(1,683)	(1,683)	0	(5,305)	(5,305)
Increase/(decrease) in:	0	0	0	0	0	0
Allowance for non-collection	3,684	3	3,687	2,907	771	3,679
Provision for appeals	0	(3,857)	(3,857)	0	(7,349)	(7,349)
<u>Surplus/deficit (allocated)/paid out in year:</u>	0	0		0	0	0
The Council	(540)	8,827	8,287	(169)	6,564	6,395
Central Government	0	0	0	0	0	0
GMCA Mayoral Police and Crime Commissioner	(76)	0	(76)	(23)	0	(23)
GMCA Mayoral General Precept (inc. Fire)	(34)	89	56	(11)	66	55
Total Expenditure	144,837	62,627	207,464	135,254	50,017	185,271
(Surplus)/deficit for the year	(271)	7,913	7,642	(1,749)	(823)	(2,572)
Balance brought forward	(2,853)	(9,089)	(11,942)	(1,105)	(8,265)	(9,370)
(Surplus)/deficit for the year	(271)	7,913	7,642	(1,749)	(823)	(2,572)
Balance carried forward	(3,125)	(1,176)	(4,301)	(2,853)	(9,089)	(11,942)
<u>Share of (surplus)/deficit</u>						
The Council	(2,599)	613	(1,986)	(2,373)	(7,221)	(9,594)
Central Government	0	(1,777)	(1,777)	0	(1,777)	(1,777)
GMCA Mayoral Police and Crime Commissioner	(366)	0	(366)	(334)	0	(334)
GMCA Mayoral General Precept (inc. Fire)	(161)	(12)	(173)	(147)	(91)	(238)
	(3,125)	(1,176)	(4,301)	(2,853)	(9,089)	(11,942)

Notes to the Collection Fund

Section 89 of the Local Government Finance Act 1988 (as amended by the Local Government Finance Act 1992) for billing authorities to establish and maintain a separate Collection Fund account that holds details of transactions relating to Council Tax, Non-Domestic Rates and Precept Demands (and any Residual Community Charge adjustments), together with details of how any balances have been distributed.

1. Overview

The Collection Fund is a statement that reflects the statutory obligation of Tameside as the billing authority to maintain a separate Collection Fund. The Collection Fund statement shows the Council's transactions in relation to the collection from taxpayers of Council Tax and Non-Domestic Rates (NDR) and its distribution to the relevant preceptors.

The Council has a statutory obligation under section 89 of the Local Government Finance Act 1988 (as amended by the Local Government Finance Act 1992) to maintain a separate Collection Fund. The purpose of the Collection Fund is to isolate the income and expenditure relating to Council Tax and NDR. The administrative costs associated with the collection process are charged to General Fund Balances.

'The Code' stipulates that a Collection Fund Income and Expenditure account is included in the Council's Statement of Accounts. The Collection Fund Balance Sheet meanwhile is incorporated into the Council's Balance Sheet.

2. Council Tax

All domestic properties are placed in one of eight valuation bands. Each year the Council must estimate the number of properties in each band and after allowing for discounts, exemptions and losses on collection, the net number of properties is then converted into a Band D equivalent in order to calculate the Council Tax base for tax setting purposes. The income which the Council requires to be raised is then divided by the Council Tax Base to give the Band D equivalent Council Tax for the year.

The Council Tax level for each of the bands is assessed as a proportion of the tax rate for a Band D property.

Tameside Metropolitan Borough Council 2024/25

Council Tax Base for 2024/25

The Council Tax base for 2024/25 was set in January 2024.

Table showing the tax base for the whole Council and Council Tax for properties within the Mossley Parish Council boundary:

Tameside 2024/25 Tax Base (Excluding Mossley Parish)								
	Total Number of Dwellings	Equivalent Number of Dwellings after Discounts applied	Specified ratio for Council Tax	Number of Band D Equivalent Dwellings	Tameside MBC Precept (Excluding Mossley)	Mayoral Police & Crime Commissioner Precept	Mayoral General Precept	Council Tax (Excluding Mossley Parish)
Disabled Relief	0	82	5/9	46	0	0	0	0
Band A	52,841	36,728	6/9	24,653	1,214.07	170.86	75.30	1,460.23
Band B	19,523	16,242	7/9	12,698	1,416.42	199.34	87.85	1,703.61
Band C	20,085	17,661	8/9	15,839	1,618.77	227.82	100.40	1,946.99
Band D	7,179	6,598	9/9	6,660	1,821.12	256.30	112.95	2,190.37
Band E	3,924	3,650	11/9	4,463	2,225.81	313.25	138.05	2,677.11
Band F	939	891	13/9	1,287	2,630.50	370.21	163.15	3,163.86
Band G	444	418	15/9	698	3,035.19	427.16	188.25	3,650.60
Band H	40	20	18/9	40	3,642.23	512.60	225.90	4,380.73
Total	104,975	82,290		66,382				
Less Allowance for Losses on Collection				(1,660)				
MOD Properties				0				
Total Tameside Tax Base 2024/25				64,722				

Tameside Metropolitan Borough Council 2024/25

Table showing the tax base and Council Tax for properties within the Mossley Parish Council:

Tameside 2024/25 Tax Base (Mossley Parish)									
	Total Number of Dwellings	Equivalent Number of Dwellings after Discounts applied	Specified ratio for Council Tax	Number of Band D Equivalent Dwellings	Tameside MBC Precept (Excluding Mossley)	Mossley Precept	Mayoral Police & Crime Commissioner Precept	Mayoral General Precept	Council Tax (Including Mossley Parish)
Disabled Relief	0	6	5/9	3	0	0	0	0	0
Band A	2,810	2,088	6/9	1,396	1,214	6.88	170.86	75.30	1,467.11
Band B	895	761	7/9	593	1,416	8.02	199.34	87.85	1,711.63
Band C	1,046	927	8/9	832	1,619	9.17	227.82	100.40	1,956.16
Band D	458	431	9/9	431	1,821	10.32	256.30	112.95	2,200.69
Band E	193	183	11/9	224	2,226	12.61	313.25	138.05	2,689.72
Band F	52	52	13/9	75	2,631	14.90	370.21	163.15	3,178.76
Band G	12	14	15/9	23	3,035	17.20	427.16	188.25	3,667.80
Band H	1	0	18/9	0	3,642	20.64	512.60	225.90	4,401.37
Total	5,467	4,461		3,577					
Less Allowance for Losses on Collection				(89)					
MOD Properties				0					
Total Mossley Parish Tax Base 2024/25				3,487					

3. Non-Domestic Rates (NDR)

The Council collects NDR for its area based on local rateable values provided by the Valuation Office Agency (VOA) multiplied by a uniform Business Rate set nationally by Central Government.

For 2024/25, the total Non-Domestic Rateable value at 31 March 2025 is £157.5m (£158.6m in 2023/24). The national multipliers for 2024/25 were 49.9p for qualifying small businesses, and the standard multiplier being 54.6p for all other businesses (49.9p and 51.2p respectively in 2023/24).

Local authorities retain a proportion of the total collectable rates due. Prior to 2017/18, the local share for Tameside was 49%, with the remainder distributed to the Greater Manchester Fire and Rescue Authority (GMFRA) (1%) and Central Government (50%). Since 2017/18 Tameside has been part of the 100% retention for Greater Manchester. This means that Tameside retains 99% of total collectable rates, with 1% distributed to the GMFRA. The NDR shares paid in 2024/25 (excluding previous year's distribution) were £58.372m to the Council and £0.590m to GMFRA. (2023/24 shares paid were £54.431m to the Council and £0.550m to GMFRA). From 2023/24 a new 100% Greater Manchester trailblazing devolution deal will run for a further 10 years.

Greater Manchester 100% Business Rates Retention

Greater Manchester is one of the regions piloting the full retention of Business Rates from 1 April 2017. The purpose of this Pilot is to develop and trial approaches to manage risk and reward, and to finance from additional Business Rates income new responsibilities and/or existing funding streams including those that support economic growth.

Being part of the Greater Manchester 100% Business Rates Retention scheme provides the Council and the Greater Manchester region with potential financial benefits with the guarantee that Authorities will not be worse off as a result of the scheme. The 'No Detriment' agreement will guarantee that the resources available to the Council under the 100% scheme will be the same as the 50% retention scheme that exists for non 100% retention authorities.

As a result of the Business Rates Retention Scheme, the Council has not received Revenue Support Grant or Public Health Grant from Government since 2017/18. Instead the Council retains 99% of its Non Domestic (Business) Rates income with 1% distributed to GMFRA. The original scheme arrangements ran until the end of 2022/23 and have now been extended for a further 10 years from 2023/24 as part of the Greater Manchester trailblazing devolution deal.

Glossary of Financial Terms

Accruals Basis

The accruals principle is that income is recorded when it is earned rather than when it is received, and expenses are recorded when goods or services are received rather than when the payment is made.

Actuarial Gains and Losses

Actuaries assess financial and non-financial information provided by the Council to project levels of future pension fund requirements. Changes in actuarial deficits or surpluses can arise leading to a loss or gain because:

- events have not coincided with the actuarial assumptions made for the last valuation;
- the actuarial assumptions have changed.

Agency Services

These are services that are performed by or for another Authority or public body, where the principal (the Authority responsible for the service) reimburses the agent (the Authority carrying out the work) for the costs of the work.

Associate Companies

This is an entity other than a subsidiary or joint venture in which the reporting Authority has a participating interest and over who's operating and financial policies the reporting Authority is able to exercise significant influence.

Association of Greater Manchester Authorities (AGMA)

AGMA represents the ten local authorities in Greater Manchester and works in partnership with Central Government, regional bodies and other Greater Manchester public sector bodies.

Appointed Auditors

From 1 April 2015 the appointment of External Auditors to Local Authorities has been undertaken by Public Sector Audit Appointments Limited (PSAA), an independent company limited by guarantee and incorporated by the Local Government Association in August 2014. This role was previously undertaken by The Audit Commission.

Asset

Items of worth that are measurable in terms of value. Currents assets may change daily, but the Council is expected to yield the benefit within the one financial year (e.g. short term debtors). Non-current assets yield benefit to the Council for a period of more than one year (e.g. land).

Balances

The balances of the Authority represent the accumulated surplus of income over expenditure on any of the Funds.

Better Care Fund (BCF)

The BCF was announced by Government in the June 2013 spending round to ensure a transformation in health and social care.

Billing Authority

An authority which collects Council Tax, Business Rates and precepts on behalf of itself and other bodies.

Capital Expenditure

This is expenditure on the acquisition of a fixed asset, or expenditure, which adds to, and not merely maintains, the value of an existing fixed asset.

Capital Financing Costs

This is the annual charge to the revenue account in respect of interest and principal repayments and payments of borrowed money, together with leasing rentals.

Capital Finance Requirement (CFR)

Introduced as a result of the Prudential Framework for Capital Accounting and measures the underlying need of the Council to borrow for expenditure of a capital nature.

Capital Receipts

Income received from the sale of land or other capital assets, a proportion of which may be used to finance new capital expenditure.

Carrying Amount

The Balance Sheet value recorded of either an asset or liability.

Cash and Cash Equivalents

Cash is represented by cash in hand and deposits with financial institutions payable without penalty on notice of not more than 24 hours. Cash equivalents are investments which are readily convertible to known amounts of cash with insignificant risk of change in value.

Chartered Institute of Public Finance and Accountancy (CIPFA)

CIPFA is the leading professional accountancy body for public services.

Collection Fund

A fund administered by the Council that shows the transactions of the billing authority, in relation to the collection from taxpayers of Council Tax and NDR and how the income from these sources has been distributed to precepting authorities, Central Government and the Council's General Fund Balances. The Collection Fund is maintained separately, as a statutory requirement.

Community Assets

Non-current assets that an authority intends to hold in perpetuity which have no determinable finite useful life and, in addition, may have restrictions on their disposal. Examples include parks and historical buildings not used for operational purposes.

Contingency

This is money set aside in the budget to meet the cost of unforeseen items of expenditure, or shortfalls in income, and to provide for inflation where this is not included in individual budgets.

Contingent Liabilities or Assets

These are amounts potentially due to or from individuals or organisations, which may arise in the future but which at this time cannot be determined accurately, and for which provision has not been made in the Council's accounts.

Corporate Governance

Corporate governance is the Council's accountability for the stewardship of resources, risk management and relationship with the community. It encompasses policies on whistle blowing, fraud and corruption.

Council Tax

This is the main source of local taxation to Local Authorities. Council Tax is levied on households within its area by the Billing Authority and the proceeds are paid into its Collection Fund for distribution to precepting Authorities and for use by its own General Fund Balances.

Council Tax Requirement

This is the estimated revenue expenditure on General Fund services that needs to be financed from the Council Tax after deducting income from fees and charges, certain specific grants and any funding from reserves.

Creditors

Amounts owed by the Council for work done, goods received or services rendered, for which payment has not been made at the date of the Balance Sheet.

Current Service Cost

Current Service Cost is the increase in the present value of a defined benefit pension scheme's liabilities expected to arise from employee service in the current period, i.e. the ultimate pension benefits "earned" by employees in the current year's employment.

Debtors

These are sums of money due to the Council that have not been received at the Balance Sheet date.

Deferred Capital Receipts

These represent capital income still to be received after disposals have taken place and wholly consists of principal outstanding from the sale of council houses.

Defined Benefit Scheme

This is a pension or other retirement benefit scheme other than a Defined Contribution Scheme. Usually, the scheme rules define the benefits independently of the contributions payable and the benefits are not directly related to the investments of the scheme. The scheme may be funded or unfunded (including notionally funded).

Defined Contribution Scheme

A Defined Contribution Scheme is a pension or other retirement benefit scheme into which an employer pays regular contributions as an amount or as a percentage of pay and will have no legal or constructive obligation to pay further contributions if the scheme does not have sufficient assets to pay all employee benefits relating to employee service in the current and prior periods.

Depreciated Replacement Cost (DRC)

A method of valuation that provides a proxy for the market value of specialist assets.

Derecognition

This is when financial assets and liabilities are removed from the Balance Sheet once performance under the contract is complete or the contract is terminated.

Depreciation

This is the measure of the wearing out, consumption, or other reduction in the useful economic life of a fixed asset.

Discounts

Discounts represent the outstanding discount received on the premature repayment of Public Works Loan Board loans. In line with the requirements of 'the Code', gains arising from the repurchase or early settlement of borrowing have been written back to revenue. However, where the repurchase or borrowing was coupled with a refinancing or restructuring of borrowing with substantially the same overall economic effect when viewed as a whole, gains have been recognised over the life of the replacement loan.

Earmarked Reserves

The Council holds a number of reserves earmarked to be used to meet specific, known or predicted future expenditure.

External Audit

The independent examination of the activities and accounts of Local Authorities to ensure the accounts have been prepared in accordance with legislative requirements and proper practices and to ensure the Council has made proper arrangements to secure value for money in its use of resources.

Expenditure

This is amounts paid by the Council for goods received or services rendered of either a capital or revenue nature. This does not necessarily involve a cash payment since expenditure is deemed to

have been incurred once the goods or services have been received even if they have not been paid for.

Fair Value

Fair value is the price at which an asset could be exchanged in an arm's length transaction, less any grants receivable towards the purchase or use of the asset.

Finance Lease

A finance lease is a lease that transfers substantially all of the risks and rewards of ownership of a fixed asset to the lessee.

Financial Instruments

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another. The term 'financial instrument' covers both financial assets and financial liabilities and includes both the most straightforward financial assets and liabilities such as trade receivables and trade payables and the most complex ones such as derivatives and embedded derivatives.

Financial Regulations

These are the written code of procedures approved by the Council, intended to provide a framework for proper financial management. Financial regulations usually set out rules on accounting, audit, administrative and budgeting procedures.

General Fund Balances

The main revenue fund of the Council and includes the net cost of all services financed by local taxpayers and Government grants.

Heritage Asset

A tangible asset with historical, artistic, scientific, technological, geophysical or environmental qualities that is held and maintained principally for its contribution to knowledge and culture.

Housing Benefit

This is an allowance to persons on low income (or none) to meet, in whole or part, their rent. Benefit is allowed or paid by Local Authorities but Central Government refunds part of the cost of the benefits and of the running costs of the services to Local Authorities.

Impairment

A reduction in the value of a non-current asset below its value brought forward in the Balance Sheet. Examples of factors which may cause such a reduction in value include general price decreases, a significant decline in a non-current asset's market value and evidence of obsolescence or physical damage to the asset.

Income

These are amounts due to the Council for goods supplied or services rendered of either a capital or a revenue nature. This does not necessarily involve a cash payment. Income is deemed to have been earned once the goods or services have been supplied even if the payment has not been received (in which case the recipient is a debtor to the Council).

Infrastructure Assets

Those non-current assets from which benefit can be obtained only by continued use of the asset created e.g. highways, footpaths and bridges.

Intangible Assets

These are non-current assets that do not have physical substance but are identifiable and controlled by the Council. Examples include software, licenses and patents.

International Financial Reporting Standards (IFRS)

Defined Accounting Standards that must be applied by all reporting entities to all financial statements in order to provide a true and fair view of the entity's financial position, and a standardised method of comparison with financial statements of the other entities.

Interest Cost

For a defined benefit scheme, the expected increase during the period on the present value of the scheme liabilities which arises from the passage of time.

Inventories

Amounts of unused or unconsumed stocks held in expectation of future use.

Investment Properties

Property, which can be land or a building or part of a building or both, that is held solely to earn rentals or for capital appreciation or both, rather than for operational purposes.

Joint Venture

A joint venture is a joint arrangement whereby the parties who have joint control of the arrangement have rights to the net assets of the arrangement.

Leasing Costs

This is where a rental is paid for the use of an asset for a specified period of time. Two forms of lease exist: finance leases and operating leases.

Lender Option Borrower Option (LOBO)

A LOBO is a type of loan instrument. The borrower borrows a principal sum for the duration of the loan period (typically 20 to 50 years), initially at a fixed interest rate. Periodically (typically every six months to 3 years), the lender has the ability to alter the interest rate. Should the lender make this offer, the borrower then has the option to continue with the instrument at the new rate or alternatively to terminate the agreement and pay back the principal sum without penalty.

Liabilities

These are amounts due to individuals or organisations which will have to be paid at some time in the future. Current liabilities are usually payable within one year of the Balance Sheet date.

Liquid Resources

Current asset investments that are readily disposable by the Council without disrupting its business and are either readily convertible to known amounts of cash at or close to the amount they are held at on the Balance Sheet, or traded in an active market.

Materiality

The concept that any omission from or inaccuracy of the Statement of Accounts should not be large enough to affect the understanding of those statements by the reader. Materiality must be considered for individual amounts and also all amounts together.

Medium Term Financial Plan (MTFP)

This is a financial planning document that sets out the future years financial forecasts for the Council. It considers local and national policy influences and projects their impact on the general fund revenue budget and capital programme.

Minimum Revenue Provision (MRP)

MRP is the minimum amount which must be charged to a Council's revenue account each year and set aside as provision for credit liabilities, as required by the Local Government and Housing Act 1989.

Net Debt

Net debt is the Council's borrowings less cash and liquid resources.

Non-Domestic rates (NDR) (also known as Business Rates)

Business Rates is the levy on business property, based on a national rate in the pound applied to the 'rateable value' of the property. The Government determines a national rate poundage each year which is applicable to all local authorities.

Net Book Value (NBV)

The amount at which non-current assets are included in the Balance Sheet, i.e. their historical cost or current value less the cumulative amounts provided for by depreciation.

Non-current Asset

Assets that yield benefits to the Council and the services it provides for a period of more than one year.

Net Realisable Value (NRV)

NRV is the open market value of the asset in its existing use (or open market value in the case of non-operational assets) less the expenses to be incurred in realising the asset.

Operating Lease

This is a type of lease, usually of computer equipment, office equipment, furniture, etc. where the balance of risks and rewards of holding the asset remains with the lessor. The asset remains the property of the lessor and the lease costs are revenue expenditure to the Council.

Outturn

Actual expenditure and income compared to the budget.

Precept

The amount levied by one authority which is collected on its behalf by another (the billing authority).

Premiums

These are discounts that have arisen following the early redemption of long term debt, which are written down over the lifetime of replacement loans where applicable.

Prior Period Adjustments

These are material adjustments which are applicable to an earlier period arising from changes in accounting policies or for the correction of fundamental errors.

Private Finance Initiative (PFI)

A Central Government initiative which aims to increase the level of funding available for public services by attracting private sources of finance. The PFI is supported by a number of incentives to encourage authorities' participation.

Property, Plant and Equipment (PPE)

PPE are tangible assets (i.e. assets that have physical substance) that are held for use in the production or supply of goods and services, for rental to others, or for administrative purposes, and are expected to be used during more than one year.

Provisions

Amounts set aside to meet liabilities or losses which it is anticipated will be incurred but where the amount and/or the timing of such costs are uncertain.

Public Works and Loans Board (PWLB)

An arm of Central Government which is the major provider of loans to finance long term funding requirements of Local Authorities.

Related Parties

Related parties are Central Government, other Local Authorities, precepting and levying bodies, subsidiary and associated companies, Elected Members, all Senior Officers from Assistant Director and above and the Pension Fund.

Remeasurement of the Net Defined Benefit Liability

Remeasurement of the Net Defined Benefit Liability (asset) comprises:

- a) actuarial gains and losses
- b) the return on plan assets, excluding amounts included in net interest on the net defined benefit liability (asset), and
- c) any change in the effect of the asset ceiling, excluding amounts included in net interest on the net defined benefit liability (asset).

Reporting Standards

The Code of Practice prescribes the accounting treatment and disclosures for all normal transactions of a Local Authority. It is based on International Financial Reporting Standards (IFRS), International Accounting Standards (IAS) and International Financial Reporting Interpretations Committee (IFRIC) plus UK Generally Accepted Accounting Practice (GAAP) and Financial Reporting Standards (FRS).

Reserves

Amounts set aside for general contingencies, to provide working balances or earmarked to specific future expenditure.

Revenue Contributions

The method of financing capital expenditure directly from revenue.

Revenue Expenditure

Expenditure incurred on the day-to-day running of the Council. This mainly includes employee costs, general running expenses and capital financing costs.

Revenue Expenditure Funded from Capital under Statute (REFCUS)

Expenditure incurred during the year that may be capitalised under statutory provision but that does not result in the creation of a non-current asset that has been charged as expenditure to the CIES.

Subsidiary

A subsidiary is an entity, including an unincorporated entity such as a partnership, which is controlled by the Council.

Treasury Management

This is the process by which the Council controls its cash flow and its borrowing and lending activities.

Treasury Management Strategy

A Strategy prepared with regard to legislative and CIPFA requirements setting out the framework for treasury management activity for the Council.

Unsupported (Prudential) Borrowing

This is borrowing for which no financial support is provided by Central Government. The borrowing costs are to be met from current revenue budgets.

Useful Economic Life

The period over which the Council will derive benefits from the use of an asset.

Greater Manchester Pension Fund

Statement of Accounts

2024/25

Independent auditor's report to the members of Tameside Metropolitan Borough Council

Report on the audit of the financial statements

Opinion on the financial statements of Greater Manchester Pension Fund

We have audited the financial statements of Greater Manchester Pension Fund ('the Pension Fund') for the year ended 31 March 2025, which comprise the Fund Account, the Net Assets Statement, and notes to the financial statements, including a summary of material accounting policy information.

The financial reporting framework that has been applied in their preparation is applicable law and the CIPFA/LASAAC Code of Practice on Local Authority Accounting in the United Kingdom 2024/25.

In our opinion the financial statements:

- give a true and fair view of the financial transactions of the Pension Fund during the year ended 31 March 2025, and the amount and disposition of the Pension Fund's assets and liabilities as at 31 March 2025; and
- have been properly prepared in accordance with the CIPFA/LASAAC Code of Practice on Local Authority Accounting in the United Kingdom 2024/25.

Basis for opinion

We conducted our audit in accordance with the International Standards on Auditing (UK) and applicable law. Our responsibilities under those standards are further described in the "*Auditor's responsibilities for the audit of the financial statements*" section of our report. We are independent of the Council, as administering authority for the Pension Fund, in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

In auditing the financial statements, we have concluded that the Strategic Director of Finance's use of the going concern basis of accounting in the preparation of the financial statements is appropriate. Based on the work we have performed, and taking into account the requirements of the CIPFA/LASAAC Code of Practice on Local Authority Accounting in the United Kingdom 2024/25, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the Pension Fund's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

Our responsibilities and the responsibilities of the Strategic Director of Finance with respect to going concern are described in the relevant sections of this report.

Other information

The other information comprises the information included in the Statement of Accounts, other than the financial statements and our auditor's report thereon. The Strategic Director of Finance is responsible for the other information. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

Our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements, or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of the Strategic Director of Finance for the financial statements

As explained more fully in the Strategic Director of Finance's Statement of Responsibilities, the Strategic Director of Finance is responsible for the preparation of the Statement of Accounts, which includes the Pension Fund's financial statements, in accordance with proper practices as set out in the CIPFA/LASAAC Code of Practice on Local Authority Accounting in the United Kingdom 2024/25, and for being satisfied that they give a true and fair view. The Strategic Director of Finance is also responsible for such internal control as the Strategic Director of Finance determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

The Strategic Director of Finance is required to comply with the CIPFA/LASAAC Code of Practice on Local Authority Accounting in the United Kingdom 2024/25 and prepare the financial statements on a going concern basis, unless the Council is informed of the intention for dissolution of the Pension Fund without transfer of services or function to another entity. The Strategic Director of Finance is responsible for assessing each year whether or not it is appropriate for the Pension Fund to prepare its accounts on the going concern basis and disclosing, as applicable, matters related to going concern.

Auditor's responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the Pension Fund's financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with the International Standards on Auditing (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below. Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud.

Based on our understanding of the Pension Fund, we considered that non-compliance with the following laws and regulations might have a material effect on the financial statements: employment regulation; health and safety regulation; anti-money laundering regulation; data protection; environmental protection; and corruption and anti-bribery.

To help us identify instances of non-compliance with these laws and regulations, and in identifying and assessing the risks of material misstatement in respect to non-compliance, our procedures included, but were not limited to:

- gaining an understanding of the legal and regulatory framework applicable to the Pension Fund, the environment in which it operates, and the structure of the Pension Fund, and considering the risk of acts by the Pension Fund which were contrary to the applicable laws and regulations, including fraud;
- inquiring with management and the Audit Committee, as to whether the Pension Fund is in compliance with laws and regulations, and discussing their policies and procedures regarding compliance with laws and regulations;
- inspecting correspondence, if any, with relevant licensing or regulatory authorities;
- reviewing relevant meeting minutes in the year;
- communicating identified laws and regulations throughout our engagement team and remaining alert to any indications of non-compliance throughout our audit; and
- considering the risk of acts by the Pension Fund which were contrary to applicable laws and regulations, including fraud.

We also considered those laws and regulations that have a direct effect on the preparation of the financial statements, such as the Public Service Pensions Act 2013, the Local Government Pension Scheme Regulations 2013 (as amended) and the Local Government Pension Scheme (Management and Investment of Funds) Regulations 2016.

In addition, we evaluated management's incentives and opportunities for fraudulent manipulation of the financial statements (including the risk of override of controls) and determined that the principal risks were related to posting manual journal entries to manipulate financial performance, management bias through judgements and assumptions in significant accounting estimates, and significant one-off or unusual transactions.

Our audit procedures in relation to fraud included but were not limited to:

- making enquiries of management and the Audit Committee on whether they had knowledge of any actual, suspected or alleged fraud;
- gaining an understanding of the internal controls established to mitigate risks related to fraud;
- discussing amongst the engagement team the risks of fraud; and
- addressing the risks of fraud through management override of controls by performing journal entry testing.

There are inherent limitations in the audit procedures described above and the primary responsibility for the prevention and detection of irregularities including fraud, rests with both management and the Audit Committee. As with any audit, there remained a risk of non-detection of irregularities, as these may involve collusion, forgery, intentional omissions, misrepresentations or the override of internal controls.

We are also required to conclude on whether the Strategic Director of Finance's use of the going concern basis of accounting in the preparation of the financial statements is appropriate. We performed our work in accordance with Practice Note 10: Audit of financial statements and regularity of public sector bodies in the United Kingdom, (Revised 2024) and Supplementary Guidance Note 01, issued by the National Audit Office in November 2024.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at www.frc.org.uk/auditorsresponsibilities. This description forms part of our auditor's report.

Use of the audit report

This report is made solely to the members of Tameside Metropolitan Borough Council, as a body and as administering authority for Greater Manchester Pension Fund, in accordance with part 5 of the Local Audit and Accountability Act 2014 and as set out in paragraph 44 of the Statement of Responsibilities of Auditors

and Audited Bodies published by Public Sector Audit Appointments Limited. Our audit work has been undertaken so that we might state to the members of the Council 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 members of the Council, as a body, for our audit work, for this report, or for the opinions we have formed.

Suresh Patel

Suresh Patel, Key Audit Partner
For and on behalf of Forvis Mazars LLP (Local Auditor)

One St. Peter's Square
Manchester
M2 3DE

27th February 2026

Fund Account for the year ended 31 March 2025			
31 March 2024			31 March 2025
£000		Note	£000
	Contributions and benefits		
(200,941)	Contributions from members	5	(212,469)
(654,848)	Contributions from employers	5	(692,190)
(855,789)			(904,659)
0	Transfers in (bulk)		(1,809)
(45,978)	Transfers in (individual)		(49,323)
(901,767)			(955,791)
1,058,840	Benefits payable	6	1,183,659
58,412	Payments to and on account of leavers	7	57,166
215,485	Net (additions) / withdrawals from dealings with members		285,034
101,179	Management expenses	8	125,290
316,664	Net (additions) / withdrawals including management expenses		410,324
	Returns on investments		
(776,455)	Investment income	9	(774,970)
2,867	Taxes on income	10	4,058
(1,409,165)	Profit and losses on disposal of investments and changes in value of investments	11a	(642,126)
(2,182,753)	Net return on investments		(1,413,038)
(1,866,089)	Net (increase) / decrease in the net assets available for benefits during the year		(1,002,714)
(29,425,713)	Net assets of the Fund at start of year		(31,291,802)
(31,291,802)	Net assets of the Fund at end of year		(32,294,516)

Please see relevant notes for further information and/or analysis.

Net Assets Statement at 31 March 2025

31 March 2024			31 March 2025
£000		Note	£000
11,760,238	Equities	11a	11,111,758
2,792,572	Bonds	11b	3,424,941
898,527	Investment property	11c	1,010,195
9,903	Derivative contracts	11d	8,321
11,351,629	Pooled investment vehicles	11e	11,673,470
3,633,381	Insurance policies	11f	3,688,050
613,945	Cash and deposits	11g	964,100
222,412	Other investment assets	11h	383,452
31,282,607	Investment assets		32,264,287
(8,641)	Derivative contract liabilities	11d	(7,555)
(30,777)	Other investment liabilities	11h	(14,514)
(39,418)	Investment liabilities		(22,069)
73,519	Current assets	11h	87,014
(24,906)	Current liabilities	11h	(34,716)
48,613	Net current assets		52,298
31,291,802	Net assets of the scheme available to fund benefits at the reporting period end		32,294,516

Please see relevant notes for further information and/or analysis.

Notes to Greater Manchester Pension Fund Accounts

1. Notes to the Accounts

The financial statements have been prepared in accordance with the Code of Practice on Local Authority Accounting in the United Kingdom 2024/25 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 throughout most of the year, consisted of 19 elected Members (10 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 Northwest TUC. There are also currently two 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 2024/25 covered:

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

There are three Officers to GMPF:

- Chief Executive of GMPF – administrator of GMPF and link for Panel Members, advisors and investment managers between meetings.
- Chief Executive of Tameside MBC - responsible for the strategic and operational management of the Administering Authority.
- Director of Resources – 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:

- two external investment managers that manages multi asset briefs
- two external managers with a global equity brief
- one external manager with a global credit brief
- three external managers with a direct and indirect UK property brief, i.e. two 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 Hymans Robertson LLP 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 2025 and the preceding year is shown below:

31 March 2024		31 March 2025
123,068	Contributors	124,610
147,007	Pensioners	153,226
158,730	Deferred members *	160,165
428,805	Total membership	438,001
680	Employers with contributing members	733

* 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 2024/25 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 2024/25.

2. Accounting policies

Basis of preparation:

The accounts have been prepared on a going concern basis, on the assumption that the functions of the Pension Fund will continue in operational existence for the foreseeable future. This means the Pension Fund will realise its assets and settle its obligations in the normal course of business.

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 transfers (due to uncertainty over final settlement and timing of payments), advance payment of employer contributions, and investment costs for private markets administered by the custodian as part of investment activity, are recognised on a received or paid basis.

The accounts have been prepared in accordance with the CIPFA Code of Practice on Local Authority Accounting in the United Kingdom (the Code) which is based upon International Financial reporting Standards (IFRS) as amended for the UK public sector. The accounting standards introduced by the Code, have all been considered and have been adopted. For those accounting standards issued but not yet adopted by the Code, these are deemed not to have a material impact on both the 2024/25 accounts and the accounts of foreseeable future years.

Financial assets and liabilities:

A financial asset or a financial liability shall be recognised in the balance sheet when, and only when, GMPF becomes a party to the contractual provisions of the instrument. On initial recognition, GMPF is required to classify financial assets and liabilities into amortised cost, fair value through profit and loss or fair value through other comprehensive income.

- Financial assets are classified dependent on the reason for holding the assets.
- Amortised cost assets are those held to generate cash flows and the amounts received are solely principal and interest.
- Fair value assets through profit and loss or other comprehensive income, are assets which fail the amortised cost categorisation tests, where they are held for trading purposes and/or the amounts received relate to more than solely principal and interest (e.g. equity instruments).
- Financial liabilities are classified as amortised cost except in certain circumstances where they are classified as at fair value.

Contribution income:

Tiered employee contribution rates are set in accordance with LGPS regulations using common percentage rates across all Funds which rise according to pensionable pay.

Normal contributions, from both members and from the employers, are accounted for on an accruals basis. Employer contributions are accounted for at the percentage rate recommended by the fund actuary in the payroll period to which they relate, and member contributions at the rates listed in The Local Government Pension Scheme Regulations 2013, Section 9.

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 the GMPF's financial statements in accordance with Regulation 4(2)(c) of the Pension Scheme (Management and Investment of Funds) Regulations 2009 (as amended). 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:

Dividends from quoted securities are accounted for on an accruals basis and any outstanding amount is included in the Net Asset Statement as an investment asset. Dividend income is recognised on the date the asset is quoted ex-dividend.

Distributions from pooled investment vehicles are recognised at the date of issue. Distribution income is accounted for on an accruals basis and any outstanding amount is included in the Net Asset Statement as an investment asset.

Property rent, interest income from fixed interest investments and short-term deposits have been accounted for on an accruals basis.

Foreign income and foreign investments:

Foreign income is translated into sterling at the rate applicable at the date of conversion. Foreign income due at the year-end is translated at the rate applicable at 31 March 2025. Any differences are treated as gains or losses on realisation.

The value of foreign investments are translated at the exchange rate applicable at 31 March 2025. 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 payable represent the benefits paid during the financial year and include an estimated accrual for lump-sum benefits outstanding as at the year-end if applicable. Benefits payable also includes interest on late payment. Any amounts due but unpaid are disclosed in the net assets statement as current liabilities.

Investment levels:

Greater Manchester Pension Fund Statement of Accounts 2024/25

All investment assets held at their fair value as at 31 March 2025 are determined at levels in line with current guidance classifications.

Where, compared to the prior year, there is a change in the observable market data input into the valuation of an individual asset or an entire asset class, then a transfer between levels will be considered and if enacted will be recorded in the current year.

Investment values:

All investment assets are valued at their fair value as at 31 March 2025. The fair values of investments are determined as follows:

At 31 March 2025	Valuation basis / technique	Main assumptions	Key sensitivities affecting the valuations provided
Equities (Level 1)	Pricing from market data providers based on observable bid price quotations.	Use of pricing source. If there are minor variations in the price dependent upon the pricing feed used, the Custodian's valuation will take precedence.	Not required
Cash and other net assets (Level 1)	Value of deposit or value of transaction.	Cash and account balances are short-term, highly liquid and subject to minimal changes in value. All cash is recorded at book value unless there is knowledge of any impairment.	Not required
Bonds (Level 2)	Pricing from market data providers based on observable bid price quotations.	Use of pricing source. If there are minor variations in the price dependent upon the pricing feed used, the Custodian's valuation will take precedence.	
Insurance policies (Level 2)	Insurance policies consist of units held in a pooled fund. Unit prices are provided by the fund investment manager based on the bid value of the underlying securities held by the fund.	Use of pricing source, bid values of underlying securities are provided by the investment manager are compared to the Custodian's records. All cash held by the funds are recorded at book value unless the investment manager has knowledge of any impairment.	Not required
Indirect property (part of Pooled Investment Vehicles) (Level 2)	Indirect property investments consist of units held in a pooled fund. Unit prices are provided by the fund investment manager based on the independent valuations of the underlying properties held by the fund.	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.	Material events occurring between the date of the financial statements provided and GMPF's own reporting date, changes to expected cashflows, differences audited and unaudited accounts.

Greater Manchester Pension Fund Statement of Accounts 2024/25

At 31 March 2025	Valuation basis / technique	Main assumptions	Key sensitivities affecting the valuations provided
Derivatives (Level 2)	<p>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.</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>	<p>All derivatives are based on a visible price (i.e. not private transactions) and all counter parties are deemed solvent and able to meet their liabilities.</p> <p>The relevant prices and exchange rates used are provided by the Custodian and consistent with those used elsewhere in accounts.</p>	Not required.
Direct investment property (Level 3)	<p>Independent valuations for freehold and leasehold investment properties at fair value have been valued by Savills plc, Chartered Surveyors, as at 31 December 2024, subsequently adjusted for transactions undertaken between 1 January and 31 March 2025. Valuations have been prepared in accordance with Royal Institute of Chartered Surveyors (RICS) Red Book.</p>	<p>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.</p>	<p>Significant changes in rental growth, vacancy levels or discount rate could affect valuations, as could more general changes to market processes.</p>
Indirect property (part of Pooled Investment Vehicles) (Level 3)	<p>Independent valuations for freehold and leasehold properties less any debt within the individual property fund plus/minus other net assets.</p>	<p>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.</p>	<p>Material events occurring between the date of the financial statements provided and GMPF's own reporting date, changes to expected cashflows, differences audited and unaudited accounts.</p>

Greater Manchester Pension Fund Statement of Accounts 2024/25

At 31 March 2025	Valuation basis / technique	Main assumptions	Key sensitivities affecting the valuations provided
Private equity, infrastructure and special opportunities portfolios (Level 3)	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.	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.	Material events occurring between the date of the financial statements provided and GMPF's own reporting date, changes to expected cashflows, differences audited and unaudited accounts.

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:

Acquisition costs of listed equity investments which comprise stamp duty, commissions and market levies are included within the management expenses recorded in the Fund Account.

Acquisition 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. 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, three 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 charged directly by the investment managers. These costs are allocated directly to the Fund Account where information is available to the Custodian by the investment manager, on an as paid rather than on an accruals basis. Where costs are charged by these managers and not disclosed to the Custodian, they are included in the fair value adjustments applied to assets concerned within the Fund Account and corresponding notes, in previous years all of these costs were treated this way. The annual report contains a comprehensive review of investment costs.

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:

At the year-end all foreign currency balances are translated into sterling at exchange rates ruling at the financial year-end, and any gains or losses arising are treated as part of the change in market value of investments.

During the year the sterling exchange rate on the day of conversion is used to translate all foreign purchases, sales, income receipts, fee payments and movements of foreign currency income accounts; with any resulting profits or loss recognised in the Fund Account

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).

Transfers:

Transfer values represent amounts received and paid during the period for members who have either joined or left GMPF during the financial year and are calculated in accordance with Local Government Pension Scheme Regulations.

Both individual and bulk 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.

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:

- All leases are classified as operating leases.

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.

2b. Major sources of estimation uncertainty

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 2025 was £6,883,728,000 (£6,993,363,000 at 31 March 2024).

The fair value of these assets is determined using the latest investor reports and financial statements provided by the general partners, adjusted for cash flow between the date of the general partners' report and the accounting date. These require management judgement and contain significant estimation uncertainty. Reliance is placed on general partners to perform these valuations.

There is a risk that the value of the Fund may reduce or increase during the 2024/25 reporting period due to this uncertainty. The market risk table within Note 4 which includes all assets held by the Fund includes the volatility estimates of 26.6% for private equity and 14.5% for infrastructure assets.

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.

Greater Manchester Pension Fund Statement of Accounts 2024/25

	At 31 March 2025		
	Fair value through profit and loss £000	Financial assets at amortised cost £000	Financial liabilities at amortised cost £000
Financial assets:			
Equities	11,111,758	0	0
Bonds	3,424,941	0	0
Derivatives	8,321	0	0
Pooled investment vehicles	11,673,470	0	0
Insurance policies	3,688,050	0	0
Cash	0	964,100	0
Other investment assets	0	383,452	0
Current assets	0	87,014	0
	29,906,541	1,434,566	0
Financial liabilities:			
Derivatives	(7,555)	0	0
Other investment liabilities	0	0	(14,514)
Current liabilities	0	0	(34,716)
	(7,555)	0	(49,230)
Total	29,898,985	1,434,566	(49,230)

	At 31 March 2024		
	Fair value through profit and loss £000	Financial assets at amortised cost £000	Financial liabilities at amortised cost £000
Financial assets:			
Equities	11,760,238	0	0
Bonds	2,792,572	0	0
Derivatives	9,903	0	0
Pooled investment vehicles	11,351,629	0	0
Insurance policies	3,633,381	0	0
Cash	0	613,945	0
Other investment assets	0	222,412	0
Current assets	0	73,519	0
	29,547,723	909,876	0
Financial liabilities:			
Derivatives	(8,641)	0	0
Other investment liabilities	0	0	(30,777)
Current liabilities	0	0	(24,906)
	(8,641)	0	(55,683)
Total	29,539,082	909,876	(55,683)

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 2025 was £630,659,000 (£1,422,000,000 31 March 2024). These figures exclude movements in investment property and foreign exchange.

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 2025			
	Level 1 £000	Level 2 £000	Level 3 £000	Total £000
Financial assets:				
	11,111,75			11,111,75
Equities	8	0	0	8
Bonds	0	3,424,941	0	3,424,941
Derivatives	0	8,321	0	8,321
			8,560,77	11,673,47
Pooled investment vehicles	0	3,112,697	3	0
Insurance policies	0	3,688,050	0	3,688,050
Non-financial assets (at fair value through profit & loss):				
			1,010,19	
Directly held investment property	0	0	5	1,010,195
Total	11,111,75	10,234,00	9,570,96	30,916,73
	8	9	9	6

	At 31 March 2024			
	Level 1 £000	Level 2 £000	Level 3 £000	Total £000
Financial assets:				
	11,760,238	0	0	11,760,238
Equities	0	2,792,572	0	2,792,572
Bonds	0	9,903	0	9,903
Derivatives	0	2,941,976	8,409,653	11,351,629
Pooled investment vehicles	0	3,633,381	0	3,633,381
Insurance policies				
Non-financial assets (at fair value through profit & loss):				
			898,527	
Directly held investment property	0	0	898,527	898,527
Total	11,760,238	9,377,832	9,308,180	30,446,250

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, and the key sensitivities to those, are detailed in Note 2 and there has been no change in the valuation techniques used during the year. All assets have been valued using fair value techniques. Transfers between levels are deemed to have occurred when there is a significant change to the level of observable and unobservable inputs used to determine fair value.

The table below sets out the assets classified as level 3 assets. GMPF has determined that the valuation methods detailed in Note 2 are likely to be accurate to within the following ranges, as provided by GMPF's investment advisor, Hymans Robertson LLP, and has set out below the consequent potential impact on the closing value of investments held at 31 March 2025 and 31 March 2024. There are various factors that affect the complexity of valuation and the realisable value of assets including changing one or more unobservable inputs and certain asset specific issues may lead to realisable valuations falling outside the stated range. (See table in Note 2 which references some of these factors).

	Valuation at 31 March 2025	Valuation range	Value on increase	Value on decrease
	£000	%	£000	£000
Directly held investment property	1,010,195	15.2%	1,163,744	856,645
Private equity	4,232,842	26.6%	5,358,777	3,106,906
Indirect property investments	1,677,046	15.2%	1,931,957	1,422,135
Infrastructure	2,650,886	14.5%	3,035,265	2,266,508
Level 3 Assets	9,570,969		11,489,743	7,652,193

	Valuation at 31 March 2024	Valuation range	Value on increase	Value on decrease
	£000	%	£000	£000
Directly held investment property	898,527	15.6%	1,038,697	758,357
Private equity	4,411,685	31.2%	5,788,130	3,035,239
Indirect property investments	1,416,290	15.6%	1,637,231	1,195,349
Infrastructure	2,581,678	13.6%	2,932,786	2,230,570
Level 3 Assets	9,308,180		11,396,844	7,219,515

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

31 March 2024 £000		31 March 2025 £000
8,740,178	Opening balance	9,308,180
1,312,916	Acquisitions	1,043,817
(603,118)	Disposal proceeds / Return of capital	(945,666)
	Total gains/losses included in the Fund account:	
208,902	- on assets sold	234,255
(350,698)	- on assets held at year end	(69,617)
9,308,180	Closing balance	9,570,969

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 three years in line with triennial valuations being carried out. A full review was completed in December 2022.

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 2024 p.a.	31 March 2025 p.a.
UK equities	16.0%	16.3%
Overseas equities	17.5%	18.0%
Fixed interest gilts	5.8%	5.5%
Index linked gilts	7.1%	6.7%
Corporate bonds	7.0%	6.5%
High yield debt	7.1%	7.5%
Investment property	15.6%	15.2%
Private equity	31.2%	26.6%
Infrastructure	13.6%	14.5%
Cash and other liquid funds	0.3%	0.3%
GMPF	10.0%	11.3%

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.

The overall GMPF volatility has been calculated based on GMPF's target asset split as at 31 March 2025 and 2024. The calibration of the model is based on a combination of historical data, economic theory and expert opinion. This model includes the impact of potential changes in UK interest rates and foreign exchange rates to fixed income assets allowing for correlation impacts.

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 2025 and 2024 would have been as shown in the tables below.

Asset type	31 March 2025 £000	% Change p.a.	Value on increase £000	Value on decrease £000
UK equities	2,922,010	16.3%	3,398,297	2,445,722
Overseas equities	9,543,247	18.0%	11,261,032	7,825,463
Fixed interest gilts	1,510,363	5.5%	1,593,433	1,427,293
Index linked gilts	2,343,184	6.7%	2,500,177	2,186,191
Corporate bonds	2,065,155	6.5%	2,199,390	1,930,920
High yield debt	1,744,961	7.5%	1,875,833	1,614,089
Investment property	3,383,492	15.2%	3,897,783	2,869,201
Private equity	4,232,842	26.6%	5,358,777	3,106,906
Infrastructure	2,650,886	14.5%	3,035,265	2,266,508
Cash and other liquid funds	1,868,148	0.3%	1,873,752	1,862,543
GMPF	32,264,287	11.3%	35,910,152	28,618,423

Asset type	31 March 2024 £000	% Change p.a.	Value on increase £000	Value on decrease £000
UK equities	3,278,542	16.00%	3,803,109	2,753,975
Overseas equities	9,919,452	17.50%	11,655,356	8,183,548
Fixed interest gilts	1,063,683	5.80%	1,125,377	1,001,989
Index linked gilts	2,065,497	7.10%	2,212,147	1,918,847
Corporate bonds	2,019,459	7.00%	2,160,821	1,878,097
High yield debt	1,654,309	7.10%	1,771,765	1,536,853
Investment property	2,991,462	15.60%	3,458,130	2,524,794
Private equity	4,411,684	31.20%	5,788,129	3,035,239
Infrastructure	2,581,678	13.60%	2,932,786	2,230,570
Cash and other liquid funds	1,296,841	0.30%	1,300,732	1,292,950
GMPF	31,282,607	10.00%	34,410,868	28,154,346

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.
The % change has been applied to each line of the tables independently, including total GMPF.

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. These investments are subject to interest rate risks, which represent that the fair value on future cash flows of a financial instrument will fluctuate because of changes in market interest rates. Interest rates also affect the discount rate used to calculate the present value of promised retirement benefits as disclosed in Note 25 of these accounts.

Changes in the level of interest rates will contribute to the volatility of returns in all asset classes. The table in the previous section on market risk shows the expected volatility over one year for GMPF's investment portfolio. Interest rate risk is considered as being part of overall market risk and complicated by the effects of correlations and possible offset through diversification and consequently, has not been disaggregated or reported as a discrete figure.

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 Metropolitan Borough Council'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 an '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, with no balances written off during the period. GMPF's cash holding under its Treasury Management arrangements at 31 March 2025 was £526,000,000 (31 March 2024 £427,800,000). This was held with the following institutions:

Summary	Rating	Balance at 31 March 2024 £000	Balance at 31 March 2025 £000
Money Market Funds			
Aberdeen Assets	AAA	75,000	75,000
Federated	AAA	75,000	75,000
Insight	AAA	72,400	63,300
Invesco	AAA	5,400	800
Legal & General	AAA	75,000	75,000
Morgan Stanley	AAA	75,000	75,000
DB Advisors	AAA	0	1,900
Banks			
Bank of Scotland	A+	50,000	75,000
Local authorities & public bodies			
Greater Manchester Combined Authority	N/A	0	75,000
Tameside MBC	N/A	0	10,000
Total		427,800	526,000

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, except for investments placed with other local authorities – where periods are fixed when the deposit is placed.

All financial liabilities at 31 March 2025 are due within one year.

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 2024 £000	Liquidity terms	31 March 2025 £000
21,297,783	Assets realisable within 7 days	21,997,068
0	Assets realisable in 8-30 days	0
0	Assets realisable in 31-90 days	0
9,984,824	Assets taking more than 90 days to realise	10,267,220
31,282,607	Total	32,264,287

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 2024 £000	For the year ending:-	31 March 2025 £000
(200,941)	Members' contributions	(212,469)
	Employers:	
(654,118)	Normal contributions	(691,459)
(730)	Deficit recovery contributions	(731)
(654,848)	Total employers contributions	(692,190)
(855,789)	Total	(904,659)

By Authority

31 March 2024 £000	For the year ending:-	31 March 2025 £000
(28,803)	Tameside MBC (administering body)	(29,029)
(766,971)	Scheduled bodies	(821,020)
(60,015)	Admission bodies	(54,610)
(855,789)	Total	(904,659)

6. Benefits payable

By Category

31 March 2024 £000	For the year ending:-	31 March 2025 £000
880,850	Pensions	965,797
153,680	Commutation & lump sum retirement benefits	193,050
24,310	Lump sum death benefits	24,812
1,058,840	Total	1,183,659

By Authority

31 March 2024 £000	For the year ending:-	31 March 2025 £000
46,002	Tameside MBC (administering body)	49,916
796,544	Scheduled bodies	894,853
216,294	Admission bodies	238,890
1,058,840	Total	1,183,659

7. Payments to and on account of leavers

31 March 2024 £000	For the year ending: -	31 March 2025 £000
57,000	Individual transfers to other schemes	55,433
(6)	Income for members from state scheme	(8)
1,418	Refunds to members leaving service	1,741
58,412	Total	57,166

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.

31 March 2024 £000	For the year ending: -	31 March 2025 £000
90,438	Investment management expenses	113,175
8,666	Administrative costs	10,058
2,075	Oversight and governance costs	2,057
101,179	Total	125,290

The cost of administration and investment management are met by the employers through their employer contributions. Note 8 shows costs analysed as per CIPFA guidance. The key element of investment management costs are fees paid to investment managers and these are set out in more detail in Note 11i. The above costs include GMPF's share of costs for Northern LGPS Pool – see Note 8a for further details

Administrative costs:

31 March 2024 £000	For the year ending:-	31 March 2025 £000
6,008	Employee costs	6,919
2,341	Support services including IT	2,930
317	Printing and publications	209
8,666	Total	10,058

Investment management expenses:

31 March 2024 £000	For the year ending:-	31 March 2025 £000
1,927	Employee costs	1,796
349	Support services including IT	903
4,124	Transaction costs (public managers) *	5,091
60,553	Management fees - private markets (custodian)**	80,744
23,042	Management fees - public markets	24,162
443	Custody fees	479
90,438	Total	113,175

* Transaction costs are incremental costs directly attributable to the sale and purchase of UK and Overseas equities. They comprise £764,000 (2024 £604,000) commissions and £4,327,000 (2024 £3,520,000) other costs which included UK stamp duty and market levies.

**These costs are allocated directly to the Fund Account where information is available to the Custodian by the investment manager, on an as paid rather than on an accruals basis.

Oversight and governance costs:

31 March 2024 £000	For the year ending:-	31 March 2025 £000
587	Employee costs	576
491	Support services including IT	39
166	Governance and decision making costs	169
145	Investment performance monitoring	82
207	External audit fees *	256
172	Internal audit fees	187
215	Actuarial fees - investment consultancy	191
92	Actuarial fees	556
2,075	Total	2,057

***Breakdown of External Audit Fee**

31 March 2024 £		31 March 2025 £
177,434	Statutory audit fees	191,573
30,000	Work carried out on behalf of GMPF's main scheme employers	18,000
0	Prior year additional charge on statutory audit fee	47,100
207,434	Total	256,673

8a. Costs related to the Northern LGPS Pool

	At 31 March 2025			
	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	135	0	135	559
Total set up costs	135	0	135	660

	At 31 March 2024			
	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	45	0	45	424
Total set up costs	45	0	45	525

9. Investment income

31-Mar-24	For the year ending:	31-Mar-25
£000		£000
(64,653)	Income from bonds	(75,760)
(325,627)	Equities	(326,810)
(324,256)	Pooled investment vehicles	(299,937)
(40,393)	Investment property (gross)	(46,139)
7,769.49	Investment property non-recoverable expenditure	11,126
(27,923)	Interest on cash deposits	(36,629)
(1,373)	Stocklending	(821)
(776,455)	Total	(774,970)

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 Newfleet (formerly 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 2024/25 amounts to £4,058,000 (2023/24 £2,867,000) 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.

11a. Reconciliation of movement in financial assets

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

Value at 31 March 2024 £000		Purchases & derivative payments £000	Sales & derivative receipts £000	Change in fair value £000	Value at 31 March 2025 £000
	Financial assets at fair value through profit and loss				
11,760,238	Equities	4,199,996	(5,213,587)	365,111	11,111,758
2,792,572	Bonds	1,482,643	(795,779)	(54,495)	3,424,941
898,527	Investment property	114,177	(5,442)	2,933	1,010,195
(47)	Derivatives - Futures	128,740	(124,752)	(2,964)	977
1,309	Derivatives - Forwards	101,636	(78,622)	(24,534)	(211)
14,985,010	Managed and unitised funds	1,304,796	(1,275,826)	347,541	15,361,521
30,437,609	Financial assets and liabilities at amortised cost	7,331,988	(7,494,008)	633,592	30,909,181
613,945	Cash				964,100
222,412	Other investment assets				383,454
73,519	Net current assets				87,014
(30,777)	Other investment liabilities				(14,514)
(24,906)	Net current liabilities				(34,717)
31,291,802	Total			633,592	32,294,518

Value at 31 March 2023 £000		Purchases & derivative payments £000	Sales & derivative receipts £000	Change in fair value £000	Value at 31 March 2024 £000
	Financial assets at fair value through profit and loss				
10,849,776	Equities	3,639,227	(4,056,930)	1,328,165	11,760,238
2,786,973	Bonds	1,143,122	(1,145,468)	7,945	2,792,572
807,695	Investment property	115,599	(21,912)	(2,855)	898,527
14,805	Derivatives - Futures	3,864	(69,852)	51,136	(47)
(7,031)	Derivatives - Forwards	81,481	(30,727)	(42,414)	1,309
14,300,617	Managed and unitised funds	1,573,072	(965,611)	76,932	14,985,010
28,752,835	Financial assets and liabilities at amortised cost	6,556,365	(6,290,500)	1,418,909	30,437,609
435,893	Cash				613,945
182,053	Other investment assets				222,412
96,712	Net current assets				73,519
(23,528)	Other investment liabilities				(30,777)
(18,252)	Net current liabilities				(24,906)
29,425,713	Total			1,418,909	31,291,802

The tables above exclude any profits or losses on foreign currency transactions from Changes in Fair Value. This accounts for the difference to the value shown in the Fund Statement.

Purchases and sales of derivatives are recognised in Note 11a above as follows:

Futures: on close out or expiry of the futures contract the variation margin balances held in respect of unrealised gains or losses are recognised as cash receipts or payments depending on whether there is a gain or loss.

Forward currency contracts: forward foreign exchange contracts settled during the year are reported on a gross basis as gross receipts and payments.

11b. Bonds

31 March 2024 £000		31 March 2025 £000
331,003	UK public sector quoted	690,085
250,361	Overseas public sector quoted	316,230
399,153	UK corporate quoted	362,187
605,945	Overseas corporate quoted	607,935
1,206,110	Index linked	1,448,504
2,792,572	Total	3,424,941

11c. Investment property

31 March 2024 £000		31 March 2025 £000
598,179	UK - Main investment property portfolio	728,281
300,348	UK - Greater Manchester Property Venture Fund	281,914
898,527		1,010,195

In order to reduce risk, investment property is diversified over a wide range of sectors.

No directly held investment property has restrictions on its realisation, remittance of income or disposal proceeds.

Undrawn commitments to property related pooled investment funds can be found at Note 16.

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. Two properties were either being prepared for sale, being marketed or prices had been agreed at 31 March 2025 - combined valuation: £6,000,000 (compared to two properties March 2024 combined valuation: £10,700,000).

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GMPF sold two investment properties during the 2024/25 financial year: combined valuation £5,399,000 at 31 March 2024 (had sold four investment properties during the 2023/24 financial year: combined valuation £21,900,000 at 31 March 2024).

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 2024/25	£000
Balance at 1 April 2024	898,527
Purchases	107,300
Expenditure during year	6,877
Disposals	(5,442)
Net gains/ (losses) from fair value adjustments	2,933
Balance at 31 March 2025 *	1,010,195

* Two properties were either being prepared for sale, marketed or prices had been agreed at 31 March 2025

Movement in the fair value of investment properties in 2023/24	£000
Balance at 1 April 2023	807,695
Purchases	54,500
Expenditure during year	61,099
Disposals	(21,912)
Net gains/ (losses) from fair value adjustments	(2,855)
Balance at 31 March 2024 *	898,527

* Two properties were either being prepared for sale, marketed or prices had been agreed at 31 March 2024

Future operating lease rentals receivable

31 March 2024 £000		31 March 2025 £000
38,453	Not later than 1 year	54,843
143,918	Later than 1 year, but not later than 5 years	182,152
218,977	Later than 5 years	273,694
401,348	Total	510,689

The future minimum lease payments due to GMPF under non-cancellable operating leases are stated above. Only direct properties have been included.

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.
- GMPF's share of club deals, joint ventures and indirect holdings are excluded.
- 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.

- No contingent rents were recognised in the period.

11d. Derivatives

31 March 2024 £000		31 March 2025 £000
	Investment assets:	
1,903	Forward currency contracts	663
8,000	Financial futures	7,658
9,903		8,321
	Investment liabilities:	
(594)	Forward currency contracts	(874)
(8,047)	Financial futures	(6,681)
(8,641)		(7,555)
1,262	Net (liability)/asset	766

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.

The tables below analyse the derivative contracts held at 31 March by maturity date. The Forward Currency Contracts were all traded on an over-the-counter basis and the settlement dates are within one month.

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31 March 2025						
Contract	Currency	Currency bought 000	Currency	Currency sold 000	Assets £000	Liability £000
Forward Currency Contract	JPY	51,663,000	GBP	267,998	655	(224)
Forward Currency Contract	CHF	12,275	GBP	10,811	0	(36)
Forward Currency Contract	AUD	22,000	GBP	10,690	0	(67)
Forward Currency Contract	HKD	22,000	GBP	2,196	0	(4)
Forward Currency Contract	EUR	58,000	GBP	48,692	0	(98)
Forward Currency Contract	CAD	35,800	GBP	19,365	0	(74)
Forward Currency Contract	USD	513,775	GBP	398,426	8	(372)
Total					663	(874)

31 March 2024						
Contract	Currency	Currency bought 000	Currency	Currency sold 000	Assets £000	Liability £000
Forward Currency Contract	GBP	100,915	USD	127,305	153	0
Forward Currency Contract	JPY	46,128,600	GBP	242,672	12	(532)
Forward Currency Contract	CHF	5,500	GBP	4,903	0	(58)
Forward Currency Contract	EUR	28,500	GBP	24,389	0	(4)
Forward Currency Contract	CAD	16,500	GBP	9,575	79	0
Forward Currency Contract	AUD	9,500	GBP	4,902	7	0
Forward Currency Contract	USD	245,500	GBP	192,669	1,647	0
Total					1,903	(594)

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31 March 2025			Economic exposure 000	Market value £000
Contract	Settlement date	Currency		
UK Equity Futures	Less than one year	GBP	(38,148)	297
Overseas Equity Futures	Less than one year	GBP	(734,341)	7,361
UK Equity Futures	Less than one year	GBP	29,213	(222)
Overseas Equity Futures	Less than one year	GBP	477,175	(6,459)
Total			(266,101)	977

31 March 2024			Economic exposure 000	Market value £000
Contract	Settlement date	Currency		
UK Equity Futures	Less than one year	GBP	13,819	528
Overseas Equity Futures	Less than one year	GBP	316,337	7,472
UK Equity Futures	Less than one year	GBP	(23,644)	(502)
Overseas Equity Futures	Less than one year	GBP	(556,724)	(7,545)
Total			(250,212)	(47)

11e. 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 2024 £000		31 March 2025 £000
1,271,533	Property	1,549,351
2,581,678	Infrastructure *	2,650,886
3,849,688	Private equity **	3,709,600
733,377	Equities	780,276
561,996	Special opportunities	523,243
1,532,002	Global credit	1,636,168
10,530,274	Managed funds	10,849,523
821,355	Property	823,947
821,355	Unit trusts	823,947
11,351,629	Total pooled investment vehicles	11,673,470

* Includes £1,142,770,000 GLIL investment via the Northern LGPS Pool vehicle (2024 £1,117,686,000)

** includes £850,814,000 NPEP investment via the Northern LGPS Pool vehicle (2024 £713,871,000)

11f. Insurance policies

31 March 2024 £000		31 March 2025 £000
47	Property	0
279	UK quoted equity	302
268,519	UK fixed interest	265,187
649,321	UK index linked securities	654,790
580,876	UK corporate bonds	621,385
417,845	UK cash instruments	494,468
704,147	Overseas quoted equity	565,261
213,800	Overseas fixed interest	238,862
433,484	Overseas corporate bonds	473,648
210,066	Overseas index linked securities	239,890
122,307	Global credit	108,793
32,690	Inflation funds	25,464
3,633,381	Insurance policies	3,688,050

The above assets are held within unit linked insurance policies.

11g. Cash

31 March 2024 £000		31 March 2025 £000
446,893	Sterling	555,199
167,052	Foreign currency	408,901
613,945	Total	964,100

11h. Other investments balances and net assets

31 March 2024 £000		31 March 2025 £000
35,529	Amounts due from broker	114,882
82,025	Outstanding dividends and recoverable withholding tax	76,522
21,217	Gross accrued interest on bonds	26,458
15,040	Gross accrued interest on loans	2,046
17,939	Investment loans	84,957
47,842	Variation margin	73,247
2,820	Other accrued interest and tax reclaims	5,340
222,412	Other investment assets	383,452
(29,012)	Amounts due to broker	(14,514)
(1,765)	Irrecoverable withholding tax	0
(30,777)	Other investment liabilities	(14,514)
26,059	Employer contributions - main scheme	40,289
27	Employer contributions - additional pensions	41
19,583	Property	28,295
939	Admin & investment management expenses	485
26,911	Other	17,904
73,519	Current assets	87,014
(8,669)	Property	(10,090)
0	Employer contributions - main scheme	(45)
(1,956)	Employer contributions - additional pensions	(1,332)
(6,563)	Admin & investment management expenses	(6,236)
(7,718)	Other	(17,013)
(24,906)	Current liabilities	(34,716)
48,613	Net current assets	52,298
240,248	Other investment balances and net assets	421,236

11i. Transaction and management costs

Managers of listed securities

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 £5,417,000 for 2024/25 (2023/24 £2,027,000).

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

Pooled investment vehicles in unlisted assets

Certain investments in pooled vehicles, predominantly in private markets, alternatives and property have investment costs charged directly by the investment managers from either asset values or capital calls/payments. These costs are allocated directly to the Fund Account where information is available to the Custodian by the investment manager, on an as paid rather than on an accruals basis.

Where costs are charged by these managers and not disclosed to the Custodian, they are included in the fair value adjustments applied to assets concerned within the Fund Account and corresponding notes; in previous years all of these costs were treated this way.

The table below shows an estimate of a fuller charge to these private market funds on an accruals basis including performance related fees.

31 March 2024 £000		31 March 2025 £000
	GMPF Private market and alternative investments	
59,052	- performance related	48,717
86,838	- non-performance related	83,883
	GMPF Indirect investment property	
7,309	- performance related	5,664
36,732	- non-performance related	28,558
	Northern LGPS Investments (NPEP/GLIL)	
8,101	- performance related	14,920
15,765	- non-performance related	19,592
213,797	Total	201,334

12. 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 2024 £000		31 March 2025 £000
146,647	UK corporate bond	142,599
433,100	UK index linked	432,916
17,094	Cash instruments	34,140
32,690	Inflation funds	25,465
122,307	Investment Grade Corporate Bonds	108,793
52,445	UK fixed interest	33,538
804,283	Insurance policies	777,451
27,035	Cash	25,676
831,318	Total	803,127

13. Summary of managers' portfolio values at 31 March

2024			2025	
£m	%		£m	%
		Externally managed		
10,647	34.0%	UBS Global Asset Management	10,890	33.8%
3,633	11.6%	Legal & General	3,688	11.4%
2,761	8.8%	Sci Beta	2,594	8.1%
1,880	6.0%	Ninety One (formerly Investec)	1,833	5.7%
1,532	4.9%	Newfleet (formerly Stone Harbor)	1,636	5.1%
518	1.7%	Schroders Capital	650	2.0%
81	0.3%	APAM	79	0.2%
300	1.0%	CBRE	282	0.9%
21,352	68.3%		21,652	67.2%
		Internally managed		
6,993	22.3%	Private markets	6,883	21.3%
28	0.1%	Designated funds	26	0.1%
2,093	6.7%	Property (indirect)	2,294	7.1%
826	2.6%	Cash, other investments and net assets	1,439	4.5%
9,940	31.7%		10,642	33.0%
31,292	100.0%	Total	32,295	100.2%

14. Concentration of investments

As at 31 March 2025, GMPF held 9.03% of its net assets in insurance contract MF32950 with Legal & General Assurance (Pensions Management) Limited. It is a long-term contract under Class III of Schedule 1 of the Insurance Companies Act 1982 and not “with profits” contract.

The policy documents have been issued, and the values are incorporated in the Net Asset Statement within insurance policies and the underlying asset classes are as follows:

31 March 2024 £000	POLICY MF32950	31 March 2025 £000
703,486	Overseas equities	564,603
216,036	UK fixed interest	231,608
434,152	UK corporate bonds	478,704
213,764	Overseas fixed interest	238,821
216,184	UK index linked	221,836
210,029	Overseas index linked	239,848
400,680	UK cash instruments	460,246
433,409	Overseas corporate bonds	473,565
2,827,740	Total	2,909,231

15. Notifiable interests

As at 31 March 2024 and 31 March 2025, GMPF had holdings of 3% or over in the ordinary share capital of the following quoted companies:

UK Equity 31 March 2024 %		UK Equity 31 March 2025 %
3.4	Curry's PLC	-
3.3	Intu Properties PLC	3.3
6.5	Synthomer PLC	5.3

Note: the table only shows investments of 3.0% and above; all others are less than 3%

16. Undrawn commitments

31 March 2024 £000	Asset type	Nature of commitment	31 March 2025 £000
700	Directly held investment property	Commitments regarding demolition or refurbishment work	10,754
1,820,632	Indirect private equity and infrastructure	Commitments to fund	1,797,179
283,806	Special Opportunities portfolio	Commitments to fund	240,755
258,663	Property managed funds	Commitments to fund	236,779
9,999	Property unit trusts	Commitments to fund	7,410
3,992	Commercial/domestic based property unit trust	Commitments to fund	109,175
15,032	Local Investment 4 Growth fund	Commitments to fund	13,241
327,413	Local Impact Portfolio	Commitments to fund	296,707
48,447	Greater Manchester Property Venture Fund	Commitment to lend	198,338
522,268	Private debt portfolio	Commitment to fund	445,932
280,942	Internally Managed LGPS Northern Housing	Commitment to fund	328,083
3,571,894	Total		3,684,353

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

17. Related party transactions

Tameside MBC

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 reclaimed VAT from HMRC on behalf of GMPF. The amount owed to Tameside MBC at the year-end was £1,749,000 which has since been paid.

31 March 2024 £000		31 March 2025 £000
9,928	TMBC incurred costs on behalf of GMPF	11,839
(16,299)	TMBC reclaimed from HMRC VAT (net)	(136)
(6,371)	Payment due to TMBC / (GMPF)	11,703
0	Payment made to TMBC / (GMPF)	1,693
(6,371)	Amount generated in year to TMBC / (GMPF)	10,010
(1,890)	Opening value to TMBC / (GMPF)	(8,261)
0	Payment made to TMBC / (GMPF) re prior year	0
(8,261)	Total debt outstanding to TMBC / (GMPF)	1,749

In March 2025 Tameside MBC borrowed £10m from GMPF on a 7-day recallable basis at a rate based on a contemporaneous deal to a comparable counterpart. The Director of Resources, as Section 151 Officer of both Tameside MBC and GMPF, and responsible for all treasury management arrangements, assessed the risk and suitability and deemed it safe given the Council's under borrowed position and Treasury management guidelines for GMPF.

Central Government (UK)

Central Government (UK) has significant influence over the general operations of the Pension Fund. It is responsible for providing the statutory framework within which the Pension Fund operates.

18. Directorships and Pension Benefits

There is no direct charge to GMPF for the services of the Tameside MBC Chief Executive and the Director of Resources, 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:

For year ending 31 March 2025	Salary entitlement (Full time equivalent)	Salary, fees & allowances (Paid in year)	Employers pensions contributions (Paid in year)	Total (Paid in year)
	£	£	£	£
Chief Executive of GMPF took up post 09/10/2024	198,058	94,770	18,291	113,061
Assistant Director of:				
Pensions (Special Projects)	104,187	62,512	12,065	74,577
Pensions (Investments)	104,187	104,187	20,108	124,295
Pensions (Local Investments & Property)	104,187	104,187	18,148	122,335
Pensions (Administration)	104,187	104,187	20,108	124,295

For year ending 31 March 2024	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)	101,645	60,987	11,770	72,757
Pensions (Investments)	101,645	101,645	19,617	121,262
Pensions (Local Investments & Property)	101,645	101,645	18,311	119,956
Pensions (Administration)	101,645	101,645	19,617	121,262

Paragraph 3.9.4.4 of the CIPFA Code of Practice on Local Authority Accounting in the United Kingdom states 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 IAS24.

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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At 31 March 2025, 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 2024/25	Company in which directorship is held	Company Registration Number
Sandra Stewart	Chief Executive	Northern Pool GP (No1) Ltd	11360203
Patrick Dowdall	Assistant Director of Pensions (Local Investments & Property)	Matrix Homes (General Partner) Ltd Hive Bethnal Green Ltd Plot 5 First Street Nominee Ltd Plot 5 First Street GP Ltd Island Site (General Partner Ltd) Island Site (Nominee) Ltd GMPF UT (Second Unit Holder) Ltd Airport City (General Partner) 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 GMPF Heimstaden Bostad Ltd	08980059 09362438 09919396 09904743 11532059 11532379 08725454 08723477 08723467 10977358 SC576947 11082473 14684986
John Douglas	Head of Accountancy	GLIL Corporate Holdings Ltd GLIL Corporate Holdings 2 Ltd GLIL Corporate Holdings 3 Ltd GLIL Corporate Holdings 4 Ltd GLIL Corporate Holdings 5 Ltd GLIL Corporate Holdings 6 Ltd GLIL Renewable Holdings GLIL Storage 1 Ltd GLIL Storage 2 Ltd GLIL Blue Comet Holdings Limited	10046509 10824179 12932522 13679875 13680391 15235159 12315576 13489710 13490021 12880831

The above receive no remuneration for these directorships.

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Name	Position in GMPF 2024/25	Company in which directorship is held	Company Registration Number
Kevin Etchells	Head of Real Assets	Island Site (General Partner) Ltd	11532059
		Island Site (Nominee) Ltd	11532379
		Hive Bethnal Green Ltd	09362438
		Leeds Valley Park Management Company Ltd	04635674
		GMPF Heimstaden Bostad Ltd	14684986
		Bruntwood Scitech Ltd	3814666
Andrew Hall	Senior Investment Manager	GMPF UT (Second Unit Holder) Ltd	08725454
		Matrix Homes (General Partner) Ltd	08980059
		Plot 5 First Street GP Ltd	09904743
		Plot 5 First Street Nominee Ltd	09919396
		Manchester Charles Street Residential (ELP GP) Ltd	10977358
		Manchester Charles Street Residential (SLP GP) Ltd	SC576947
		Island Site (General Partner) Ltd	11532059
		Island Site (Nominee) Ltd	11532379
		Manchester New Square (General Partner) Ltd	11082473

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 consequently have:

- benefits on hold during 2024/25 under the Councillor Scheme,
- are in receipt of pension benefits under the Councillor Scheme,
- have benefits on hold by virtue of their membership of GMPF in current or previous employments,
- are in receipt of pension benefits by virtue of their membership of GMPF in previous employments.

Deferred Benefits from membership as Councillor	
Name	Position
Cllr A Jabbar	Councillor member

In receipt of pension from membership as Councillor	
Name	Position
Cllr G Cooney	Councillor member
Cllr M Smith	Councillor member
Cllr J Lane	Councillor member
Cllr S Quinn	Councillor member
Cllr J Taylor	Councillor member
Cllr J Kitchen	Councillor member
Cllr D Ward	Councillor member

Deferred Benefits from membership as Employee	
Name	Position
G Blackburn	Employer representative

In receipt of pension from membership as Employee	
Name	Position
Cllr G Cooney	Councillor member
Cllr V Ricci	Councillor member
Cllr M Smith	Councillor member
Cllr J North	Councillor member
Cllr A Pearce	Councillor member
Cllr C Wardle	Councillor member
Cllr J Lane	Councillor member
Cllr A Jabbar	Councillor member
J Thompson	Employer representative
F Llewellyn	Employee representative
A Kniveton	Employee representative
D Hope	Employee representative

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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 E Wills	Leader of Tameside Metropolitan Borough Council Governor - St Peters RC Primary School	Contributing employer Contributing employer
Cllr G Cooney	Director of Ashton Pioneer Homes Ltd (Reg No 03383565) Director of Pioneer Homes Services Ltd (subsidiary of Ashton Pioneer Homes Ltd) (Reg No 06546606) Director of APH Developments Ltd (subsidiary of Ashton Pioneer Homes Ltd) (Reg No 03989251) Director - The Mechanics Centre Museum of Labour and Trades' Union History Trust (Co No: 02150230) Director of Mechanics' Centre Ltd (Reg No 01983373)	Contributing employer Contributing employer Contributing employer Contributing employer Contributing employer
Cllr A McLaren	Board Member - Jigsaw Homes Director - Jigsaw Homes Tameside (Co No: 03807022)	Contributing employer Contributing employer
Cllr C Martin	Governor - Aldwyn Primary School	Contributing employer
Cllr N Rehman	Director - Leigh Sports Village (Co No: 05374768) Director - The Growth Company Limited (Co No: 02443911) Director - Wigan Metropolitan Development Company Limited (Co No: 01486410) Director - Wigan Metropolitan Development Company (Investment) Limited (Co No: 01817308)	Contributing employer Contributing employer Contributing employer Contributing employer
Cllr B Fairfoull	Member of Manchester Airport Consultative Committee	Contributing employer
Cllr J Naylor	Trustee of Fairfield High School for Girls Governor - St Anne's Primary School	Contributing employer Contributing employer
Cllr A Jabbar	Director - The Unity Partnership Limited (Co No: 05916336) Non-Executive Director - Jigsaw Homes Group Ltd (IP Reg No: 29433R)	Contributing employer Contributing employer
Cllr S Thorpe	Governor - St Monica's High School Prestwich	Contributing employer
Cllr R Akbar	Governor - Birchfields Primary School	Contributing employer
Cllr G Jones	Employee of Achieve and Learn Trust	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
S Caplan	Employee of Trafford MBC	Contributing employer

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Name	Position & Organisation	Organisation relationship with GMPF
G Blackburn	Employee of Salford CC	Contributing employer
P Taylor	Employee of LTE Group	Contributing employer
M Rayner	Employee of Stockport MBC	Contributing employer
G Duckworth	Employee of Greater Manchester Combined Authority	Contributing employer
C Goodwin	Employee of University of Manchester	Contributing employer
M Cullen	Employee of Stockport MBC Interim Chief Finance Officer of Stockport CCG Non-Executive Director - Totally Local Company Limited (Co No: 05844684)	Contributing Employer Contributing Employer Contributing Employer

19. Employer related investment

As at 31 March 2025, GMPF had two outstanding short-term loans to contributing employers: Tameside MBC £10 million (2024 £ Nil), and Greater Manchester Combined Authority £75 million (2024 £ Nil).

As part of the Greater Manchester Property Venture Fund, the Fund has a portfolio of loans secured on development projects across the Northwest. These types of loans are often done alongside other lenders. The Greater Manchester Combined Authority – a contributing employer to the Fund - is also a provider of development debt and has co-invested into several developments with GMPF. There were no direct transactions between GMPF and The Greater Manchester Combined Authority in relation to this investment in the year to 31 March 2025 (2024 £nil).

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, was a contributing employer to GMPF until August 2021. There were no direct transactions between GMPF and Manchester Airport Group in relation to this investment in the year to 31 March 2025 (2024 £nil).

GMPF formed a joint venture with Manchester City Council in 2014, a contributing employer to GMPF, known as Matrix Homes, to develop residential property, for both sale and to rent at sites across Manchester. There were no direct transactions between GMPF and Manchester City Council in relation to this investment in the year to 31 March 2025 (2024 £nil).

As at 31 March 2025, the GMPF UK Property Portfolio 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. GMPF charged rent to Irwell Valley of £230,000 in the year to 31 March 2025 (2024 £218,000).

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

Contributions from employers	Contributions from members	Benefits Paid		Contributions from employers	Contributions from members	Benefits paid
2024 £m	2024 £m	2024 £m		2025 £m	2025 £m	2025 £m
(28)	(8)	53	Bolton Borough Council	(28)	(9)	61
(16)	(5)	34	Bury Borough Council	(17)	(6)	38
(54)	(21)	128	Manchester City Council	(57)	(21)	142
(20)	(7)	44	Oldham Borough Council	(22)	(7)	51
(23)	(7)	44	Rochdale Borough Council	(24)	(8)	50
(26)	(9)	51	Salford City Council	(27)	(9)	55
(25)	(9)	43	Stockport Borough Council	(27)	(9)	47
(22)	(7)	46	Tameside Borough Council (administering authority)	(22)	(7)	50
(18)	(6)	33	Trafford Borough Council	(20)	(6)	36
(37)	(12)	57	Wigan Borough Council	(40)	(13)	62
(340)	(96)	310	Other scheme employers *	(367)	(104)	353
(46)	(14)	216	Admitted bodies *	(41)	(13)	239
(655)	(201)	1059	Total	(692)	(212)	1184

* A full list of all scheme and admitted bodies can be found in the GMPF Annual Report 2024/25 which is 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 2022. A copy of the valuation report can be found on the GMPF website.

<https://www.gmpf.org.uk/about/policies-reports-and-statements>

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 2022 were valued at £29,324 million, were sufficient to meet 104% of the present value of promised retirement benefits earned. The resulting surplus was £1,021 million. The present value of promised retirement benefits at 31 March 2025 can be found in Note 25.

The key financial assumptions adopted for the 2022 valuation were:

Financial assumptions	31 March 2022	
	% p.a. Nominal	% p.a. Real
Discount rate	3.60%	0.70%
Pay increases	3.70%	0.80%
Price inflation / Pension increases	2.90%	

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 £368.1 million (31 March 2024: £360.7 million) in exchange for which the custodian held collateral at fair value of £385.5 million (31 March 2024: £378.4 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)(c) 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.

The fair value of AVC investments at 31 March 2025 is shown in the table below.

Contributions paid 2024/25		£12,511,834
Units purchased 2024/25	10,511,853	
Units sold 2024/25	8,357,084	
Fair value as at 31 March 2025		£73,395,971
Fair value as at 31 March 2024		£75,616,561

Contributions paid 2023/24		£10,433,769
Units purchased 2023/24	7,102,689	
Units sold 2023/24	1,697,785	
Fair value as at 31 March 2024		£75,616,561
Updated Fair value as at 31 March 2023		£72,630,118

25. Actuarial present value of promised retirement benefits

CIPFA’s Code of Practice on Local Authority Accounting 2024/25 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.

Allowance has been made for the McCloud ruling i.e. an estimate of the potential in case 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.

Assumptions

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 2024/25.

Financial assumptions

31 March 2024 % p.a.		31 March 2025 % p.a.
2.75%	Inflation/pension increase rate	2.75%
3.55%	Salary increase rate	3.55%
4.85%	Discount rate	5.80%

Mortality

Life expectancy is based on GMPF’s VitaCurves with improvements in line with the CMI 2021 model, and will converge to a long-term rate of 1.5% p.a. Other demographic assumptions are unchanged. Based on these assumptions, the average future life expectancies at age 65 are summarised below:

31 March 2024			31 March 2025	
Males	Females		Males	Females
20.1 years	23.3 years	Current pensioners	20	23.3
21.2 years	24.9 years	Future pensioners*	21.1	24.8

* 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. This applies to both the current and prior years.

Value of promised retirement liabilities

31 March 2024 £m		31 March 2025 £m
31,292	Value of net assets per NAS	32,200
(24,839)	Present value of promised retirement benefits	(21,635)
6,453	IAS26 Surplus / (deficit) in the Fund	10,660

Liabilities have been projected using a roll forward approximation from the latest formal funding valuation as at 31 March 2022.

Section 37 confirmations (Virgin Media vs NTL Pension Trustees II Limited ruling)

In June 2023, the High Court ruled in the case of Virgin Media v NTL Pension Trustees. The ruling was that certain defined benefit pension scheme amendments were invalid as they were not accompanied by the correct actuarial certification. This ruling was appealed and on the 25th of July 2024, the Court of Appeal upheld the decision of the High Court.

It is unknown whether Section 37 certificates exist for all prior amendments made to the public service schemes (including the LGPS).

The government responded on 5 June 2025 that it will introduce legislation to deal with issues arising from the June 2023 legal judgement.

The government notes that the “legislation will give affected pension schemes the ability to retrospectively obtain written actuarial confirmation that historic benefit changes met the necessary standards” and that “scheme obligations will otherwise be unaffected.”

At the time of the signing of the financial statements HM Treasury and the Government Actuaries Department are currently investigating whether certificates exist for the prior scheme amendments made to the LGPS, and as such there have been no adjustments, to reflect the impact of the ruling, made to the value of promised retirement liabilities.

Management will continue to monitor the developments and will consider the impact on the value of promised retirement liabilities should any further information become available.

Sensitivity analysis

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

31 March 2024			31 March 2025	
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)
2%	417	0.1% increase in the Pension Increase Rate	2%	369
0%	20	0.1% increase in the Salary Increase Rate	0%	17
4%	994	1 year increase in member life expectancy	4%	865
2%	437	0.1% decrease in Real Discount Rate	2%	352

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.

26. Post balance sheet events

There are no events after the reporting period to be disclosed.