
Tameside MBC

Draft Statement of
Accounts

2025/26

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***DRAFT Statement of Accounts 2025/26 – These accounts have not yet been subject to audit.
The External Auditor’s Report will be inserted here on completion of the audit.***

Narrative Report and Financial Summary

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

1) Executive Summary

The following pages present the Council's accounts for the financial year ended 31 March 2026. 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 2025/26;**
- 5) **Financial Strategy: Outlook for 2026/27 and future years;**
- 6) **The Financial Statements: basis of preparation, purpose and summary; and**
- 7) **Significant transactions in 2025/26.**

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 on a quarterly basis 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. 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 Corporate Leadership 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.

A refreshed Corporate Plan for 2025 to 2026 was agreed in 2025. This twelve month plan was a transitional plan, as the 2026 to 2030 Corporate Plan was being redeveloped, alongside the development of a Borough Plan, in collaboration with key partners. The transitional plan was focused on accelerating inclusive growth through a series of projects, including the revitalisation of town centres, Godley Green and the Ashton Mayoral Development Zone. The Plan is set out across the life course of residents and reflects the importance of a vibrant place and economy in delivering

aspirations. The Plan is built around four key priorities for the people of Tameside, supported by a core foundation principle:

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

Foundation Principle: Enabling our Services to Deliver for Residents

Each of the key priorities is supported by a number of core objectives and success measures to support the delivery of the Corporate Plan priorities. In addition, the Corporate Plan priorities are supported by five Transformation programmes for accelerating change. These programmes are delivering large scale projects and fundamental changes to the way we work to accelerate improvement and delivery on our priorities and Medium term Financial Plan. The five programme areas are:

- Living Well in our Neighbourhoods
- Childrens Social Care and SEND Improvement
- Housing Sufficiency Strategy, Quality Control and Environmental Sustainability
- Growth Plan for Nine Town and Transport Strategy
- Digital Transformation and the Resident and Customer Journey.

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 239,643 people in mid-2024; equal to approximately 8% of Greater Manchester's population. Of Tameside's population 150,674 (62.9%) were of working age, 16-64; 46,800 were aged between 0-15 years (19.5%); and 42,169 were aged 65 or over (17.6%).

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 18.4% are under the age of 16.

As of the 2021 Census of England and Wales, 49.1% of Tameside's residents are male, 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 77.2 years and Healthy Life Expectancy is 55.2, compared to 81.1 years for Life Expectancy and 56.0 for Healthy Life Expectancy for women.

Nationally these numbers are higher; male Life Expectancy and Healthy Life Expectancy are 79.7 and 60.9 respectively. Female Life Expectancy and Healthy Life Expectancy are 83.5 and 61.3 respectively.

68.8% of adults in Tameside are classified as overweight or obese (higher than the 64.6% national value); 38.2% of children in year 6 are classified as overweight or obese (higher than the 36.2% national number); and 28.7% of adults (16+) are inactive, more than the 21.8% national number.

ECONOMIC

Tameside has an employment rate of 73.1%, lower than the national rate of 75.8%. The largest employment sectors in Tameside are human health and social work activities (21.3%), followed by wholesale and retail trades, and repair of motor vehicles and motorcycles (17%), and manufacturing (12.8%).

14.1% of full-time workers in Tameside earn below the Living Wage Foundation Rate (compared to 8.6% across Greater Manchester). The median annual income for full-time workers living in Tameside is £33,949, compared to the national median of £39,243.

61.3% of residents are qualified to RQF level 3 or above.

Tameside is ranked as the 44th most deprived of 296 Local Authority districts in England, and the 6th most deprived in Greater Manchester. 10 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.

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, 2.7% have other qualifications.

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

61.6% of children at the Early Years Foundation Stage are achieving a 'Good Level' of development compared to the 68.3% national average.

In Tameside, 60% of pupils met the expected standard in reading, writing and maths at Key Stage 2 compared to 63% 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. 47.5% of household waste in the borough is recycled. Tameside has 11 leisure centres, 8 libraries, 1 museum, and 1 art gallery. 48.94km² of the borough is green belt, and approximately 10.53km² is protected green space.

4) The Year in Review: Financial Performance in 2025/26

Council Revenue Outturn Position by Directorate 2025/26

Outturn Position	Net Expenditure Budget	Month 12 Outturn	Variance
	£m	£m	£m
Adults	79.652	85.059	5.407
Children's Social Care	80.975	88.076	7.101
Education	15.023	15.012	(0.011)
Public Health	15.530	15.530	0.000
Housing, Environment & Estates	30.161	30.848	0.687
Strategic Growth	1.755	1.214	(0.541)
Corporate Services	14.114	13.774	(0.340)
Legal & Democratic Services	4.424	5.290	0.866
Finance	54.353	49.115	(5.238)
Totals	295.988	303.889	7.901

The final outturn position for 2025/26 was an overspend of £7.901m on the revenue budget.

The net overspend of £7.901m is a call on reserves and will be funded from the General Fund Reserve. After funding this overspend, the balance on the General Fund will be £19.636m at 31 March 2026, which is in excess of the minimum General Fund balance of £15.707m approved by Full Council in March 2026.

The overspend is predominantly driven by Adults and Children's Social Care services, including the significant cost of external placements and workforce pressures in Children's Social Care, and the non-delivery or delay of planned efficiencies in Adults services. In addition, there are overspends on SEN Home to School transport, Homelessness Services and Revenues and Benefits, Strategic property and Legal services. Overspends across these areas are being partially mitigated by underspends in some services, predominantly Finance, where unallocated contingency budgets have resulted in a significant underspend.

The 2025/26 budget included significant savings targets. Of the total savings target of £22.543m, £9.858m (44%) have been achieved in year. A further £8.658m (38%) have not been achieved in 2025/26 but are still expected to be delivered in future years.

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 £7.901m on the revenue budget for TMBC expenditure and the net 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 2025/26 the Section 75 Pooled budget incurred spend of £43.593m against Income of £43.593m.

Pooled Budget Revenue Income and Expenditure Position 2025/26

Section 75	Funding			Expenditure		
	Council £m	ICB £m	Total £m	Council £m	ICB £m	Total £m
Revenue						
Better Care Fund	14.181	10.350	24.531	14.181	10.350	24.531
Improved Better Care Fund	15.526	-	15.526	15.526	-	15.526
Capital						
Disabled Facilities Grant (DFG)	3.536	-	3.536	3.536	-	3.536
Section 75 Total	33.243	10.350	43.593	33.243	10.350	43.593

COLLECTION FUND

Collection Fund Outturn 2025/26

The table below shows the 2025/26 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 2026	BUDGET 31 MARCH 2026			OUTTURN 31 MARCH 2026			VARIANCE £000
	Council Tax £m	NDR £m	Total £m	Council Tax £m	NDR £m	Total £m	
Income							
Income from Council Tax	(154.328)	0	(154.328)	(153.350)	0	(153.350)	0.977
Transfers from General Fund (S13A relief)	0	0	0	0	0	0	0
Income from NDR	0	(60.956)	(60.956)	0	(57.716)	(57.716)	3.240
Total Income	(154.328)	(60.956)	(215.284)	(153.350)	(57.716)	(211.066)	4.217
Expenditure							
<u>Council Tax</u>							
The Council	124.513	0	124.513	124.513	0	124.513	0
Mayoral Police and Crime Commissioner	17.597	0	17.597	17.597	0	17.597	0
GM Fire and Rescue Authority	8.395	0	8.395	8.395	0	8.395	0
<u>NDR</u>	0	0	0	0	0	0	
The Council	0	58.757	58.757	0	58.757	58.757	0
Central Government	0	0	0	0	0	0	0
GM Fire and Rescue Authority	0	0.594	0.594	0	0.594	0.594	0
Allowance for cost of collection	0	0.287	0.287	0	0.287	0.287	0
Transitional Protection Payments	0	(0.501)	(0.501)	0	(0.179)	(0.179)	0.322
Increase/(decrease) in:	0	0	0	0	0	0	
Allowance for non-collection	3.858	1.222	5.080	3.550	0.482	4.033	(1.047)
Provision for appeals	0	0.598	0.598	0	1.891	1.891	1.293
<u>Surplus/deficit (allocated)/paid out in year:</u>	0	0	0	0	0	0	
The Council	2.710	4.808	7.518	2.710	4.808	7.518	0

Central Government	0	0	0	0	0	0	0
Mayoral Police and Crime Commissioner	0.381	0	0.381	0.381	0	0.381	0
GM Fire and Rescue Authority	0.168	0.049	0.217	0.168	0.049	0.217	0
Total Expenditure	157.623	65.814	223.437	157.315	66.688	224.003	0.566
(Surplus)/deficit for the year	3.295	4.858	8.153	3.965	8.972	12.937	4.783
-							
Balance brought forward	(3.125)	(1.176)	(4.301)	(3.125)	(1.176)	(4.301)	0
(Surplus)/deficit for the year	3.295	4.858	8.153	3.965	8.972	12.937	4.783
(Surplus)/deficit carried forward	0.170	3.682	3.853	0.840	7.796	8.636	4.783

The above table shows that, at the end of the 2024/25 financial year, there was a surplus on the Collection Fund of £4.301m. This is shown in the total budget column and within the balance brought forward line. At the end of 2025/26, there was a deficit of £8.636m, as shown in the total outturn column and the row headed (Surplus)/deficit carried forward.

In 2025/26, the in-year deficit was £12.937m, leading to a decrease in the closing surplus at the end of 2025/26.

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

Business Rates

- The surplus at the end of the 2025/26 was estimated to be £4.858m and this was subsequently paid to the Council and preceptors in 2025/26. In addition, there was an in year 2025/26 deficit on Business rates of £4.114m. In total this gives a 2025/26 in year deficit of £8.972m on Business Rates.
- The in year 2025/26 deficit was driven by a reduction in Business Rates income of £3.240m when compared to budget. This is due to a reduction in the rateable value of businesses driven by successful appeals and an increase in reliefs awarded.
- 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 £0.740m less than budgeted. This is offset by an increase to the provision for appeals of £1.293m more than budgeted. £3.857m, while the budget anticipated it would increase.
- The total cumulative deficit on Business Rates at the end of 2025/26 is £7.797m.

Council Tax

- The surplus at the end of 2025/26 was estimated to be £3.295m and this was subsequently paid to the Council and preceptors in 2025/26. In addition, there was an in year 2025/26 deficit on Council Tax of £0.669m. In total this gives a 2025/26 in year deficit of £3.965m.
- Actual Council Tax collected was lower than budgeted by £0.977m, 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.
- The total cumulative deficit on Council Tax at the end of 2025/26 is £0.840m.

Overall, the Collection Fund has moved from a surplus of £4.301m at 31 March 2025, to a deficit of £8.637m at 31 March 2026, mainly due to the payment of £8.153m prior-year surpluses paid out to the general fund and preceptors and in year deficits of £4.783m.

ADULTS' SERVICES

2025/26 Outturn Position	Net Expenditure Budget	Month 12 Outturn	Variance
	£m	£m	£m
Adults' Social Care	79.652	85.059	5.407

Adults overspend of £5.407m is predominantly driven by increased demand and slower than anticipated delivery of budget reductions agreed for 2025/26.

Achievements and Successes 2025/26:

- Successful integration of the gateway into Early Support & Advice Hub (ESAH) providing new referrals direct access to social care professionals, streamlining the process and supporting people more effectively.
- Proud to be me autism event attracted over 300 people at Oxford Park Sports centre to get involved activities and the opportunity to meet others and get information on services in Tameside.
- Successful Carer's week aligned with the national campaign with a number of events held during the week, starting off with a Bingo & Banter session and then the Stronger Together event at Hyde Town Hall celebrating our carers in Tameside.
- The 3 Conversation model continues to be rolled out across the Directorate with a plan for this to be completed over the next several months.
- We continue to develop our commissioning team and continue to build our quality improvement in the following areas:
 - Implementation of Care Cubed – cost avoidance on future placements and ongoing use for monitoring high-cost placements
 - Collection of unclaimed charges from out of area placements totalling £227,191
 - Birch Lee Park & the revamp of Extra Care schemes are filled with a weekly meeting headed by the Brokerage team for Voids and waiting lists.
 - Major grants completions up to 375 which is the highest number in a 12 month period and we have significantly reduced the waiting times from grant approval to work completed.
- We continue to work to reduce the number of residential and nursing placements and support every person to have an opportunity to have an offer of reablement before going to a commissioned package of care.

CHILDREN'S SERVICES

2025/26 Outturn Position	Net Expenditure Budget	Month 12 Outturn	Variance
	£m	£m	£m
Children's Social Care and Early Help	80.975	88.076	7.101
Education	15.023	15.012	(0.011)

Children's Social Care £7.101m overspend mainly due to the cost of external placements and expenditure on agency staffing.

Education underspend of (£0.011m) is a net position, with a £0.909m overspend on SEN Home to School Transport, offset by underspends due to vacancies and grant maximisation.

Achievements and successes in 2025/26:

- Foster Care Fortnight successes - increased enquiries and new website recognised as an example in GM. Fostering long service awards recognised and celebrated 11 households.
- World Social Work week celebrated social work teams to show appreciation for the difference they make to lives in Tameside.
- Children's Improvement journey continued, with notable improvements recognised by Ofsted.
- National Care Leavers month to celebrate and highlight local care leavers. Care leavers wish list delivers Christmas gifts for care leavers, and launch of Cat's Wardrobe to provide access to free, good quality clothing to care experienced young people.

- Family Information Service launched face to face support from family hubs. Family hubs attendance goes from strength to strength with 500% increase in children accessing groups over the last two years.
- Christmas Toy Appeal delivers gifts for local children in families experiencing financial hardships.
- Holiday Activities and Food (HAF) programme delivered to support thousands of school aged children across Tameside.
- Families First Transformation Reforms commenced and recognised by others as an example of good practice. New Families Valued service redesign agreed and implementation started. Communication and engagement across the Directorate enhanced, with 5 successful podcasts and regular newsletters.
- Tameside Youth Justice Service evidence strong performance against key national youth justice indicators, with outcomes for First Time Entrants, reoffending and custody consistently outperforming the majority of our statistical neighbours. Alongside these positive performance outcomes, we continue to strengthen access to specialist support, including Speech and Language Therapy and CAMHS, enabling earlier identification and response to children’s needs. Importantly, children themselves report high levels of satisfaction with the service through regular feedback, reflecting the quality of relationships, support and interventions provided.
- Significant improvements to workforce recruitment, retention and permanence, with a significant reduction in reliance on agency staffing.
- Refurbishment of two residential Children’s homes and construction started on a new purpose built home for children with disabilities.
- Virtual Schools Education Awards celebrated the success and raised aspirations for children and young people in care.
- Strengthened Virtual School infrastructure and strategic leadership with a full service review. A co-produced service plan now sets a clear strategic direction, with improved oversight, accountability and team cohesion. Partnership and multi-agency working significantly strengthened, bringing greater system clarity and consistency.
- Inclusive Attendance conference supported a system wide focus on inclusive attendance, and a range of evidence-informed initiatives including approaches to reduce suspensions and improve inclusion.
- Creation of over 150 additional SEND places across special and mainstream schools, improving local sufficiency and reducing reliance on out-of-area provision. This has supported more children and young people to access appropriate education closer to home, while contributing to a more sustainable and responsive SEND system.
- Achieved highest level of first-preference secondary allocations in 10 years, reflecting strengthened planning, effective sufficiency management, and improved alignment between parental preference and available provision.
- Employment & Skills maximised grant funding opportunities to increase support for residents, reducing NEET rates to a 6 year low, directly supporting over 100 residents into work, delivering bi-annual Jobs Fairs attracting on average 700 residents per event and partnering with Tameside College to drive apprenticeships through the TT500 (Train Tameside 500) initiative.

PUBLIC HEALTH

2025/26 Outturn Position	Net Expenditure Budget	Month 12 Outturn	Variance
	£m	£m	£m
Public Health	15.530	15.530	0.000

The outturn for Public Health was in line with the budget for 2025/26.

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 2025/26:

- Developed and commissioned new Live Well Community Navigation service (commences July 2026).
- Secured Live Well investment and progressing work on this to introduce a wider Live Well offer and physical Live Well spaces for more everyday support in neighbourhoods.
- New supervised toothbrushing scheme launched in primary schools (increasing uptake).
- Public Health taken on the lead around Voluntary, Community, Faith & Social Enterprise (VCFSE) sector and progressing with VCFSE Accord.
- Public Health taken on the lead around Leisure & Wellbeing – now holding formal contract monitoring with Active Tameside and progressing the re-procurement of the Leisure & Wellbeing service for the future.
- Ageing project in Ridgehill delivered with increased community activities; new food pantry established; more primary care provision on the estate.
- Commenced new contract for drug & alcohol service – Change Grow Live with updated specification to better meet current needs and funded Family Drug & Alcohol Court model to support parents to overcome addictions.
- New needs assessments produced with updated evidence and actions around drug & alcohol, domestic abuse, physical activity, pharmacy provision and Scrutiny Review completed around tackling cardiovascular disease.
- New breastfeeding support service commenced with ongoing increases in breastfeeding rates.
- Ongoing reductions in smoking levels (particularly smoking in pregnancy).

HOUSING, ENVIRONMENT & ESTATES

2025/26 Outturn Position	Net Expenditure Budget	Month 12 Outturn	Variance
	£m	£m	£m
Housing, Environment & Estates	30.161	30.848	0.687

Housing, Environment and Estates £0.687m net overspend, including £1.182m overspend on Homelessness Services driven by Temporary Accommodation costs, and £0.953m overspend on Strategic Property due to under achievement of planned savings. Underspends on workforce costs due to vacancies and grant maximisation are partially mitigating the areas of overspend.

Achievements and Successes 2025/26:

Housing and Homelessness:

- Developed and implemented a Homelessness & Rough Sleeping Strategy; created a Homelessness Reduction Board to provide oversight of this strategy and its implementation.

- 30 empty homes brought back in to use with further funding secured to bring more properties back in to use.

Local Land and Property Gazetteer (LLPG) - Platinum standard for quality of data awarded to the Council

Strategic Property:

- Meadow View – award of construction contract to John Southworth (based in Dukinfield) started on site February 2026 to deliver of new children’s home anticipated completion date February 2027.
- Completed sale of former Hyde Library to Forts Developments Ltd to deliver 100 new residential units whilst also retaining part of the original library – capital receipt £1.175m.
- Completed the sale of the former Denton Centre – capital receipt £3.883m.
- Completed sale of former Denton Baths capital receipt £0.438m to Collaborate Developments and Irwell Valley Homes to deliver 36 new affordable apartments.

Environment:

- Waste & Fleet - Introduced vehicle trackers and cameras to help respond to complaints and monitor health and safety issues for the 11 million waste and recycling collections provided each year.
- Community Safety & Emergency Resilience - Establishment of a new Community Safety & Emergency Response service. CCTV operators have also assisted in the arrest of 205 individuals, supported the safeguarding of c. 89 individuals reported missing or identified as vulnerable, and helped locate 47 individuals wanted by police or in breach of Community Behaviour Orders.
- Public Protection - Increased waste enforcement activity: 362 FPNs served and 8 successful prosecutions. Highest LA in the North-West for fly tipping FPN’s enforcement.
- Cultural & Customer Services - Tameside announced as the North West’s only area joining National Heritage Lottery Fund’s ambitious Heritage Places initiative. Delivered over 153 cultural events and activities reaching 1,142,581 participants.
- Engineers – Work continued on the production of the Highway Asset Management Plan (HAMP), approved by the Executive Cabinet on 22 April 2026, which sets out the Council’s strategic approach to managing and maintaining highway infrastructure. It includes a five-year investment programme totalling £45 million, providing a structured, risk-based framework for prioritising maintenance and improvement works. This supports effective management of the highway asset, ensures available resources are targeted to address areas of greatest need and risk, and supports the long-term sustainability of the network.
- Operations & Greenspace – Investment in front line infrastructure improving neighbourhoods including upgrading playgrounds, repainting and repairing public realm, improved planting in town centres and the delivery of a successful Eco Streets pilot.

STRATEGIC GROWTH

2025/26 Position	Outturn	Net Expenditure Budget	Month 12 Outturn	Variance
		£m	£m	£m
Strategic Growth		1.755	1.214	(0.541)

Strategic Growth (£0.541m) underspend due to grant maximisation.

Achievements and Successes 2025/26:

- Growth Plans prepared for each of the nine Towns.

- Council formally resolved to grant outline planning permission for the revised Godley Green Garden Village development.
- Approval to progress a potential Ashton and Stalybridge Mayoral Development Corporation.
- Ashton Market Square under delivery.
- Consultation on proposals to restore Ashton Town Hall and planning granted for refurbishment of the Town Hall steps.
- Approval of the Ashton shopping centres masterplan.
- Ashton Pride in Place Regeneration Plan approved.
- Delivery of Hyde accelerator partnership, including events programme and works to market square.
- Commencement of Stalybridge public realm delivery.
- Planning applications submitted for Stalybridge West multi-storey car park and pedestrian bridge.
- Delivery of Flexible Local Authority Grant schemes completed.
- Approval of Droylsden masterplan.
- Approval of Denton public realm strategy.
- Council Housebuilding Support Fund (CHSF) to prepare and submit bids for grant funding to the Social and Affordable Homes Programme at pace.
- Business networking has continued to increase under the Tameside Means Business brand.

CORPORATE SERVICES

2025/26 Outturn Position	Net Expenditure Budget	Month 12 Outturn	Variance
	£m	£m	£m
Corporate Services	14.114	13.744	(0.369)

Corporate Services (£0.369m) underspend due to vacancies, one-off savings and grant maximisation.

Information Governance:

- Delivered the audit recommendations that had been received from the Information Commissioners Office (ICO), who undertook a follow-up audit review in August 2025 and confirmed that no further ICO oversight is required.

Digital Transformation:

- AI Tool, Magic Notes was deployed to Adult Social Care and Children's Social Care colleagues which has positively influenced service delivery.
- The Public Switched Telephone Network (PSTN), which is the traditional global landline telephone system, was successfully migrated to the Tameside fibre network improving performance at all remaining sites and reducing costs.

iNetwork:

- Delivered over 30 networking events, delivered the iNetwork Innovation Awards, which received 37 nominations, and held the iNetwork Annual Conference and Northern WARP Annual Conference.

iStandUK:

- The key success from iStandUK was the SAVVI Project. Phase 4 of the SAVVI project was delivered which included; the establishment of SAVVI Engagement Team in Scotland, delivery of the Wigan SAVVI Pilot Project of Civil Contingencies, delivery of the Improvement Service SAVVI project on rural child poverty, and development of the first SAVVI Blueprint

for financial hardship. £0.600m funding was obtained from MHCLG for delivery of iStandUK (including SAVVI project), iStandUK nominated for an award in the Northern Power Women Award (for our work on SAVVI) and is a finalist.

Policy, Strategy & Change

- Recruited to the Transformation & Improvement Team to provide a corporate Programme Management Office (PMO) and established the Transformation & Improvement Board to give strategic oversight, drive delivery, and align transformation and improvement work.
- Restructured and recruited to the Business Intelligence Service, introducing new data engineering functions and delivering core corporate BI dashboards, including Town Profiles, to support evidence-based decision-making.
- Led Cabinet in Communities engagement, supporting Executive Cabinet to meet residents across all nine towns and gather insights on community priorities to inform the Borough Strategy and investment decisions and to inform future community engagement.

Communications

- Social Media - Developed a new social media strategy and improved our social media policies and moderation. By the end of 2025, Facebook had reached 31,681 followers (5k growth), Instagram 5,341 (1k), LinkedIn 9,542 (2k). Instagram reach increased from 87,263 in 2024 to 377,561 in 2025, without any increase in the volume of content published. Facebook performance has shown similarly strong improvement. In 2024, Facebook reach stood at approximately 4.6 million with 45,453 engagements. In 2025, reach increased to over 12.7 million, with engagement rising substantially (146k), despite the team strategically posting around one third less content across the year and 60% reduction since May.
- Campaigns - Leading the way on Fostering Communications writing the Communications Strategy for Greater Manchester and have seen good success locally with our campaigns, supporting towards the increase of the average number of monthly enquiries we receive.

Executive Support

- Led the successful Annual Surveillance for the Customer Service Excellence Standard, retaining compliance with 100% and 12 areas of compliance plus across the organisation.

Organisation & Workforce Development

- Colleague Conference and STRIVE Awards - Strengthened organisational culture and alignment by engaging nearly 800 employees in shared priorities, boosting collaboration and morale. Boosted motivation and performance by celebrating achievements and reinforcing behaviours aligned with organisational values.

HR Strategy and Operations

- Successful recruitment of members of the Senior Leadership Team- Chief Executive, Strategic Director of Corporate Services and the Children's Senior Leadership Team

FINANCE

2025/26 Outturn Position	Net Expenditure Budget	Month 12 Outturn	Variance
	£m	£m	£m
Finance	54.353	49.115	(5.238)

Finance net underspend (£5.238m) which includes overspends of £1.723m on Revenues and Benefits due to the cost of supported accommodation not being fully covered by Housing Benefits, Investment & Financing costs £0.500m overspend due to falling interest rates and reduced cash balances, and a significant underspend of (£7.127m) on general contingency budgets.

Achievements and Successes in 2025/26:

Assurance

- **Internal Audit:** Delivery and impact improved through the SWAP partnership and modern methodologies, moving to a more resilient, insight-driven and forward-looking assurance model.
- **Risk Management:** Enhanced through a refreshed Strategic Risk Register and improved governance, increasing visibility, accountability, and integration with finance and performance. Migrated the Strategic Risk Register to SharePoint Lists, enabling enhanced Power BI dashboards and improved reporting to CLT and Audit Committee.
- **Counter Fraud:** Capability strengthened via integrated dashboards and enhanced monitoring, improving oversight, investigation tracking, and early risk identification.
- **Insurance Renewal:** Secured an extended insurance arrangement following a 5-month programme of work.
- **Ladysmith Shopping Centre:** Successfully arranged specialist property insurance cover within tight timescales, meeting GMCA funding requirements.

Financial Management

- Financial management service redesign: phase 1 complete; phase 2 underway.
- 2026/27 budget approved by statutory deadline (including Financial and Capital strategies, Investment and Growth, Reserves Management).
- 2024/25 statement of accounts delivered by statutory deadline.
- Strengthened budget monitoring, reporting & systems of control.
- Financial regulations revised and approved.
- PFI refinancing realised £3.3m gain.
- Team achieved multiple professional qualifications.
- Improved financial foundations (establishment, treasury, accountability).
- Improved 2025/26 outturn position.

Revenue and Benefits

- Expanded Voicescape: 26,800 messages supporting Council Tax arrears.
- Implemented Amazon Connect telephony system.
- Delivered GovTech automation for Council Tax (77% fully automated).
- Re-procured Enforcement Agent contract with enhanced added value.
- Removed 1,637 single person discounts (£700k additional revenue).
- Collected £4.5m Council Tax and £1.9m Business Rates arrears.
- Achieved 40% recovery on HB overpayments (vs 22% national avg.)
- Launched Debt Assist: £14m referred, £2m arrangements secured.
- Expanded recovery: charging orders & insolvency via partners.

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.

The outturn position on the Dedicated Schools Grant (DSG) for 2025/26 is an in-year deficit of £21.780m. This deficit is driven by overspends on the High Needs Block, as a result of unprecedented but expected growth in Education Health and Care Plans (EHCPs). This in year deficit, combined with the brought forward deficits from 2023/24 and 2024/25, results in an overall cumulative deficit on the DSG at 31 March 2026.

DSG Reserve	2024/25 (Surplus) / Deficit £000	2025/26 (Surplus) / Deficit £000s
DSG Reserve Brought Forward	7,930	22,093
In-year surplus on Schools Block	(38)	(51)
In-year surplus on Central Service Block	0	0
In-year deficit on High Needs Block	15,156	22,449
In-year surplus on Early Years (including estimated funding adjustments)	(955)	(618)
DSG Reserve Closing (Surplus)/Deficit	22,093	48,873

There is a currently a statutory override that allows councils to exclude their DSG balance from their statement of accounts. This is set to expire following the 2027/28 financial year. Government have announced proposals to fund DSG Deficits in two phases. For deficits accrued up to 31 March 2026, funding will be provided to cover 90% of the deficit, subject to DfE approval of a local SEND reform plan during summer 2026. The funding proportion for deficits incurred in 2026/27 and 2027/28 is to be confirmed but the Council will need to make provision to fund a minimum of 10% of the deficit at 31 March 2026, plus an estimated 10% of deficits incurred in 2026/27 and 2027/28, which will be an estimated call on reserves of around £11.2m.

CAPITAL PROGRAMME

Service areas spent £29.030m within the Capital Programme in 2025/26. This is £6.465m less than the P9 capital budget for the year (£35.495m). Reprofiling of £7.307m was requested at outturn.

The Capital Programme is spent 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 £0.842m. The overspend in Housing Environment and Estates and Corporate Services was funded from capital receipts. The overspend in Education relates to capital expenditure in schools and was funded by the schools.

	2025/26 Budget	2025/26 Outturn	2025/26 Outturn Variation	2025/26 Re-profiling	2025/26 Outturn Variation after Re-profiling
	£m	£m	£m	£m	£m
Strategic Growth					
Strategic Growth	12.046	9.954	(2.092)	(2.092)	-
Housing, Environment & Estates					
Corporate Landlord	2.690	1.759	(0.931)	(0.885)	(0.046)
Homelessness	0.648	0.567	(0.081)	(0.081)	-
Engineers	4.594	4.093	(0.501)	(0.597)	0.096
Operations & Greenspace	0.727	0.430	(0.297)	(0.307)	0.009
Management & Operations	0.084	0.071	(0.013)	(0.013)	-
Transport (Fleet)	1.641	0.438	(1.203)	(1.203)	-
Estates	-	0.212	0.212	-	0.212
Children's					
Education	5.042	3.336	(1.705)	(2.112)	0.407
Children's Social Care	1.640	0.138	(1.502)	(1.502)	-
Adults					
Adults	4.274	4.604	0.330	0.330	-
Corporate Services					
Digital Tameside	2.109	3.428	1.319	1.155	0.163
Total	35.495	29.030	(6.464)	(7.307)	0.842

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 how the £29.030m of capital spend was financed in 2025/26 as follows: £22.992m from grants and contributions; £0.664m from revenue; £2.764m from Borrowing; £2.610m from earmarked reserves (including capital receipts).

	Grants & Contributions	Revenue Contributions	Prudential Borrowing	Receipts & Reserves	Total
	£m	£m	£m	£m	£m
Strategic Growth					
Strategic Growth	9.492	0.169	-	0.292	9.954
Housing, Environment & Estates					
Corporate Landlord	0.017	-	-	1.742	1.759
Homelessness	0.567	-	-	-	0.567

Engineers	3.893	-	-	0.200	4.093
Operations & Greenspace	0.407	0.022	-	-	0.430
Management & Operations	-	-	0.071	-	0.071
Transport (Fleet)	0.173	-	0.266	-	0.438
Estates	-	-	-	0.212	0.212
Children's					
Education	2.864	0.473	-	-	3.336
Children's Social Care	0.138	-	-	-	0.138
Adults					
Adults	4.604	-	-	-	4.604
Corporate Services					
Digital Tameside	0.837	-	2.427	0.163	3.428
Total	22.992	0.664	2.764	2.610	29.030

The Capital Programme is set for multiple financial years to accommodate the timelines for major capital projects. The Capital Programme for 2025 to 2031 totals £262.655m and includes £111m of schemes to be financed from prudential borrowing.

1) Financial Strategy: Outlook for 2026/27 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.

2025/26 budget setting was difficult, and a balanced budget mainly achieved through particularly challenging savings proposals and an increase in Council Tax. During 2025/26, the Council has continued to face greater demand and complexity than had been originally assumed and this has resulted in the overspend position. Persistent inflation continues to impact the Council, contributing to the outturn position in 2025/26 and providing a challenging context for 2026/27 budget setting. For the 12 months to the end of March 2026, CPI inflation was 3.3% (and CPIH including housing costs stood at 3.4%) compared to a low of 1.7% in September 2024, with forecasts suggesting that the Bank of England's 2% target will not be achieved until 2027. Inflation puts enormous strain on Council budgets. It also impacts local residents and businesses, fuelling increased demand for Council services.

The significant financial challenges in 2025/26 are expected to continue into 2026/27. The most severe of these is pressure from demand-led expenditure budgets, particularly within children's and adult social care. This is a national picture, with more and more families continuing to need support. In addition, rising levels of homelessness are placing further strain on temporary accommodation budgets and support services. Strong financial management will continue to be necessary to alleviate these pressures. However, the Council recognises that the Children's Improvement Journey and reduced spending levels will take time to achieve. This will be considered and managed within the Council's Financial Strategy.

In June 2025, the Chancellor announced the 2025 Spending Review, which included a commitment to multi-year settlements and the launch of the Fair Funding Review 2.0. The Fair Funding Review was launched for consultation in the Summer of 2025 with implementation of a revised funding settlement for 2026/27 in the winter of 2025/26, alongside significant change to Council Tax

administration and Business Rates changes. Following the Fair Funding Review (FFR) Government has provided its first multi-year settlement for Local Government, covering the period 2026/27 to 2028/29. Whilst the fair funding review and multi-year settlement are very welcome, the FFR brings about significant change and redistribution of funding nationally and is predicated on Councils raising funds locally through Council Tax.

The final settlement for 2026/27 provided an improved funding settlement to that originally expected and an increase in core spending power of 7%. This additional funding is welcomed, however growth in cost and demand pressures continues to exceed funding levels, and there remain a number of significant financial risks for 2026/27 (and beyond) which the organisation will need to manage

After agreement of £8.973m of savings proposals for 2026/27 and the maximum increase in Council Tax, the 2026/27 budget and five-year MTF5 was approved by Council in March 2026. 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 206/27 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 following table shows the 2026/27 budget position and the identified funding gap from 2027/28 to 2030/31.

Five Year Forecast	2026/27	2027/28	2028/29	2029/30	2030/31
	£000	£000	£000	£000	£000
Net Expenditure	314,133	353,194	375,813	407,983	435,052
Total resources	(314,133)	(346,230)	(359,906)	(370,297)	(381,190)
Remaining gap (cumulative)	0	6,964	15,907	37,686	53,862

The Council faces a significant budget gap in 2027/28 and beyond, and this budget gap will increase further if planned savings, efficiencies and transformation are not delivered as planned during 2026/27. Continuing demand and complexity pressures, combined with a challenging and uncertain macro-economic climate, mean that significant risks to delivery remain for 2026/27 and beyond.

These risks and pressures include:

Adults and Children's Social Care

- Continuing upward pressure of demand for Adults and Children's Social Care Services. Underlying pressures of an aging population and increasing complexity of health needs is resulting in increasing numbers and complexity of clients with more assessed hours and expensive packages of care. The sector continues to face difficulties with workforce recruitment, sustainability and retention, and whilst increases in national and real living wage are beneficial for individuals, these increases disproportionately impact on social care budgets. Housing and accommodation pressures continue throughout both Children's and Adults social care, and combined with the general fragility of the market, make it more difficult to secure care packages.
- CQC have undertaken their assessment of the Council's Adult Social Care Service and have identified some required improvements. The integration of health and social care services is under significant pressure due to the most recent NHS reforms and very significant financial challenge facing the Greater Manchester Integrated Care Board (ICB).
- Demand for Children's Services continues due to complexity of need and volume of demand. Substantial additional investment has been made in the service to support improvement and monitoring visits from Ofsted to date have identified a number of notable improvements. The number of care for children has stabilised, however there remains a reliance on independent external placements in a care market which is provider led, leading to higher costs. Activity

to redress this balance through a clear sufficiency strategy and commissioning plan is developing but financial benefits will take time to realise.

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 significantly increased, 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. 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. SEND reform plans being developed in 2026 supported by some additional funding are seeking to address these pressures, but again this will take time to deliver cost savings.

Housing

- In recent years, expenditure on temporary accommodation has increased significantly, resulting in increased costs where rent levels are not covered by Housing Benefit. If demand continues to increase, then cost pressures associated with housing are likely to increase without mitigations and new housing initiatives

Income Generation

- Income budgets such as those for car parking, markets, and commercial rents have all been assessed as reasonable. Maximising income is a priority for the Council and Full Cost recovery applies to services where it is appropriate to do so. Income budgets have been increased and realigned to realistic levels reflecting the best information known at the time of setting the budget. The extent to which these budgets are deliverable will depend largely on the use of services; this is difficult to predict in the current economic climate and will, therefore, need to be monitored carefully.

Savings Delivery

- The Council has had to review its savings proposals for 2025/26 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 2026/27, alongside plans for additional cost efficiencies in 2026/27 and new savings proposals identified as part of this budget process.

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 2026/27 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 2026 the Council has earmarked reserves of £75.245m (£74.347m at 31 March 2025). This small increase over the 12-month period is a net position, with some significant utilisation of reserves to fund specific investments and a significant contribution to reserves as a result of a surplus on the Collection Fund at 31 March 2026.

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

2) 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 2025/26 ('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 2025/26 was £639.572m, but after income is included the Net Cost of Services was £255.586m. 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 £113.806m.

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. Note 7 to the accounts sets out all the adjustments between proper accounting practice and the funding basis under regulations. These adjustments include significant charges arising from revaluations and disposals of non-current assets charged to services, changes in measurement of the pension liability, and adjustments relating to the deficit on the dedicated schools grant. 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 (£303.887m) and the Net Cost of Services in the CIES (£255.586m).

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 Strategic 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 2026, the MiRS shows that the Council retained General Fund balances of £19.636m. 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 £4.539m 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, £75.246m of Earmarked Reserves are also included. These earmarked amounts are allocated to specific purposes or liabilities. There has been a small net increase in earmarked reserves in 2025/26, with some significant utilisation of reserves to fund specific investments and a significant contribution to reserves as a result of a surplus on the Collection Fund at 31 March 2026. 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 Insurance Reserves, the Medium-Term Financial Strategy Investment and Resilience Reserve set aside to fund future pressures and risks, Unspent Revenue Grants and Contributions, PFI related reserves, IT Investment and Service Improvement Funds and the Collection Fund Reserve. A large number of the Earmarked Reserves relate to specific liabilities that individual services have identified. Further details of earmarked reserves are set out in Note 10.

Balance Sheet

The Balance Sheet summarises the financial position of the Council at 31 March 2026 and shows the net worth of the Council's assets and liabilities of £341.446m. 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 £567.652m, a reduction of £89.356m from 31 March 2025. Further detail on the movement in the value of Property, Plant and Equipment is set out in Note 11.

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

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 2026 were a £0.840m deficit relating to Council Tax (£3.125m surplus in 2024/25) and a £7.796m deficit on NDR (£1.176m surplus in 2024/25).

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.

3) Significant transactions and balances

Capital Expenditure

As set out above, the Council has incurred Capital Expenditure in excess of £29m during 2025/26. 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 to Infrastructure Assets and Land and Buildings in 2025/26 included:

- Highways - £3.914m
- IT Hardware - £2.216m
- Ashton Town Centre - £7.454m
- Stalybridge Regeneration - £2.161m

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. Approximately half of the Council's property assets were revalued at 31 March 2026 (and approximately half at 31 March 2025), resulting in some gains and losses on the values held in the Balance Sheet.

Asset Disposals and Derecognition

During the 2025/26 financial year the following schools have converted to academy status:

- Hyde High School (01.04.2025)
- Hollingworth Primary School (01.06.2025)
- Mossley Hollins High School (01.06.2025)
- Oakdale School (01.06.2025)
- St John Fisher Primary School (01.07.2025)
- St Annes Primary School Denton (01.09.2025)
- St James Catholic Primary School (01.09.2025)
- Gee Cross Holy Trinity Primary School (01.03.2026)
- Broadbottom Primary School (01.03.2026)
- St Stephens CE Primary School (01.03.2026)

At the point of conversion, these schools had a combined balance sheet value of £72.872m. On conversion, the Council derecognises the assets relating to these schools as they transfer to the Academy for nil consideration. This £72.872m reduction in value is reflected in the 2025/26 statement of accounts as part of Derecognition/disposal of Land and Buildings within note 11.

Other disposals and derecognitions included in Note 11 to the accounts include £2.814m for disposals of Assets Held For Sale (Assets previously declared as surplus and assigned for disposal), and £16.423m derecognition of Assets Under Construction relating to an Academy School where works were funded from Education capital grants to the Council from the DfE, but the completed asset is not recognised on the Council's balance sheet.

Reserves

As at 31 March 2026, the Council has earmarked reserves of £75.246m. This is a £0.899m increase in reserves compared to a balance of £74.347m at 31 March 2025. The movement is a net change and includes:

- Use of various earmarked reserves to support Service Improvement (£0.526m) and investment (£0.599m), IT Investment (£0.451m), Fleet repairs and maintenance (£0.593m), and use of PFI reserves to support PFI costs (£1.287m)
- Contributions to Unspent Revenue Grants and Contributions reserves (£0.844m) for amounts of ring fenced grants not spent in 2025/26 and to be carried forward into 2026/27.
- A £4.161m contribution to the Collection Fund Reserve, due to an in-year surplus on the collection fund.

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

Borrowing and Other Long-Term Liabilities

At 31 March 2026 the Council held borrowing with the PWLB and market lenders with a carrying value of £126.025m (£146.025m at 31 March 2025). The Council paid £5.585m in interest on its borrowings during 2025/26. 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 2025/26 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.

Refinancing of Debt

The Council, supported by its treasury advisors Arlingclose, agreed the early repayment of a £10m loan from Barclays. This was deemed advantageous due to a significant discount on the principal being offered by Barclays. The Council repaid £7.211m, saving £2.789m, which can be recognised over a minimum of 10 years through the Council's general fund.

A further benefit of this early repayment is a reduction of interest payable of £0.380m annually as the repayment has been met through cash balances, although the prepayment will reduce income received from money market investments on the £7.211m that would otherwise be held.

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 £43.4m at 31 March 2025 to £34.3m at 31 March 2026. 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 £700k (after allowing for the loss of interest earned on cash used to fund the investment) and which supports 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 through dividend distributions. After a period of difficulty and therefore no dividend payments, the aviation sector has recovered well since the COVID lockdowns and the Council has received distributions from its shareholdings in the airport and its car park.
- 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. The investment completed in June 2020 and generates revenue income through interest earned of 10% per annum.

These three investments into Manchester Airport have all be intended to support the significant capital investment programme into key strategic infrastructure in the region, and therefore support positive outcomes for Tameside as a borough. 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

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 actuarial valuation of pension liabilities for accounting purposes 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 actuarial valuation of the Council's share of the Local Government Pension Scheme has resulted in a reduction in the deficit position. At 31 March 2025, the Council had a liability of £38.858m. At 31 March 2026, the Council had a liability of £21.374m. This liability reflects the difference between the estimated present value of future retirement benefits earned by employees, and the current value of the scheme assets.

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.

Non Adjusting Events after the Balance Sheet Date

On 1 April 2026, Mottram C of E Primary School converted to Academy Status. This school has a value of £0.036m on the balance sheet at 31 March 2026 (reflecting only the land value as the building belongs to the diocese). As a result of the academy conversion, this value will be written out as a derecognition in the 2026/27 Statement of Accounts.

On 18 May 2026 the Council purchased the Ladysmith Shopping Centre in Ashton town centre as part of the long term regeneration of the town centre. The asset will be valued during 2026/27 and reflected on the balance sheet at 31 March 2027.

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 Strategic 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:



29 June 2026

Zoe Evans
Strategic 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 Strategic 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 2026.

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 Strategic 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 Strategic Director of Finance/Section 151 Officer Responsibilities

The Strategic 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 2025/26*.

In preparing this Statement of Accounts, the Strategic 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 Strategic 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.

Strategic 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 2026 and its income and expenditure for the year ended 31 March 2026.

Signed:



Date: 29/06/2026

Zoe Evans
Strategic 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 2026

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.

	Note	2025/26			2024/25 Restated		
		Gross Expenditure £000	Gross Income £000	Net Expenditure £000	Gross Expenditure £000	Gross Income £000	Net Expenditure £000
Children's Social Care		96,581	(22,644)	73,938	98,405	(20,216)	78,189
Education		193,571	(149,641)	43,930	206,601	(176,655)	29,946
Adults' Social Care		153,174	(89,262)	63,911	140,520	(86,206)	54,313
Public Health		21,077	(3,736)	17,340	17,204	(3,190)	14,014
Housing, Environment & Estates		84,179	(51,709)	32,470	62,535	(45,467)	17,068
Strategic Growth		6,665	(2,901)	3,764	5,838	(3,691)	2,147
Finance		62,119	(62,409)	(290)	72,739	(59,536)	13,204
Legal & Democratic Services		5,632	(405)	5,227	3,729	(877)	2,852
Corporate Services		16,573	(1,277)	15,297	14,724	(1,254)	13,470
Cost Of Services	1	639,572	(383,985)	255,586	622,295	(397,092)	225,203
Other Operating Income and Expenditure	2	125,882	(5,529)	120,353	113,654	(2,717)	110,937
Financing and Investment Income and Expenditure	3	19,528	(16,561)	2,967	25,705	(22,522)	3,183
Taxation and Non-Specific Grant Income	4	0	(265,100)	(265,100)	0	(255,497)	(255,497)
(Surplus) or Deficit on Provision of Services		784,982	(671,175)	113,806	761,654	(677,828)	83,826
<u>Other Comprehensive Income and Expenditure</u>							
Revaluation Gains	9			(6,633)			(2,137)
Remeasurement of Net Defined Benefit Liability	9			(13,180)			(7,411)
(Surplus)/Deficit on Financial Assets Measured at Fair Value Through Other Comprehensive Income	9			9,860			3,107
Total Other Comprehensive Income and Expenditure				(9,953)			(6,442)
Total Comprehensive Income and Expenditure				103,853			77,384

Movement in Reserves Statement as at 31 March 2026

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

	General Fund Balances	Schools Balances	Earmarked Reserves	Total General Fund Balance	Capital Receipts Reserve	Capital Grants and Other Contributions	Total Usable Reserves	Unusable Reserves	Total Reserves
	£000	£000	£000	£000	£000	£000	£000	£000	£000
Note	8a	8a	10	7	8b	8c	8a	9	
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 at 1 April 2025	(27,537)	(8,986)	(74,349)	(110,871)	(410)	(25,177)	(136,456)	(308,844)	(445,301)
(Surplus) or Deficit on the Provision of Services	113,806	0	0	113,806	0	0	113,806	0	113,806
Other Comprehensive Income and Expenditure	0	0	0	0	0	0	0	(9,953)	(9,953)
Total Comprehensive Income and Expenditure	113,806	0	0	113,806	0	0	113,806	(9,953)	103,853
Adjustments between accounting basis & funding basis under regulations	(102,357)	0	0	(102,357)	(3,094)	(2,895)	(108,346)	108,346	0
Net (increase)/decrease before transfers to Earmarked Reserves	11,449	0	0	11,449	(3,094)	(2,895)	5,460	98,393	103,853
Transfers to/(from) Earmarked Reserves and Schools Balances	(3,549)	4,446	(898)	0	0	0	0	0	0
(Increase)/decrease in year	7,901	4,446	(898)	11,449	(3,094)	(2,895)	5,460	98,393	103,853
Balance at 31 March 2026	(19,636)	(4,539)	(75,246)	(99,422)	(3,504)	(28,072)	(130,995)	(210,452)	(341,448)

Balance Sheet as at 31 March 2026

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 2026 £000	31 March 2025 £000
Property, Plant and Equipment	11	420,139	491,715
Heritage Assets	12	22,592	22,592
Investment Properties	13	33,811	42,059
Intangible Assets	14	1,620	594
Long Term Debtors	17	42,676	43,375
Long Term Investments	18	46,814	56,673
Net Pension Asset	28	0	0
Non-current Assets		567,652	657,008
Cash and Cash Equivalents	21	22,317	17,692
Short Term Investments	18	5	45,939
Inventories		219	344
Short Term Debtors	20	83,927	79,803
Assets Held for Sale (<1yr)	11d	1,866	4,680
Current Assets		108,334	148,458
Bank Overdraft	23	0	(400)
Short Term Borrowing	18	(15,642)	(14,358)
Short Term Creditors	22	(92,346)	(75,244)
Short Term Provisions	24	0	0
Other Short Term Liabilities	23	(5,505)	(5,628)
Current Liabilities		(113,493)	(95,630)
Long Term Borrowing	18	(114,998)	(136,650)
Long Term Provisions	24	(6,671)	(5,745)
Net Pension Liability	23/28	(21,374)	(38,858)
PFI	23	(74,804)	(80,190)
Other Long Term Liabilities	23	(3,200)	(3,093)
Non-current Liabilities		(221,047)	(264,536)
Net Assets / (Liabilities)		341,446	445,300
Usable Reserves	8	(130,996)	(136,457)
Unusable Reserves	9	(210,450)	(308,843)
Total Reserves		(341,446)	(445,300)

The notes to the financial statements on pages 38 - 139 form part of this account. The financial statements on pages 33-37 were authorised for issue by the Strategic Director of Finance/Section 151 Officer on 29 June 2026.



Zoe Evans
29 June 2026
Strategic Director of Finance/Section 151 Officer

Cash Flow Statement for the year ended 31 March 2026

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	2025/26 £000	2024/25 £000
(Surplus) or Deficit on the Provision of Services		113,806	83,826
Adjustment to Surplus or Deficit on the Provision of Services for Non-cash Movements	29a	(107,614)	(47,378)
Adjust for Items Included in the Net Surplus or Deficit on the Provision of Services that are Investing and Financing Activities	29b	(13,584)	11,925
Net Cash Flows from Operating Activities		(7,391)	48,372
Net Cash Flows from Investing Activities	30	(24,819)	40,998
Net Cash Flows from Financing Activities	31	27,185	(4,715)
Net (Increase) or Decrease in Cash and Cash Equivalents		(5,025)	84,655
Cash and Cash Equivalents at the Beginning of the Reporting Period	21	17,292	101,947
Cash and Cash Equivalents at the End of the Reporting Period	21	22,317	17,292

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
	£000	£000	£000	£000	£000
2025/26					
Children's Social Care	88,076	(13,276)	74,800	(861)	73,939
Education	15,012	25,540	40,552	3,377	43,929
Adults' Social Care	85,058	(24,546)	60,512	3,398	63,910
Public Health	15,530	251	15,781	1,559	17,340
Housing, Environment & Estates	30,847	(5,547)	25,300	7,169	32,469
Strategic Growth	1,213	(177)	1,036	2,728	3,764
Finance	49,116	(49,099)	17	(306)	(289)
Legal & Democratic Services	5,291	0	5,291	(63)	5,228
Corporate Services	13,744	667	14,411	885	15,296
Net costs of services	303,887	(66,187)	237,700	17,885	255,585
Other income and expenditure	(295,988)	69,735	(226,253)	84,473	(141,780)
(Surplus) or deficit	7,899	3,548	11,447	102,358	113,805

Opening General Fund	(27,537)
Deficit on General Fund Balance in Year	11,447
Transfers from Earmarked Reserves	(3,548)
Closing General Fund Balance at 31 March 2026	(19,638)

	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
	£000	£000	£000	£000	£000
2024/25					
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
Housing, Environment & Estates	28,466	(8,475)	19,991	(2,924)	17,067
Strategic Growth	2,280	831	3,111	(964)	2,147
Finance	50,314	(36,464)	13,850	(648)	13,202
Legal & Democratic Services	2,877	0	2,877	(24)	2,853
Corporate Services	12,134	1,426	13,560	(92)	13,468
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)

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
2025/26	£000	£000	£000	£000	£000	£000	£000	£000	£000	£000
Children's Social Care	(412)	0	0	0	(12,864)	(13,276)	0	(874)	12	(861)
Education	25,978	(473)	0	34	0	25,539	6,956	(2,328)	(1,251)	3,377
Adults' Social Care	745	0	0	0	(25,291)	(24,546)	4,640	(1,259)	18	3,398
Public Health	251	0	0	0	0	251	1,632	(74)	1	1,559
Housing, Environment & Estates	2,174	(891)	760	(7,590)	0	(5,547)	8,193	(1,038)	15	7,169
Strategic Growth	(8)	(169)	0	0	0	(177)	2,797	(70)	1	2,728
Finance	94	695	(33,138)	(6,143)	(10,606)	(49,098)	0	(311)	4	(306)
Legal & Democratic Services	0	0	0	0	0	0	0	(64)	1	(63)
Corporate Services	667	0	0	0	0	667	1,300	(421)	6	885
Net costs of services	29,489	(838)	(32,378)	(13,699)	(48,761)	(66,187)	25,517	(6,439)	(1,193)	17,885
Other income and expenditure	(25,942)	838	32,378	13,699	48,761	69,734	50,912	2,135	31,425	84,472
Total	3,547	0	0	0	0	3,547	76,429	(4,304)	30,232	102,357

	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)
Housing, Environment & Estates	535	(1,295)	586	(8,301)	0	(8,475)	(2,691)	(225)	(8)	(2,924)
Strategic Growth	1,003	(172)	0	0	0	831	(949)	(15)	0	(964)
Finance	996	968	(32,364)	(7,385)	1,321	(36,464)	(554)	(90)	(4)	(648)
Legal & Democratic Services	0	0	0	0	0	0	0	(21)	(3)	(24)
Corporate Services	1,426	0	0	0	0	1,426	0	(92)	0	(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

1b. Expenditure and Income Analysed by Nature

	2025/26 £000	2024/25 £000
Expenditure		
Employee benefits expenses	193,643	229,005
Other service expenses	439,821	415,027
Depreciation, amortisation and impairment	17,636	18,530
Net revaluation (gain)/loss	(467)	(26,215)
Loss on disposal of non-current assets	86,636	77,944
Interest payments	13,995	14,370
Precepts and levies	33,717	32,994
	784,982	761,654
Income		
Customer and Client Receipts	(69,749)	(62,500)
Income from Council tax and Business Rates	(214,551)	(209,796)
Government Grant Income	(319,728)	(339,275)
Other Grants Reimbursements and Contributions	(26,076)	(20,161)
Interest Income	(12,231)	(9,729)
Other Income	(28,840)	(36,367)
	(671,176)	(677,827)
(Surplus)/Deficit on provision of services	113,806	83,827

2. Other Operating Income and Expenditure

	31 March 2026			31 March 2025		
	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	37	0	37	36	0	36
Levies	33,681	0	33,681	32,958	0	32,958
(Gains)/losses on derecognition/ disposal of non- current assets	92,165	(5,529)	86,636	80,660	(2,717)	77,944
	125,882	(5,529)	120,353	113,654	(2,717)	110,937

3. Financing and Investment Income and Expenditure

	31 March 2026			31 March 2025		
	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	13,996	0	13,996	14,371	0	14,371
Net Interest on the Net Defined Benefit Liability (Asset)	2,135	0	2,135	2,197	0	2,197
Interest receivable and similar income	0	(7,224)	(7,224)	0	(8,966)	(8,966)

Other investment income	0	(5,007)	(5,007)	0	(764)	(764)
Income and expenditure in relation to Investment Properties and changes in their fair value	2,652	(4,330)	(1,678)	8,642	(12,792)	(4,150)
Charge for expected credit loss	745	0	745	495	0	495
	19,528	(16,561)	2,967	25,705	(22,522)	3,183

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:

	2025/26 £000	2024/25 £000
Council Tax Income	(123,929)	(117,590)
Retained Business Rates	(54,683)	(57,848)
Business Rates Top Up	(35,940)	(34,359)
New Homes Bonus Grant	(415)	(173)
Section 31 - Business Rates Grants	(24,246)	(25,536)
Capital Grants and Contributions		
Highways Maintenance Grant	(2,536)	(2,273)
City Region Sustainable Transport Settlement Grant	(2,075)	0
Schools capital grant	(5,419)	(5,149)

Disabled Facilities Grant	(3,901)	(3,694)
Ashton Levelling Up Fund	(6,401)	(3,941)
Stalybridge Levelling Up Fund	(2,160)	(1,084)
UK Shared Prosperity Fund	0	(1,438)
Right of use donated asset	0	(597)
Other Capital Grants and Contributions	(3,395)	(1,815)
	(265,100)	(255,497)

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:

	2025/26 £000	2024/25 £000
Dedicated Schools Grant	(130,407)	(151,394)
Housing Benefit Subsidy Grant	(45,654)	(53,725)
Housing and Council Tax Benefit Administration Grant	(763)	(783)
Housing Benefit Discretionary Housing Payments Grant	(388)	(389)
Private Finance Initiative (PFI) Grant	(14,196)	(14,196)
Improved Better Care Fund	(15,526)	(12,585)
Social Care Grant	(31,390)	(26,522)
Market Sustainability and Improvement Fund	(5,049)	(5,049)
Adult Social Care Discharge Fund	0	(2,941)
Recovery Grant	(7,602)	0
Pupil Premium Grant	(5,329)	(7,854)
Physical Education & Sport Grant	(460)	(768)
Universal Infant Free School Meals	(900)	(1,258)
Teachers Pay Grant	0	(4,587)
Core School Budget	(3,374)	(2,529)
Troubled Families Grant	0	(1,479)
Rough Sleepers Initiative Grant	(407)	(427)
Asylum Seeker Children grant	(2,016)	(1,476)
Homes for Ukraine	(396)	(506)
Services Grant	0	(393)
Substance Misuse Treatment and Recovery Grant	(1,196)	(1,196)
Household Support Fund	(3,921)	(4,450)
Covid Grants	0	(331)
Holiday Activity Fund	(1,107)	(1,438)
Highways Maintenance Grant	(1,000)	(1,263)
Homelessness Prevention Funding	(1,774)	(964)

Flexible Local Authority Grant	(947)	0
Live Well Implementation Fund	(806)	0
National Insurance Contributions Grant	(949)	0
Children and Families Grant	(2,558)	0
Children's Social Care Prevention Grant	(1,716)	0
Employers National Insurance Contribution Grant	(1,853)	0
Family Hubs Grant	(1,215)	(1,106)
Other Grants	(12,358)	(14,128)
	(295,257)	(313,737)

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:

2025/26			
	Central Expenditure £000	Individual Schools Budget £000	Total £000
Final DSG for 2025/26 before academy and high needs recoupment	0	0	314,525
Academy and high needs figure recouped for 2025/26	0	0	183,606
Total DSG after academy and high needs recoupment for 2025/26			130,919
Plus: Brought forward from 2024/25	0	0	0
Less: Carry forward to 2026/27 agreed in advance	0	0	0
Agreed initial budgeted distribution in 2025/26	35,136	95,783	130,919
In year adjustments	0	(308)	(308)
Final budget distribution for 2025/26	35,136	95,475	130,611
Actual central expenditure	57,658	0	57,658
Actual ISB deployed to schools	0	94,733	94,733
In Year Carry-forward to 2026/27	(22,522)	742	(21,780)
Plus: Carry-forward to 2026/27 agreed in advance			0
Carry-forward to 2026/27			0
DSG unusable reserve at the end of 2024/25			(22,093)
Addition to DSG unusable reserve at the end of 2025/26			(21,780)
Total of DSG unusable reserve at the end of 2025/26			(43,873)
Net DSG position at the end of 2025/26			(43,873)

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)

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.

	Usable Reserves			Movement in Unusable Reserves £000
	General Fund Balances £000	Capital Receipts Reserve £000	Capital Grants and Other Contributions Unapplied Reserve £000	
2025/26				
Adjustments to Capital Adjustment Account:				
<u>Reversal of items debited or credited to the CIES:</u>				
Charges for depreciation of non-current assets	(17,450)	0	0	17,450
Revaluation losses on Property Plant and Equipment (PPE)	(1,217)	0	0	1,217
Revaluation gains on PPE (used to reverse previous revaluation losses)	1,684	0	0	(1,684)
Movements in the market value of Investment Properties	339	0	0	(339)
Amortisation of Intangible Assets	(186)	0	0	186
Capital grant and contributions received in year	25,887	0	(8,326)	(17,561)
Revenue expenditure funded from Capital under Statute	(8,348)	0	0	8,348
Amounts of non-current assets written off on disposal or sale as part of the gains/loss on disposal to the CIES	(92,165)	0	0	92,165
<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	8,659	0	0	(8,659)
- GM and Lancashire debt repayment	0	0	0	0
Capital expenditure charged against General Fund Balances	896	0	0	(896)
Capital grant and contributions received in previous years - applied	0	0	5,431	(5,431)
Use of the Capital Receipts Unapplied Account to finance capital expenditure	0	2,378	0	(2,378)
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	5,529	(5,529)	0	0
Disposal cost allowance	(57)	57	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

Adjustments to Financial Instruments Adjustment Account:				
Finance costs calculated in accordance with the code are different from the amount of finance costs calculated in accordance with statutory requirements	2,531	0	0	(2,531)
Adjustments to Pensions Reserve:				
Reversal of items relating to retirement benefits debited or credited to the CIES	(19,831)	0	0	19,831
Employer's pensions contributions and direct payments to pensioners payable in the year	24,135	0	0	(24,135)
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	(12,176)	0	0	12,176
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	1,193	0	0	(1,193)
Adjustment involving the Dedicated Schools Grant Adjustment Account:				
Transfer of Dedicated Schools Grant (DSG) deficit to the DSG Adjustment Account	(21,780)	0	0	21,780
Total Adjustments	(102,357)	(3,094)	(2,895)	108,346

	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>	0	0	0	0
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	0
Adjustments to Capital Receipts Unapplied Account:				
Transfer of sale proceeds credited as part of the gain/loss on disposal to the CIES	2,717	(2,717)	0	0
4% disposal cost allowance	0	0	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: Finance costs calculated in accordance with the code are different from the amount of finance costs calculated 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

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.

	2025/26 £000	2024/25 £000
General Fund Balances	(19,636)	(27,537)
Schools Balances	(4,540)	(8,986)
Earmarked Reserves (Note 10)	(75,245)	(74,347)
Capital Receipts Unapplied Account (Note 8b)	(3,504)	(410)
Capital Grants and Other Contributions Unapplied Reserve (Note 8c)	(28,072)	(25,177)
Total	(130,996)	(136,457)

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.

	2025/26 £000	2024/25 £000
Balance at 1 April	(410)	(2)
Transfer of sale proceeds credited as part of the gain/loss on disposal to the CIES	(5,529)	(2,717)
Use of the Capital Receipts Unapplied Account to finance new capital expenditure	2,378	2,309
Transfer from the Deferred Capital Receipts Reserve upon receipt of cash	0	0
Disposal cost allowance	57	0
Balance at 31 March	(3,503)	(410)

8c Capital Grants and Other Contributions Unapplied Reserve

	2025/26 £000	2024/25 £000
Balance at 1 April	(25,177)	(29,111)
Grants and contributions received in previous years - applied	5,431	8,411
Grants and contributions received in year - not applied	(8,326)	(4,477)
Balance at 31 March	(28,072)	(25,177)

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.

	2025/26 £000	2024/25 £000
Revaluation Reserve	(117,076)	(139,277)
Financial Instruments Revaluation Reserve	(28,632)	(38,491)
Capital Adjustment Account	(140,676)	(194,260)
Pensions Reserve	21,374	38,858
Collection Fund Adjustment Account	10,189	(1,987)
Short Term Accumulating Compensated Absences Account	2,411	3,603
Financial Instruments Adjustment Account	(1,906)	625
Deferred Capital Receipts	(7)	(7)
Dedicated Schools Grant Adjustment Account	43,873	22,093
Total	(210,450)	(308,843)

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.*

	2025/26 £000	2024/25 £000
Balance at 1 April	(139,277)	(169,151)
Upward revaluation of assets	(10,721)	(53,635)
Downward revaluation of assets and impairment losses not charged to the Surplus/Deficit on the Provision of Services	4,088	51,498
Surplus or deficit on revaluation of non-current assets not posted to the Surplus/Deficit on the Provision of Services	(6,633)	(2,137)
Difference between fair value and historical cost depreciation	3,272	2,809
Accumulated gains on assets sold or scrapped	25,563	29,202
Amount written off to the Capital Adjustment Account	28,834	32,011
Balance at 31 March	(117,076)	(139,277)

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.*

	2025/26 £000	2024/25 £000
Balance at 1 April	(38,492)	(41,598)
Revaluation of investment in Manchester Airport Group (MAG)	9,600	2,900
Revaluation of investment in Inspiredspaces Tameside (Holdings 1& 2) Ltd	260	207
Surplus on revaluation of Financial Instrument Revaluation Reserve	9,860	3,107
Balance at 31 March	(28,632)	(38,492)

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.

	2025/26 £000	2024/25 £000
Balance at 1 April	(194,260)	(205,709)
<i>Reversal of items debited or credited to the CIES:</i>		
Charges for depreciation of non-current assets	17,450	18,344
Revaluation losses on Property, Plant and Equipment	1,217	11,613
Revaluation gains on Property, Plant and Equipment (used to reverse previous revaluation losses)	(1,684)	(37,828)
Amortisation of Intangible Assets	186	186
Revenue expenditure funded from capital under statute	8,348	11,845
Amounts of non-current assets written off on disposal or sale as part of the gain/loss on disposal to the CIES	92,165	80,660
	117,682	84,820
Adjusting amounts written out of the Revaluation Reserve	(28,834)	(32,011)
Net written out amount of the cost of non-current assets consumed in the year	88,847	52,809
<i>Capital financing applied in the year:</i>		
Use of the Capital Receipts Unapplied Account to finance new capital expenditure	(2,378)	(2,309)
Capital grants and contributions credited to the CIES that have been applied to capital financing	(17,561)	(15,514)
Application of grants to capital financing from the Capital Grants and Other Contributions Unapplied Account	(5,431)	(8,411)
Statutory provision for the financing of capital investment charged against the General Fund	(8,659)	(10,525)
Capital expenditure charged against the General Fund and Reserves	(896)	(1,668)
	(34,925)	(38,427)
Movements in the market value of Investment Properties debited or credited to the CIES	(339)	(2,934)
Balance at 31 March	(140,677)	(194,260)

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.

	2025/26 £000	2024/25 £000
Balance at 1 April	38,858	45,929
Remeasurement of net defined benefit liability	(13,180)	(7,411)
Reversal of items relating to retirement benefits debited or credited to the Surplus or Deficit on the Provision of Services in the CIES	19,831	25,048
Employer's pensions contributions and direct payments to pensioners payable in the year	(24,135)	(24,708)
Balance at 31 March	21,374	38,858

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.

	2025/26 £000	2024/25 £000
Balance at 1 April	(1,987)	(9,594)
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	12,176	7,607
Balance at 31 March	10,189	(1,987)

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.

	2025/26 £000	2024/25 £000
Balance at 1 April	3,603	3,529
Settlement or cancellation of accrual made at the end of the preceding year	(3,603)	(3,529)
Amounts accrued at the end of the current year	2,411	3,603
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	(1,193)	75
Balance at 31 March	2,411	3,603

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.

	2025/26 £000	2024/25 £000
Balance at 1 April	625	645
Proportion of premiums incurred in previous financial years to be charged against the General Fund Balance in accordance with statutory requirements	(2,531)	(20)
Balance at 31 March	(1,905)	625

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.

	2025/26 £000	2024/25 £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.

	2025/26 £000	2024/25 £000
Balance at 1 April	22,093	7,930
Dedicated Schools Grant deficit	21,780	14,162
Balance at 31 March	43,873	22,093

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 2025 £000	Net Movement 2025/26 £000	Balance at 31 March 2026 £000	Balance at 1 April 2024 £000	Net Movement 2024/25 £000	Balance at 31 March 2025 £000	Purpose of the Earmarked Reserve
Building Schools for the Future (BSF) Affordability Reserve	(11,691)	1,287	(10,404)	(10,832)	(859)	(11,691)	For further information please see Note 26.
Earmarked Reserves with a balance at 31 March 2024 under £0.500m	(3,937)	302	(3,636)	(4,868)	931	(3,937)	Various
Hard Facilities Management Service Contract Reserve	(498)	50	(448)	(512)	14	(498)	To fund the affordability gap within the Facilities Management service.
Hattersley Reserve	(3,345)	(13)	(3,358)	(3,420)	75	(3,345)	To finance highway improvements and regeneration initiatives in Hattersley.
Health Equalities Reserve	(1,257)	111	(1,146)	(1,442)	185	(1,257)	Ringfenced Public Health reserve per section 10 of the Department of Health Grant determination.
Insurance Reserves	(3,469)	0	(3,469)	(3,469)	0	(3,469)	An estimate of claims incurred but not reported. Includes element to cover any expenditure for insurance claims.
MTFS Investment and Resilience Reserve	(35,132)	599	(34,533)	(2,211)	(32,922)	(35,132)	To support the delivery of the Medium Term Financial Strategy.
Godley Green Reserve	(328)	231	(97)	(486)	158	(328)	Investment to support expenditure pertaining to the Godley Green Garden Village planning application.
Growth and Investment Reserve	(711)	15	(695)	(756)	46	(711)	Investment to support Town Centre master planning and Strategic Site developments across the borough.

PFI Reserve	(2,235)	202	(2,033)	(2,410)	175	(2,235)	For further information please see Note 26.
School Funding Reserve	(303)	(247)	(550)	(303)	0	(303)	Balance of Education grants to be utilised on Education and School related services.
Transport Replacement Fleet Reserve	(1,916)	593	(1,323)	(2,491)	575	(1,916)	To fund future maintenance of vehicles procured via Prudential Borrowing.
Unspent Revenue Grant and Contribution Reserve	(3,777)	(844)	(4,621)	(5,732)	1,955	(3,777)	Unspent revenue grant, with no conditions attached. IFRS require these grants to be classed as reserves.
Waste PFI Reserve	0	0	0	(1,345)	1,345	0	To smooth the impact of future years levy increases and associated managed collection costs.
IT Investment Fund	(1,925)	451	(1,474)	(2,943)	1,017	(1,925)	The IT Investment reserve has been established to smooth the revenue cost of IT investments.
Collection Fund Reserve	0	(4,161)	(4,161)	(22,752)	22,752	0	Additional business rates income from the 100% retention pilot, Council Tax Surplus and contingency for Collection Fund Deficits
Care Together	0	0	0	(15,000)	15,000	0	To assist any funding risks of the implementation of the Care Together Programme
Service Improvement	(2,372)	526	(1,846)	(4,638)	2,266	(2,372)	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	0	0	0	(1,421)	1,421	0	COVID 19 grants held in reserve to be utilised.
Total	(74,347)	(898)	(75,245)	(88,481)	14,134	(74,347)	

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 (EUV)*
- *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
<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>

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.

11a. Details of movements in Property, Plant and Equipment in 2025/26:

	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							
Adjusted balance at 1 April 2025	295,250	29,906	19,565	12,977	21,773	379,472	97,170
Additions	2,353	2,705	2	1,118	428	6,607	282
Revaluation increases/(decreases) recognised in the Revaluation Reserve	7,114	0	0	(376)	0	6,738	3,514
Revaluation increases/(decreases) recognised in the Surplus/Deficit on the Provision of Services	1,131	0	0	(664)	0	467	0
Accumulated Depreciation Written Out	(6,527)	0	0	0	0	(6,527)	(1,050)
Derecognition/disposal of non-current assets	(73,898)	(860)	(2)	(680)	(16,422)	(91,863)	(54,965)
Assets reclassified in year	8,484	0	0	0	0	8,484	0
At 31 March 2026	233,908	31,751	19,565	12,375	5,778	303,378	44,950
Accumulated Depreciation and Impairment							
Balance at 1 April 2025	(223)	(17,836)	(3,590)	(2)	0	(21,651)	0
Depreciation charge	(8,285)	(2,276)	0	(0)	0	(10,561)	(2,340)
Accumulated Depreciation Written Out	6,527	0	0	0	0	6,527	1,050
Assets reclassified in year	0	0	0	0	0	0	0
Derecognition/disposal of non-current assets	1,713	801	0	0	0	2,514	1,290
At 31 March 2026	(268)	(19,311)	(3,590)	(2)	0	(23,170)	0
Net Book Value							
At 31 March 2026	233,641	12,440	15,975	12,373	5,778	280,208	44,950
At 31 March 2025	295,027	12,071	15,975	12,975	21,773	357,821	97,170
Nature of asset owned at 31 March 2026							
Owned	188,691	12,440	15,975	12,373	5,778	280,208	0
Finance Lease	0	0	0	0	0	0	0
PFI	44,950	0	0	0	0	0	44,950
	233,641	12,440	15,975	12,373	5,778	280,208	44,950

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
<u>Cost or Valuation</u>							
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
<u>Accumulated Depreciation and Impairment</u>							
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
<u>Net Book Value</u>							
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
<u>Nature of asset owned at 31 March 2025</u>							
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

11c. The effective date of revaluation for non-current assets is 31 March each year. Valuations as at 31 March 2026 have been undertaken by Sanderson Weatherall LLP, The Chancery, 58 Spring Gardens, Manchester, M2 1EW. 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	23	12,435	139,933	15,975	0	5,778	174,144
31 March 2024	0	0	0	0	22	0	22
31 March 2025	116,994	5	0	0	0	0	116,999
31 March 2026	116,624	0	0	0	12,351	0	128,975
Total Cost or Valuation	233,641	12,440	139,933	15,975	12,373	5,778	420,140

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.

	2025/26 £000	2024/25 £000
Balance at 1 April	133,895	134,151
Additions	12,927	6,405
Depreciation	(6,890)	(6,661)
At 31 March	139,933	133,895

Reconciliation to the Balance Sheet:

	2025/26 £000	2024/25 £000
Infrastructure assets	139,933	133,895
Other PPE	280,208	357,820
Total PPE	420,140	491,715

11e. Assets Held for Sale

	2025/26 £000	2024/25 £000
Balance at start of the year	4,680	3,209
Assets newly classified as held for sale	0	4,032
Disposals in year	(2,814)	(2,561)
Balance at end of the year	1,866	4,680

11f. Right of Use Assets

2025/26	Land and Buildings £000	Vehicles, Plant and Equipment £000	Total Right-Of-Use Assets £000
<u>Cost of Valuation</u>			
Balance at 1 April 2025	1,047	56	1,102
Additions	33	0	33
At 31 March 2026	1,079	56	1,135
<u>Accumulated Depreciation and Impairment</u>			
Balance at 1 April 2025	(98)	(26)	(123)
Depreciation charge	(103)	(26)	(129)
At 31 March 2026	(201)	(51)	(252)
Net Book Value at 31 March 2026	878	5	883
Net Book Value at 31 March 2025	949	30	979

2024/25	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
Revaluations	(57)	0	(57)
Accumulated Depreciation Written Out	(43)	0	(43)
At 31 March 2025	1,047	56	1,102
Accumulated Depreciation and Impairment			
Balance at 1 April 2024	0	0	0
Depreciation charge	(141)	(26)	(167)
Accumulated Depreciation Written Out	43	0	43
At 31 March 2025	(98)	(26)	(123)
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 2025	707	18,963	2,012	911	22,592
At 31 March 2026	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.

	2025/26 £000	2024/25 £000
Rental income from investment property	(3,917)	(3,882)
Direct operating expenses arising from investment property	2,578	2,666
Gains in fair value of investment property	(413)	(8,910)
Losses in the fair value of investment property	74	5,976
Net position	(1,678)	(4,150)

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

	2025/26 £000	2024/25 £000
Balance at start of the year	42,059	39,369
Additions	4	14
Movements in the fair value of investment property	234	2,934
Derecognition/disposal of non-current assets	(2)	(258)
Assets reclassified in year	(8,484)	0
Balance at end of the year	33,810	42,059

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.

	2025/26 £000	2024/25 £000
Gross carrying amount	2,901	2,901
Accumulated amortisation	(2,307)	(2,122)
Balance at start of the year	594	780
In year amortisation	(186)	(186)
Additions	1,212	0
Balance at end of the year	1,620	594

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

	2025/26 £000	2024/25 £000
Opening CFR plus PFI added in Year	267,158	272,594
<u>Assets Brought on Balance Sheet Under IFRS 16</u>		
Right-Of-Use Assets	0	1,202
PFI Assets	0	4,495
CFR 1 April	267,158	278,291
<u>Capital Investment</u>		
Property, Plant and Equipment (incl. Infrastructure)	19,534	15,434
Investment Properties	4	14
Intangible Assets	1,212	0
Revenue Expenditure Funded from Capital under Statute	8,348	11,845
<u>Sources of Finance</u>		
Capital Receipts	(2,378)	(2,309)
Government Grants and Other Contributions	(22,992)	(23,925)
Capital expenditure charged against General Fund Balances	(896)	(1,668)
Minimum Revenue Provision	(8,659)	(10,525)
Closing CFR	261,330	267,158

Explanation of movements in year:

	2025/26 £000	2024/25 £000
Change in Underlying Need to Borrow	(11,308)	(66)
Principal Element of Lease Repayments	(80)	(99)
Principal Element of PFI Lease Repayments	5,561	(5,272)
Increase / (decrease) in CFR	(5,827)	(5,436)

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.

	2025/26 £000
Meadow View	2,717
Other Capital Commitments	1,092
Total	3,809

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.

	2025/26 £000	2024/25 £000
Inspiredspaces Tameside (Holdings 1) Ltd	1,436	1,504
Inspiredspaces Tameside (Holdings 2) Ltd	2,559	2,651
Manchester Airport Loans	29,632	29,632
Manchester Airport Accrued Income	8,954	9,490
Other Long Term Debtors	94	98
Total	42,676	43,375

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 2026		31 March 2025	
	Long Term £000	Current £000	Long Term £000	Current £000
Investments at Amortised Cost	0	22,030	0	62,640
Adjustment for amortised cost	0	83	0	978
Amounts treated as Cash Equivalents	0	(22,113)	0	(17,685)
Debtors	42,676	40,972	43,375	44,476
Financial Assets at amortised cost	42,676	40,972	43,375	90,410
Other Investments	(4)	5	0	0
<u>Fair Value through Other Comprehensive Income (Designated)</u>				

Inspiredspaces Tameside (Holdings 1) Ltd	3,221	0	3,380	0
Inspiredspaces Tameside (Holdings 2) Ltd	5,397	0	5,497	0
Manchester Airport Group (MAG)	34,300	0	43,400	0
Manchester Airport Group (MAG) Additional Shareholding	3,900	0	4,400	0
Total Investments and Debtors	89,490	40,977	100,052	90,410
Investments treated as Cash Equivalents	0	22,113	0	17,685
Other Cash	0	204	0	7
Total Financial Assets	89,490	63,294	100,052	108,101

Financial Liabilities

	31 March 2026		31 March 2025	
	Long Term £000	Current £000	Long Term £000	Current £000
Financial Liabilities Principal Amount	125,475	550	136,025	13,228
Adjustment for Amortised Cost	604	937	625	1,131
Financial Liabilities at amortised cost	126,079	1,487	136,650	14,358
Total Borrowing	126,079	1,487	136,650	14,358
Creditors	0	94,265	0	74,547
PFI, leases & transferred debt	188,662	11,185	111,289	5,754
Total Financial Liabilities	314,741	106,936	247,939	94,659

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 2026 £000	31 March 2025 £000
Fair Value through Other Comprehensive Income (Designated)				
Inspiredspaces Tameside (Holdings 1) Ltd	Level 3	Discounted cash flow (see below)	3,221	3,380
Inspiredspaces Tameside (Holdings 2) Ltd	Level 3	Discounted cash flow (see below)	5,397	5,497

Manchester Airport Group (MAG)	Level 2	Market Value	34,300	43,400
Manchester Airport Group (MAG) Additional Shareholding	Level 2	Market Value	3,900	4,400
Total			46,818	56,677

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:

	2025/26 £000	2024/25 £000
Balance at 1 April	8,876	9,083
<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	(259)	(207)
Balance at 31 March	8,617	8,876

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 a 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 – additional C shares relating to the Manchester Airport car park investment have been revalued down by £0.500m to £4.300m

	31 March 2026		31 March 2025	
	Carrying Amount £000	Fair Value £000	Carrying Amount £000	Fair Value £000
PWLB Debt	96,025	66,277	96,025	67,273
Non PWLB Debt	30,000	32,318	50,000	49,757
Total	126,025	98,596	146,025	117,030

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 2026		31 March 2025	
	Carrying Amount £000	Fair Value £000	Carrying Amount £000	Fair Value £000
<u>Investments</u>				
Less Than 1 Year	22,113	22,113	63,618	63,618
Greater Than 1 Year	0	0	0	0
Long Term Debtors	42,676	42,676	43,375	43,375
Total Financial Assets at Amortised Cost	64,789	64,789	106,994	106,994

• Mark to Model Valuation for Financial Instruments

As at 31st March the Council held £166.892m financial assets and £142.860m 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 2026 £000	31 March 2025 £000
Gains or Losses on:		
Financial Assets at Fair Value Through Other Comprehensive Income	(9,859)	(3,105)
Interest Income		
Financial Assets at Amortised Cost	(4,419)	(4,242)
Financial Assets at Fair Value Through Other Comprehensive Income	(4,987)	(5,476)
Total Interest Income	(9,406)	(9,718)
Interest Expense	13,996	14,371

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 2025/26 Budget Report, which incorporates the prudential indicators, was approved by Council in March 2025 and is available on the Council's website. The key indicators were:

Indicator	Limit	Outturn
Ratio of financing costs to net revenue stream	4.6%	4.5%
Capital financing requirement	£190,834,000.00	£185,113,000.00
Capital expenditure in year	£42,576,000.00	£29,045,000.00
Incremental impact on capital investment decisions	£0.00	£0.00
Authorised limit for external debt	£220,924,000.00	£126,269,000.00
Operational boundary for external debt	£200,924,000.00	£126,269,000.00
Upper limit for fixed interest rate exposure	£190,834,000.00	£126,269,000.00
Upper limit for variable interest rate exposure (negative figure represents investments in excess of borrowing)	£63,611,000.00	(£22,030,000.00)
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 2025/26 is approved by Full Council in March 2025 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 2026 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 2026 £000	Credit Rating	12 Month Expected Credit Loss £000
Banks and Financial Institutions			
Federated	7,030	AAA	0
LGIM	15,000	AAA	0
Total	22,030		0
Other Local Authorities	0	0	0
Total	22,030		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 £25.491m net of impairment was outstanding and is analysed by age below:

	31 March 2026 £000	31 March 2025 £000
Less than three months	12,437	13,506
Three to four months	651	517
More than four months	15,403	11,845
Total	28,491	25,868

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 2026 £000	31 March 2025 £000
Less than one year	22,030	62,640
Greater than one year	0	0
Total	22,030	62,640

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 2026 £000	31 March 2025 Restated £000
Less than one year	15	0	550	10,000
Between one and two years	15	0	3,000	550
Between two and five years	30	0	0	3,000
Between five and ten years	40	0	3,000	3,000
More than ten years	100	50	119,475	129,475
Total			126,025	146,025

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 2026 £000	31 March 2025 £000
Decrease in the fair value of fixed rate borrowings liabilities (no impact on CIES)	12,229	13,809

The approximate impact of a 1% fall in interest rates would be an increase in fair value of £15.369m. These assumptions are based on the same methodology as used in Note 18 – 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 £20.1m, along with an additional £4.3m 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.

	2025/26 £000	2024/25 £000
Central Government Bodies	9,185	11,193
NHS Bodies	372	383
Other Local Authorities	6,180	3,441
Other Entities and Individuals	83,535	80,015
Allowance for Expected Credit Loss	(20,166)	(19,910)
Total	79,107	75,123
Capital Debtors	1,009	1,465
Payments In Advance	3,779	3,184
Transferred Services	32	32
Total	83,927	79,803

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

	2025/26 £000	2024/25 £000
Less than one year	11,039	9,582
One year to two years	7,138	6,277
More than two years	17,297	16,297
	35,473	32,155

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.

	2025/26 £000	2024/25 £000
Cash held by the Council	20	7
Cash Equivalent Short Term Investments	22,113	17,685
Bank Current Accounts	184	0
	22,317	17,692
Bank Overdraft	0	(400)
Total	22,317	17,292

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.

	2025/26 £000	2024/25 £000 Restated
Central Government Bodies	(7,342)	(6,999)
NHS Bodies	(105)	(317)
Other Local Authorities	(735)	(5,078)
Other Entities and Individuals	(44,916)	(40,906)
Total	(53,097)	(38,827)
Capital Creditors	(847)	(427)
Deposits and Receipts in Advance	(35,991)	(17,912)
Short Term Accumulating Compensated Absences	(2,411)	(3,604)
Total	(92,346)	(75,244)

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
2025/26	-			
Pension Liability	28	(21,374)	0	(21,374)
PFI	26	(74,804)	(5,422)	(80,226)
Leases	25	(2,908)	(83)	(2,992)
Other Liabilities		(292)	0	(292)
Total		(99,379)	(5,505)	(104,884)
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)

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	Total £000
Balance at 1 April 2025	(1,776)	(3,968)	(5,745)
Additional provisions made in the period	0	0	0
Provision - written back	(4,158)	0	(4,158)
Amounts used	2,287	946	3,233
Provision Balance at 31 March 2026	(3,648)	(3,023)	(6,671)
Long Term Provision	(3,648)	(3,023)	(6,671)
Short term Provision	0	0	0
Total	(3,648)	(3,023)	(6,671)

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 in the United Kingdom 2025/26. IFRS 16 was applied from 1 April 2024. Under the standard the Council, as lessee, recognises a right-of-use asset and a lease liability for substantially all of its leases; the previous distinction between operating and finance leases no longer applies to lessees. The distinction is retained for the Council acting as a lessor.

At inception the Council assesses whether a contract is, or contains, a lease — whether it conveys the right to control the use of an identified asset for a period of time in exchange for consideration. A right-of-use asset and a lease liability are recognised at the commencement date, except for short-term leases (a term of 12 months or less) and leases of low-value assets, where the payments are charged to the Comprehensive Income and Expenditure Statement on a straight-line basis.

The right-of-use asset is initially measured at cost — the initial lease liability, payments made at or before commencement, initial direct costs and any restoration obligation — and subsequently at cost less accumulated depreciation and impairment, depreciated over the shorter of the lease term and the asset's useful life. The lease liability is initially measured at the present value of the future lease payments, discounted at the rate implicit in the lease, or where that is not readily determinable, the Council's incremental borrowing rate. It is subsequently increased by interest and reduced by lease payments.

Where a lease is granted to the Council at a peppercorn, nominal or nil rent, the Code's public sector adaptation applies: the right-of-use asset is measured initially at fair value, with the difference between the consideration and fair value accounted for as a donated (non-exchange) asset.

Council as Lessee

Right of Use Assets

The carrying amount of the right-of-use assets, which comprise leased property, vehicles and equipment, moved as follows.

	2025/26 £000	2024/25 £000
Net book value at 1 April	979	1,202
Additions and reclassifications	33	0
Depreciation charge	(129)	(167)
Derecognition	0	(56)
Total	883	979

Lease liabilities

The lease liability includes the leases recognised on transition to IFRS 16 together with the Council's pre-existing finance leases — the Plantation property lease and the Etherow lease — which are long-dated arrangements carried forward from earlier years. The movement in the year was:

	£000
Balance at 1 April 2025	3,088
Interest charge	23
Lease payments	(119)
Balance at 31 March 2026	2,992
of which: current	83
of which: non-current	2,908

The liability is made up as follows.

	2025/26 £000	2024/25 £000
Leases recognised under IFRS 16	423	510
Plantation property lease (pre-existing)	2,544	2,544
Etherow lease (pre-existing)	24	33
Total	2,992	3,088

Maturity analysis

The undiscounted lease payments for the leases recognised under IFRS 16 are analysed below and reconciled to their present value. The pre-existing Plantation and Etherow finance leases are long-dated and are added at present value to reconcile to the total lease liability carried on the balance sheet.

	2025/26 £000	2024/25 £000
IFRS 16 leases-undiscounted lease payments		
Not later than one year	111	116
Later than one year and not later than five years	266	285
Later than five years	241	242
Total undiscounted payments	618	643
Less: future finance costs	(116)	(123)
Present value-IFRS leases	502	520
Pre-existing finance leases (present value)		
Plantation ad Etherow	2,490	2,568
Total lease liability (present value)	2,992	3,088

Amounts recognised in the Comprehensive Income and Expenditure Statement

	2025/26 £000	*2024/25 £000
Depreciation charge on right-of-use assets	129	0
Interest expense on lease liabilities	23	0
Total charged to the CIES	152	0

Other lease disclosures

	2025/26 £000	*2024/25 £000
Income from subleasing right-of-use assets	0	0
Total cash outflow for leases	119	0

**IFRS 16 was applied from 1 April 2024 under the modified retrospective approach, and comparative information for periods before 2024/25 was not restated. The breakdown of amounts charged to the Comprehensive Income and Expenditure Statement and the total cash outflow for leases are presented for 2025/26; these disclosures were not separately presented in 2024/25.*

The Council has elected to recognise the lease payments for short-term leases and leases of low-value assets as an expense on a straight-line basis. Low-value assets — principally multi-function printers and library delivery vehicles — are assessed on an absolute basis by reference to the value of the underlying asset when new.

Extension and termination options

In determining the lease term, the Council includes periods covered by an option to extend, or excludes periods covered by an option to terminate, only where it is reasonably certain that the option will or will not be exercised. Where a lease has reached the end of its term and the Council continues in occupation on a holding-over basis with no enforceable continuing term, no right-of-use asset is recognised and the payments are charged to revenue as incurred.

Council as Lessor

As a lessor the Council classifies each lease as a finance lease or an operating lease by reference to the extent to which the risks and rewards of ownership are transferred. The Council's leasing-out activity is predominantly operating leases of land and buildings, including a small number of major long-dated arrangements; rental income is credited to the relevant service and the assets are retained on the balance sheet. A number of arrangements are at a peppercorn or nominal rent and carry no minimum lease payments.

Operating leases

The future minimum lease payments receivable under non-cancellable operating leases are set out below. The figures are built from the Estates leased-out schedule together with the Manchester Airport leases, on the same basis as the prior year.

	2025/26 £000	2024/25 £000
Not later than one year	2,138	2,411
1 to 5 years	8,250	8,334
Later than five years	96,997	95,995
Total	107,385	106,740

The Council manages the risks attaching to its retained interest in the underlying assets through rent review and break-clause management, assessment of tenant covenant strength, contractual repair and insurance obligations, and security deposits or guarantees where appropriate.

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 2025	18,120	46,120	32,929	97,169
Historic Cost Adjustment	(18)	153	(68)	68
Additions	214	0	0	214
Revaluation gains/(losses)	(377)	2,840	0	2,464
Disposals	0	(22,103)	(32,861)	(54,964)
At 31 March 2026	17,940	27,010	0	44,950
<u>Accumulated Depreciation and Impairment</u>				
At 1 April 2025	0	0	0	0
Depreciation charge	(490)	(1,085)	(766)	(2,340)
Revaluation gains/(losses)	490	560	0	1,050
Disposals	0	525	766	1,290
At 31 March 2026	0	0	0	0
<u>Net Book Value</u>				
At 31 March 2026	17,940	27,010	0	44,950
At 31 March 2025	18,120	46,120	32,929	97,169

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 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

Accumulated Depreciation and Impairment				
1 April 2024	0	0	0	0
Depreciation charge	(646)	(803)	(1,466)	(2,914)
Revaluation gains/(losses)	547	803	747	2,097
Disposals	99	0	719	818
At 31 March 2025	0	0	0	0
Net Book Value				
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 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 2025	(12,877)	(27,507)	(45,335)	(85,720)
Historic Cost adjustment	18	(153)	68	(68)
Adjusted opening balance at 1 April 2025	(12,860)	(27,660)	(45,268)	(85,787)
Payments made During the year	1,083	1,605	2,874	5,561
Liability outstanding at 31 March 2026	(11,777)	(26,055)	(42,394)	(80,226)
Short term finance Lease liability	(1,169)	(1,977)	(2,276)	(5,422)
Long term finance lease liability	(10,608)	(24,079)	(40,118)	(74,804)
Total	(11,777)	(26,055)	(42,394)	(80,226)

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 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)

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	1,169	1,263	1,773	4,205	RPI	2033
Payments within 2 to 5 years	6,074	3,572	7,173	16,819		
Payments within 6 to 10 years	4,534	787	3,088	8,409		
	11,777	5,621	12,035	29,433		
Inspiredspaces Tameside (ProjectCo1) Limited						
Payments within 1 year	1,977	2,352	3,017	7,345	RPIX	2036
Payments within 2 to 5 years	7,955	7,535	13,891	29,381		
Payments within 6 to 10 years	14,342	5,049	17,335	36,726		
Payments within 11 to 15 years	1,782	161	1,118	3,060		
	26,055	15,096	35,360	76,512		
Inspiredspaces Tameside (ProjectCo2) Limited						
Payments within 1 year	2,276	4,211	4,915	11,402	RPIX	2038
Payments within 2 to 5 years	11,352	14,338	19,916	45,606		
Payments within 6 to 10 years	20,407	10,706	25,894	57,008		
Payments within 11 to 15 years	8,358	1,094	6,700	16,152		
	42,394	30,349	57,425	130,168		

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 2025/26 the Council paid £7.339m to the Teachers' Pension Agency in respect of the employers' contribution rate for teacher's pensions (£11.615m in 2024/25). These contributions are based on a national rate of 28.68% (28.68% in 2024/25).

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 2025/26 these costs amounted to £1.530m (£1.583m in 2024/25). 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 2027 are £6.8m.

NHS Staff Pension Scheme

In 2025/26 the Council paid £0.039m (£0.044m in 2024/25) 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 2025/26.

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 2025/26 the Council paid an employer's contribution of £21.013m (£21.304m in 2024/25) into the Fund representing 19.3% (19.3% in 2024/25) of pensionable pay. Contributions payable in 2026/27 are estimated to be £17.131m based on a contribution rate of 15%. The Council also paid £1.233m in 2025/26 (£1.299m in 2024/25) 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 2025/2026, the figures used in the financial statements were taken from the Actuary's report in April 2026. The opening balances used by the Actuary for 2025/26 reflect the previous year's actuary report.

	2025/26 £000	2024/25 £000
Service Cost		
- Current service costs	13,227	18,794
- Past service costs (including curtailments)	37	2,038
- Effect of settlements	4,432	2,019
Total Service Cost	17,696	22,851
Financing and Investment Income and Expenditure		
- Interest income on scheme assets	(73,458)	(60,608)
- Interest cost on defined benefit obligation	50,752	49,566
- Interest on Asset Ceiling	24,841	13,239
Total Net Interest	2,135	2,197
Total Post Employment Benefit Charged to the Surplus or Deficit on the Provision of Services	19,831	25,048
Remeasurements of the Net Defined Liability		
- Return on plan assets excluding amounts included in net interest	(53,482)	11,765

- Actuarial (gains)/losses arising from changes in demographic assumptions	(612)	(1,797)
- Actuarial (gains)/losses arising from changes in financial assumptions	(14,711)	(148,400)
- Other experience	87,219	(11,367)
- Changes in the effect of the Asset Ceiling	(31,594)	142,388
Total Remeasurements Recognised in Other Comprehensive Income and Expenditure	(13,180)	(7,411)
Total Post Employment Benefits Charged to the Comprehensive Income and Expenditure Statement	6,651	17,637
Movement in Reserves Statement		
- Reversal of net charges made for retirement benefits	5,010	(11,809)
- Reversal of interest on the effect of the asset ceiling	(24,841)	(13,239)
Actual Amounts charged against the general fund balance		
- Employers contributions payable to the scheme	21,394	21,838
- Unfunded benefits payable to pensioners	2,741	2,870

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:

	2025/26 £000	2024/25 £000
Fair value of employers assets	1,366,000	1,286,217
Present value of funded liabilities	(944,159)	(874,125)
Present value of unfunded liabilities - LGPS	(8,881)	(9,470)
Present value of unfunded liabilities - TPS	(12,493)	(12,886)
Asset Ceiling Adjustment to funded liabilities	(421,841)	(428,594)
Net Asset/(Liability) arising from Defined Benefit obligation	(21,374)	(38,858)

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 2026 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.

	2025/26 £000	2024/25 £000
Opening Value of the additional liability	(428,594)	(272,967)
Interest on the effect of the asset ceiling	(24,841)	(13,239)
Actuarial losses in the effect of the asset ceiling	31,594	(142,388)
Closing Position as at 31 March	(421,841)	(428,594)

Reconciliation of the Movements in Fair Value of Scheme Assets:

	2025/26 £000	2024/25 £000
Opening fair value of scheme assets	1,286,217	1,264,147
Interest income	73,458	60,608
Effect of settlements	(14,965)	(15,157)
<u>Remeasurement gain</u>		
- Return on plan assets excluding amounts included in net interest	53,482	(11,765)
Employer Contributions	21,394	21,838
Benefits paid	(43,779)	(40,705)
Contributions from employees into the scheme	7,247	7,251
Other Experience	(17,054)	0
Closing fair value of scheme assets	1,366,000	1,286,217

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

	2025/26 £000	2024/25 £000
Opening fair value of scheme liabilities brought forward	(896,481)	(1,037,109)
Current service cost	(13,227)	(18,794)
Interest cost	(50,752)	(49,566)
Interest on the effect of the asset ceiling	0	0
Contributions from scheme participants	(7,247)	(7,251)
Effect of settlements	10,533	13,138
<u>Remeasurement gain</u>		
- Actuarial gains/(losses) arising from changes in financial assumptions	14,711	148,400
- Actuarial gains/(losses) arising from changes in demographic assumptions	612	1,797
- Changes in the effect of the asset ceiling	0	0
- Other experience	(70,165)	11,367
Unfunded benefits paid	2,741	2,870
Past service cost	(37)	(2,038)
Benefits paid	43,779	40,705
Closing fair value of scheme liabilities	(965,533)	(896,481)

Employer's contributions to the Greater Manchester Pension Fund for the year ended 31 March 2027 will be approximately £17.131m.

Fair Value of Employer Assets:

Asset Category	31 March 2026				31 March 2025			
	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	91,625	0	91,625	7%	82,451	0	82,451	6%
Manufacturing	72,554	0	72,554	5%	62,124	0	62,124	5%
Energy and Utilities	68,922	0	68,922	5%	68,497	0	68,497	5%
Financial Institutes	118,604	0	118,604	9%	104,575	0	104,575	8%
Health and Care	66,317	0	66,317	5%	58,468	0	58,468	5%
Information Technology	84,001	0	84,001	6%	69,476	0	69,476	5%
Other	18,424	0	18,424	1%	17,534	0	17,534	1%
Debt Securities:								
Corporate Bonds (investment grade)	40,696	0	40,696	3%	42,079	0	42,079	3%
Corporate Bonds (non-investment grade)	0	0	0	0%	0	0	0	0%
UK Government	61,313	0	61,313	4%	54,894	0	54,894	4%
Other	44,172	0	44,172	3%	49,266	0	49,266	4%
Private Equity:								
All	0	76,675	76,675	6%	0	82,084	82,084	6%
Real Estate:								
UK Property	0	78,643	78,643	6%	0	66,303	66,303	5%
Investment funds and Unit Trusts:								
Equities	70,040	0	70,040	5%	55,748	0	55,748	4%
Bonds	135,329	0	135,329	10%	129,399	0	129,399	10%
Infrastructure	0	111,450	111,450	8%	0	107,746	107,746	8%
Other	30,368	160,543	190,911	14%	31,692	167,253	198,945	15%
Derivatives:								
Other	(6,917)	0	(6,917)	0%	(2,004)	0	(2,004)	0%
Cash and Cash Equivalents:								
All	43,241	0	43,241	3%	38,632	0	38,632	3%
Totals	938,689	427,311	1,366,000	101%	862,831	423,386	1,286,217	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:

	2025/26	2024/25
<u>Mortality assumptions</u> *		
Longevity at 65 for current pensioners:		
Men	20.6 years	20.1 years
Women	23.5 years	22.9 years
Longevity at 65 for future pensioners:		
Men	21.2 years	20.7 years
Women	24.9 years	24.5 years
Rate of inflation	3.00%	2.75%
Rate of increase in salaries	4.50%	3.55%
Rate of increase in pensions	3.00%	2.75%
Rate for discounting scheme liabilities	6.20%	5.80%

* 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 2026	Approximate % change to Employer Liability	Approximate Monetary Amount £000
0.1% decrease in Real Discount Rate	2%	14,820
1 year increase in member life expectancy	4%	35,859
0.1% increase in the Salary Increase Rate	0%	730
0.1% increase in the Pension Increase Rate (CPI)	2%	14,499

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.

GMPPF'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 2026 on the GMPPF 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 2026). 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 2026.

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:

	2025/26 £000	2024/25 £000
a) Adjust net surplus or deficit on the provision of services for non-cash movements		
Depreciation and amortisation of non-current assets	(17,636)	(18,530)
Increase/(Decrease) in inventories	(125)	(238)
(Increase)/Decrease in Creditors	(4,109)	4,113
Increase/(Decrease) in Debtors	2,216	13,095
Pensions Liability	4,304	(340)
Contributions (to)/from Provisions	0	0
Revaluation Losses	467	26,215
Carrying value on disposal of non-current assets	(92,165)	(80,660)
Other non-cash adjustments	(566)	8,967
	(107,614)	(47,378)

	2025/26 £000	2024/25 £000
b) Adjust for items included in the net surplus or deficit on the provision of services that are investing or financing activities		
Proceeds from the sale of non-current assets	5,529	2,717
Proceeds from short-term and long-term investments	(45,000)	(10,000)
Capital grants received and other items	25,887	19,208
	(13,584)	11,925

	2025/26 £000	2024/25 £000
c) Interest received, interest paid and dividends received		
Interest received	(12,554)	(8,112)
Interest paid	14,161	14,518
	1,607	6,406

30. Investing Activities

	2025/26 £000	2024/25 £000
Purchase of property, plant and equipment, investment property and intangible assets	22,332	14,630
Purchase of short term and long term investments	0	55,000
Proceeds from the sale of non-current assets	(5,529)	(2,717)
Other receipts from investing activities	(41,622)	(25,915)
Net cash flows from investing activities	(24,819)	40,999

31. Financing Activities

	2025/26 £000	2024/25 £000
Cash receipts of short term and long term borrowing	0	(10,000)
Cash payments for the reduction of the outstanding liabilities relating to leases and on-balance sheet PFI contracts	5,589	5,383
Repayments of short term and long term borrowing	20,203	203
Billing Authority - Council Tax and NDR adjustments	1,393	(301)
Net cash flows from financing activities	27,185	(4,715)

31a. Reconciliation of liabilities arising from financing activities

	1 April 2025	Financing cash flows	Non-cash changes		31 March 2026
	£000		£000	Acquisition £000	Other non-cash changes £000
Long-term borrowing	(136,651)	20,000	0	1,653	(114,998)
Short-term borrowings	(14,358)	203	0	(1,487)	(15,642)
Lease Liabilities	(3,087)	96	0	0	(2,991)
On balance sheet PFI liabilities	(85,720)	5,494	0	0	(80,226)
Billing Authority - Council Tax and NDR adjustments	1,037	1,393	0	0	2,430
Total liabilities from financing activities	(238,779)	27,186	0	166	(211,427)

Restated	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	(4,330)	0	(85,720)
Billing Authority - Council Tax and NDR adjustments	1,338	(301)	0	0	1,037
Total liabilities from financing activities	(228,943)	(4,881)	(4,935)	(20)	(238,779)

OTHER NOTES

32. Members' Allowances

	2025/26 £000	2024/25 £000
Payments to Members	1,563	1,549

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	
	2025/26	2024/25	2025/26	2024/25	2025/26	2024/25	2025/26	2024/25
£0-£20,000	0	0	13	11	13	11	79	70
£20,001-£40,000	0	0	0	2	0	2	0	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	13	13	13	79	125

34. Officer's Remuneration

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

2025/26				
Post Holder Information	Salary, Fees and Allowances (Paid in year) (a) £	Compensation for Loss of Office (b) £	Employer's Pensions Contribution (c) £	Total (a+b+c) £
Interim Chief Executive (i)	128,716	0	0	128,716
Chief Executive (Placed Based Lead) (ii) 27/10/2025-31/03/2026	87,912	0	16,967	104,879
Strategic Director of Adult Services (iii)	124,651	0	24,058	148,708
Strategic Director of Childrens Services - Jill Colbert	171,312	0	33,063	204,375
Strategic Director of Housing, Environment and Estates	133,488	0	25,763	159,251
Director of Strategic Growth (iv)	114,272	0	22,055	136,327
Director of Public Health (v)	114,275	0	22,055	136,330
Strategic Director of Finance (Section 151 Officer) (vi) 01/04/2025-31/05/2025	21,218	0	4,095	25,312
Strategic Director of Finance (Section 151 Officer) (vi) 01/06/2025-31/03/2026	110,038	0	21,237	131,276
Borough Solicitor - (Monitoring Officer) (vii) 01/04/2025-31/08/2025	42,916	0	0	42,916
Director of Legal Democratic Services (Monitoring Officer) (vii) 01/09/2025-31/03/2026	68,628	0	13,245	81,873
Strategic Director of Corporate Services (viii) 12/01/2026-31/03/2026	28,656	0	5,531	34,187
Chief Executive of Greater Manchester Pension Fund - Sandra Stewart (ix)	204,396	0	39,448	243,844

- (i) Interim Chief Executive to 26/10/2025 is seconded from Oldham MBC at a cost for this period of £128,716.
- (ii) The Chief Executive from 27/10/2025 to 31/03/2026, 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.
- (iii) The Strategic Director of Adults Services FTE salary for the period 01/04/2025 to 31/07/2025 was £115,952, then from 01/08/2025 to 31/03/2026 was £129,000
- (iv) The Director of Strategic Growth FTE salary for the period 01/04/2025 to 31/07/2025 was £107,521, then from 01/08/2025 to 31/03/2026 was £117,648.
- (v) The Director of Public Health FTE salary for the period 01/04/2025 to 31/07/2025 was £107,521, then from 01/08/2025 to 31/03/2026 was £117,648

- (vi) Strategic Director of Finance left their role on the 31/05/2025 at a cost of £25,312, new appointment from 01/06/2025 at a cost of £131,275. The Salary of the Strategic Director of Finance (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 Borough Solicitor (Monitoring Officer) in post for a period to 31/08/2025 at a cost of £42,917 and then a Director of Legal and Democratic Services (Monitoring Officer) in post from 01/09/2025 at a cost of £81,873
- (viii) Strategic Director of Corporate Services commenced 12/01/2026
- (ix) Chief Executive of the Greater Manchester Pension Fund is wholly funded by the Greater Manchester Pension Fund.

2024/25				
Post Holder Information	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	147,757	30,000	19,935	197,691
Interim Chief Executive (ii)	3,994	0	250	4,244
Interim Chief Executive (iii)	70,145	0	0	70,145
Director of Adults Services	112,356	0	21,685	134,041
Director of Children's Services (iv) - 01/04/2024 to 27/08/2024	126,000	0	0	126,000
Director of Childrens Services (iv) - 10/10/2024 to 10/01/2025	47,600	0	0	47,600
Director of Childrens Services (iv) - 01/01/2025 to 31/03/2025 - Jill Colbert	41,500	0	8,009	49,509
Director Of Place	129,348	0	24,964	154,312
Director of Public Health (v)	26,084	0	5,034	31,119
Interim Director of Public Health (v)	78,816	0	15,211	94,027
Director of Resources (vi)	127,305	0	25,091	152,396
Interim Asst Director of Legal Services - (Monitoring Officer) to 21/05/2024 (vii)	43,832	0	0	43,832
Borough Solicitor - (Monitoring Officer) from 22/05/2024 (vii)	84,385	0	0	84,385
Chief Executive of Greater Manchester Pension Fund (viii)	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.
 - (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.

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) 2025/26	Number of employees (including severance payments) 2025/26	Number of employees (excluding severance payments) 2024/25	Number of employees (including severance payments) 2024/25
£50,000 - £54,999	203	203	208	208
£55,000 - £59,999	77	77	98	98
£60,000 - £64,999	59	59	40	40
£65,000 - £69,999	20	20	23	23
£70,000 - £74,999	17	17	18	19
£75,000 - £79,999	23	23	18	18
£80,000 - £84,999	8	8	6	6
£85,000 - £89,999	8	8	5	5
£90,000 - £94,999	2	2	11	11
£95,000 - £99,999	7	7	1	1
£100,000 - £104,999	3	3	6	6
£105,000 - £109,999	5	5	1	1
Total	432	432	435	436

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 2026.

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 2026.

37. External Audit Costs

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

	2025/26 £000	2024/25 £000 Restated
Fees payable with regard to external audit services	318	372
Total	318	372

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 Strategic Director of Finance/Section 151 Officer on 29th June 2026. 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 2026, 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 2026, Mottram C of E Primary School converted to Academy Status. This school has a value of £0.036m on the balance sheet at 31 March 2026 (reflecting only the land value as the building belongs to the diocese). As a result of the academy conversion, this value will be written out as a derecognition in the 2026/27 Statement of Accounts.

On 18 May 2026 the Council purchased the Ladysmith Shopping Centre in Ashton town centre as part of the long term regeneration of the town centre. The asset will be valued during 2026/27 and reflected on the balance sheet at 31 March 2027.

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 2025

The Statement of Accounts summarises the Council's income, expenditure, assets and liabilities held and incurred during the 2025/26 financial year and its position at 31 March 2026.

The Council is required to prepare an annual Statement of Accounts by the Accounts and Audit Regulations 2015 (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 2025/26 (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 there is the assumption that the functions of the Council will continue in operational existence for the foreseeable future.

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. In the period between valuations, an appropriate indexation factor is applied, to comply with regulations.

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”. In accordance with regulation, in the period between formal valuations the relevant asset valuations are subject to an annual indexation adjustment (or desktop re-evaluation if considered more appropriate).

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.

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. Investment Property is revalued annually, in line with the 2025/26 Code.

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 revised requirements of the 2025/26 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

- 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.
- 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.

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- 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 leases (with the exception of Service Concession arrangements) in line with IFRS 16 - including adaptations to fit the public sector as detailed in the Code. This accounting policy was applied from 1 April 2024.

In applying 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. 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.

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. 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.

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 requires the disclosure of information relating to the impact of an accounting change that will be required by a new accounting standard, but one which has not yet been implemented.

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.

At the balance sheet date, the new standards and amendments to existing standards that have been published but not yet adopted by the Code of Practice of Local Authority Accounting in the United Kingdom, are:

- Amendments to FRS 102 The Financial Reporting Standard applicable in the UK and Republic of Ireland (Amendments to Heritage assets) issued in March 2024
- Amendments to the Classification and Measurement of Financial Instruments (Amendments to IFRS 9 and IFRS 7) issued in May 2024
- Annual improvements to IFRS accounting standards – Volume 11 issued in July 2024
- Contracts Referencing Nature-dependent Electricity (Amendments to IFRS 9)

These amendments are not anticipated to have a significant impact on the council's accounts.

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	8,370	42,810
Voluntary Controlled (VC)	6	0	0	6	66	0
Voluntary Aided (VA)	12	2	0	14	2,148	27,010
Foundation	0	0	0	0	0	0
Foundation Trust	0	0	0	0	0	0
Maintained Schools	30	5	1	36	10,584	69,820
Free Schools	0	1	0	1	0	0
Academies	46	10	5	61	0	0
Total	76	16	6	98	10,584	69,820

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.

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 2026 was £155.050m. A 1% change in the value of these assets would result in a £1.550m 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 2025/26 financial year was £17.636m. An increase of one to all useful economic lives would reduce this depreciation charge by £0.908m, and a reduction of one to all useful economic lives would increase the depreciation charge by £1.041m.

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 2025/26 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 2025/26 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	2025/26			
	Receipts £000	Payments £000	Creditors £000	Debtors £000
Active Tameside (Tameside Sport Trust)	(70)	3,368	62	(113)
Ashton Pioneer Homes	(33)	25	-	-
Jigsaw Homes (New Charter Housing)	(50)	1,704	1,501	-
	2024/25			
Active Tameside (Tameside Sport Trust)	(1)	3,786	(60)	-
Ashton Pioneer Homes	(20)	24	-	-
Jigsaw Homes (New Charter Housing)	(115)	2,745	77	-

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	2025/26 £000	2024/25 £000
Greater Manchester Combined Authority - Waste Disposal	16,649	16,349
Greater Manchester Combined Authority - Transport	16,901	16,480
Environmental Agency - Flood Defence	131	129

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.

	2025/26 £000	2024/25 £000
Balance B/fwd owed from/(to) the Pension Fund at 1st April	1,749	(8,261)
Cost incurred of behalf of Pension Fund	14,037	11,839
VAT Refund obtained from HMRC	1,133	(136)
Due from Tameside MBC to the Pension Fund	16,920	3,442
Reimbursements by the Pension Fund to TMBC	(15,610)	(1,693)
Owed from/(to) the Pension Fund by TMBC at 31st March	1,310	1,749

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.

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	<ul style="list-style-type: none"> Placed Based lead for Greater Manchester NHS Integrated Care Board w/e 27/10/2025
Strategic Director of Finance /S151 Officer	<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 Manchester Airport Holdings Limited (MAHL) Chief Finance Officer Group Member Board Member of National Anti-Fraud Network (NAFN Tameside MBC Hosted Service

Strategic Director of Housing, Environment and Estates	<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
Director of Public Health	<ul style="list-style-type: none"> • Vice Chair and Treasurer of Greater Manchester Public Health Leadership Network • Lead Director of Public Health for Greater Manchester Public Health Network (Tameside MBC Hosted Service)
Strategic Director of Childrens Services	<ul style="list-style-type: none"> • Member of the oversight board for the Regional Adoption Agency
Strategic Director of Corporate Services	<ul style="list-style-type: none"> • Deputy Chair iNetwork (Tameside MBC Hosted Service)
Asst Director of Revenues and benefits	<ul style="list-style-type: none"> • Director Board Member Cash Box Credit Union
Asst Director of ICT, Digital and Information governance	<ul style="list-style-type: none"> • iNetwork (Tameside MBC Hosted Service) Executive Board Member • iStand (Tameside MBC Hosted Service) Executive Board Member

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	2025/26			
	Receipts £000	Payments £000	Creditors £000	Debtors £000
Inspired SpacesTameside Ltd	-	10,927	93	-
Inspired Spaces Tameside (Project Co 1) Ltd	(378)	-	-	(120)
Inspired Spaces Tameside (Project Co 2) Ltd	(589)	-	-	(198)
	2024/25			
Inspired SpacesTameside Ltd	-	22,299	672	-
Inspired Spaces Tameside (Project Co 1) Ltd	(404)	-	-	(120)
Inspired Spaces Tameside (Project Co 2) Ltd	(586)	-	-	(235)

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.

44. Agency Services and Pooled Budgets

2025/26	HMP £000	iStandUK £000	i-Network £000	GMPHLG £000	NAFN £000	GMHSCP £000	NW ADASS £000	GMEU £000	PPP £000
Balance Brought Forward	(4,277)	(138)	(399)	(886)	(1,672)	(2,251)	(13)	(524)	(129)
Contributions	(141)	(803)	(421)	(417)	(1,367)	(1,274)	16	(794)	(243)
Interest earned on Balances	(116)	0	(27)	0	(81)	0	0	0	0
Total Income	(257)	(803)	(447)	(417)	(1,448)	(1,274)	16	(794)	(243)
Employee Expenses	0	134	352	238	907	18	0	631	108
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	59
Supplies & Services/Other expenditure	221	182	112	114	797	1,350	0	244	11
Total Expenditure	221	316	463	352	1,704	1,367	0	875	178
Balance Carried Forward	(4,313)	(625)	(383)	(951)	(1,416)	(2,158)	2	(443)	(194)

2024/25	HMP £000	iStandUK £000 Restated	i-Network £000	GMPHLG £000	NAFN £000	GMHSCP £000	NW ADASS £000	GMEU £000 Restated	PPP £000
Balance Brought Forward	(4,486)	(122)	(425)	(1,000)	(1,542)	(2,761)	(498)	(441)	(140)
Contributions	0	(148)	(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)	(148)	(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	442	8
Total Expenditure	425	132	435	467	1,399	1,667	752	953	362
Balance Carried Forward	(4,276)	(138)	(399)	(886)	(1,672)	(2,251)	(13)	(524)	(130)

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

iStandUK 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 2025/26 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 2026/27 and the 2025/26 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 2025/26 balance will be carried forward into 2026/27.

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, is hosted by Tameside Metropolitan Borough Council and operates as a collaborative, not-for-profit service supporting public sector bodies in the prevention and detection of fraud. The service provides specialist, professional support to organisations responsible for the stewardship of public funds and assets and is delivered by a team comprising 25 full-time equivalent officers. NAFN operates as a national counter-fraud resource. Its operating costs are funded through a combination of grant income, voluntary membership subscriptions and service-based recharges. The voluntary nature of membership ensures that services are demand-led and subject to ongoing consideration of value for money.

As at 2025/26, 96% of UK local authorities are members of NAFN, together with an increasing number of other public sector and publicly funded organisations, including registered housing providers. NAFN acts as the national Single Point of Contact (SPoC) for local authorities seeking

access to communications data under relevant legislation and provides intelligence and data services in support of fraud prevention and wider criminal investigations. In addition, NAFN hosts the National Sanctions Information Database and the National Register of Revocations, Refusals and Suspensions (NR3S) for taxi and private hire vehicle licensing, delivering these services on behalf of the Department for Transport. These national systems support safeguarding, compliance and information sharing across licensing authorities in England.

Membership of NAFN is open to organisations with responsibility for managing public sector finances or assets. The continued expansion of the service reflects sustained demand and its established role within the wider counter-fraud, regulatory and law enforcement landscape.

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 £0.239m in 2025/26, which was made up of a deficit on chargeable activities of £0.240m and a surplus on non-chargeable activities of £0.001m.

	2025/26		
	Chargeable	Non-Chargeable	Total
	£000	£000	£000
Expenditure:			
Employee Expenses	320	81	401
Supplies and Services	3	1	4
Central and Support Service Charges	35	9	44
	358	91	449
Income:			
Building Regulation Charges	(118)	(92)	(210)
	(118)	(92)	(210)
(Surplus)/Deficit for year	240	(1)	239

	2024/25		
	Chargeable	Non-Chargeable	Total
	£000	£000	£000
Expenditure:			
Employee Expenses	265	29	294
Supplies and Services	8	1	9
Central and Support Service Charges	59	6	65
	332	36	368
Income:			
Building Regulation Charges	(106)	(42)	(148)
	(106)	(42)	(148)
(Surplus)/Deficit for year	226	(6)	220

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	2025/26 Funding		
	Council £000	ICB £000	Total £000
Revenue			
Better Care Fund	14,181	10,350	24,531
Improved Better Care Fund	15,526	0	15,526
Discharge Fund	0	0	0
Capital			
Disabled Facilities Grant (DFG)	3,536	0	3,536
DFG - Additional	0	0	0
Section 75 Total	33,243	10,350	43,593

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

Expenditure met from the pooled budget:			
Section 75	2025/26 Expenditure		
	Council £000	ICB £000	Total £000
Revenue			
Better Care Fund	14,181	10,350	24,531
Improved Better Care Fund	15,526	0	15,526
Discharge Fund	0	0	0
Capital			
Disabled Facilities Grant (DFG)	3,536	0	3,536
DFG - Additional	0	0	0
Section 75 Total	33,243	10,350	43,593

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

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 2026

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 2026			31 March 2025		
	Council Tax £000	NDR £000	Total £000	Council Tax £000	NDR £000	Total £000
Income						
Income from Council Tax	(153,350)	0	(153,350)	(145,108)	0	(145,108)
Transfers from General Fund (S13A relief)	0	0	0	0	0	0
Income from NDR	0	(57,716)	(57,716)	0	(54,714)	(54,714)
Total Income	(153,350)	(57,716)	(211,066)	(145,108)	(54,714)	(199,823)
Expenditure						
<u>Council Tax</u>						
The Council	124,513	0	124,513	117,903	0	117,903
GMCA Mayoral Police and Crime Commissioner	17,597	0	17,597	16,588	0	16,588
GMCA Mayoral General Precept (inc. Fire)	8,395	0	8,395	7,310	0	7,310
<u>NDR</u>	0	0	0	0	0	0
The Council	0	58,757	58,757	0	58,372	58,372
Central Government	0	0	0	0	0	0
GM Fire and Rescue Authority	0	594	594	0	590	590
Allowance for cost of collection	0	287	287	0	287	287
Transitional Protection Payments	0	(179)	(179)	0	(1,683)	(1,683)
Increase/(decrease) in:	0	0	0	0	0	0
Allowance for non-collection	3,550	482	4,033	3,684	3	3,687
Provision for appeals	0	1,891	1,891	0	(3,857)	(3,857)
<u>Surplus/deficit (allocated)/paid out in year:</u>	0	0	0	0	0	0
The Council	2,710	4,808	7,518	(540)	8,827	8,287
Central Government	0	0	0	0	0	0
GMCA Mayoral Police and Crime Commissioner	381	0	381	(76)	0	(76)
GMCA Mayoral General Precept (inc. Fire)	168	49	217	(34)	89	56
Total Expenditure	157,315	66,687	224,003	144,837	62,627	207,464
(Surplus)/deficit for the year	3,965	8,971	12,936	(271)	7,913	7,642
Balance brought forward	(3,125)	(1,176)	(4,301)	(2,853)	(9,089)	(11,942)
(Surplus)/deficit for the year	3,965	8,971	12,936	(271)	7,913	7,642
Balance carried forward	840	7,796	8,636	(3,125)	(1,176)	(4,301)
<u>Share of (surplus)/deficit</u>						
The Council	696	9,495	10,191	(2,599)	613	(1,986)
Central Government	0	(1,777)	(1,777)	0	(1,777)	(1,777)
GMCA Mayoral Police and Crime Commissioner	98	0	98	(366)	0	(366)
GMCA Mayoral General Precept (inc. Fire)	46	78	124	(161)	(12)	(173)
	840	7,796	8,636	(3,125)	(1,176)	(4,301)

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.

Council Tax Base for 2025/26

The Council Tax base for 2025/26 was set in January 2025.

Table showing the tax base for the whole Council and Council Tax for properties within the Mossley Parish Council boundary:

Tameside 2025/26 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	102	5/9	43	0	0	0	0
Band A	53,024	45,430	6/9	24,720	1,274.66	180.20	85.96	1,540.82
Band B	19,644	17,588	7/9	12,793	1,487.10	210.23	100.29	1,797.62
Band C	20,214	18,511	8/9	15,940	1,699.54	240.26	114.62	2,054.42
Band D	7,261	6,812	9/9	6,705	1,911.99	270.30	128.95	2,311.24
Band E	3,986	3,744	11/9	4,548	2,336.87	330.36	157.60	2,824.83
Band F	943	895	13/9	1,286	2,761.76	390.43	186.26	3,338.45
Band G	444	419	15/9	699	3,186.65	450.50	214.91	3,852.06
Band H	40	20	18/9	40	3,823.98	540.60	257.90	4,622.48
Total	105,556	93,521		66,773				
Less Allowance for Losses on Collection				(1,669)				
MOD Properties				0				
Total Tameside Tax Base 2025/26				65,103				

Table showing the tax base and Council Tax for properties within the Mossley Parish Council:

Tameside 2025/26 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	7	5/9	3	0	0	0	0	0
Band A	2,838	2,432	6/9	1,404	1,275	6.89	180.20	85.96	1,547.71
Band B	901	804	7/9	604	1,487	8.04	210.23	100.29	1,805.66
Band C	1,046	947	8/9	843	1,700	9.19	240.26	114.62	2,063.61
Band D	458	433	9/9	433	1,912	10.34	270.30	128.95	2,321.58
Band E	196	189	11/9	228	2,337	12.63	330.36	157.60	2,837.46
Band F	51	51	13/9	74	2,762	14.93	390.43	186.26	3,353.38
Band G	15	18	15/9	30	3,187	17.23	450.50	214.91	3,869.29
Band H	1	0	18/9	0	3,824	20.68	540.60	257.90	4,643.16
Total	5,506	4,880		3,619					
Less Allowance for Losses on Collection				(90)					
MOD Properties				0					
Total Mossley Parish Tax Base 2025/26				3,528					

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 2025/26, the total Non-Domestic Rateable value at 31 March 2026 is £156.8m (£157.5m in 2024/25). The national multipliers for 2025/26 were 49.9p for qualifying small businesses, and the standard multiplier being 55.5p for all other businesses (49.9p and 54.6p respectively in 2024/25).

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 2025/26 (excluding previous year's distribution) were £58.757m to the Council and £0.594m to GMFRA. (2024/25 shares paid were £58.372m to the Council and £0.590m to GMFRA). Since 2023/24 a new 100% Greater Manchester trailblazing devolution deal is in place and will run for 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

2025/26

Fund Account for the year ended 31 March 2026			
31 March 2025			31 March 2026
£000		Note	£000
	Contributions and benefits		
(212,469)	Contributions from members	5	(224,600)
(692,190)	Contributions from employers	5	(727,246)
(904,659)			(951,846)
(1,809)	Transfers in (bulk)		(1,327)
(49,323)	Transfers in (individual)		(55,525)
(955,791)			(1,008,698)
1,183,659	Benefits payable	6	1,237,445
57,166	Payments to and on account of leavers	7	94,170
285,034	Net withdrawals from dealings with members		322,917
125,290	Management expenses	8	125,785
410,324	Net withdrawals including management expenses		448,702
	Returns on investments		
(774,970)	Investment income	9	(802,536)
4,058	Taxes on income	10	4,609
(642,126)	Profit and losses on disposal of investments and changes in value of investments	11a	(2,485,978)
(1,413,038)	Net return on investments		(3,283,905)
(1,002,714)	Net increase in the net assets available for benefits during the year		(2,835,203)
(31,291,802)	Net assets of the Fund at start of year		(32,294,516)
(32,294,516)	Net assets of the Fund at end of year		(35,129,719)

Please see relevant notes for further information and/or analysis.

Net Assets Statement at 31 March 2026

31 March 2025			31 March 2026
£000		Note	£000
11,111,758	Equities	11a	13,050,620
3,424,941	Bonds	11b	3,389,346
1,010,195	Investment property	11c	1,023,359
8,321	Derivative contracts	11d	26,388
11,673,470	Pooled investment vehicles	11e	12,156,382
3,688,050	Insurance policies	11f	3,857,703
964,100	Cash and deposits	11g	1,206,659
383,452	Other investment assets	11h	375,620
32,264,287	Investment assets		35,086,077
(7,555)	Derivative contract liabilities	11d	(17,748)
(14,514)	Other investment liabilities	11h	(5,764)
(22,069)	Investment liabilities		(23,512)
87,014	Current assets	11h	101,844
(34,716)	Current liabilities	11h	(34,690)
52,298	Net current assets		67,154
32,294,516	Net assets of the scheme available to fund benefits at the reporting period end		35,129,719

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 2025/26 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 22). 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 five 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 2025/26 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.
- Strategic Director of Finance – responsible for preparation of Administering Authority’s accounts, which includes GMPF’s Statement of Accounts

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

- 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 2026 and the preceding year is shown below:

31 March 2025		31 March 2026
124,610	Contributors	126,619
153,226	Pensioners	159,579
160,165	Deferred members *	155,433
438,001	Total membership	441,631
733	Employers with contributing members	815

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

Further information is published in the Greater Manchester Pension Fund Annual Report 2025/26 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 2025/26.

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 2025/26 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 21.

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 2026. 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 2026. 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:

All investment assets held at their fair value as at 31 March 2026 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 2026. The fair values of investments are determined as follows:

At 31 March 2026	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.

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At 31 March 2026	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 2025, subsequently adjusted for transactions undertaken between 1 January and 31 March 2026. 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>

At 31 March 2026	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 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 22).

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 2026 was £6,597,745,000 (£6,883,728,000 at 31 March 2025).

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 2025/26 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 27.0% for private equity and 14.6% 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.

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	At 31 March 2026		
	Fair value through profit and loss £000	Financial assets at amortised cost £000	Financial liabilities at amortised cost £000
Financial assets:			
Equities	13,050,620	0	0
Bonds	3,389,346	0	0
Derivatives	26,388	0	0
Pooled investment vehicles	12,156,382	0	0
Insurance policies	3,857,703	0	0
Cash	0	1,206,659	0
Other investment assets	0	375,620	0
Current assets	0	101,844	0
	32,480,439	1,684,123	0
Financial liabilities:			
Derivatives	(17,748)	0	0
Other investment liabilities	0	0	(5,764)
Current liabilities	0	0	(34,690)
	(17,748)	0	(40,454)
Total	32,462,691	1,684,123	(40,454)

	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
	29,906,540	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)

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 2026 was £2,462,490,000 (£630,659,000 31 March 2025). 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 2026			
	Level 1 £000	Level 2 £000	Level 3 £000	Total £000
Financial assets:				
Equities	13,050,620	0	0	13,050,620
Fixed interest	0	3,389,346	0	3,389,346
Derivatives	0	26,388	0	26,388
Pooled investment vehicles	0	3,470,373	8,686,009	12,156,382
Insurance policies	0	3,857,703	0	3,857,703
Non-financial assets (at fair value through profit & loss):				
Directly held investment property	0	0	1,023,359	1,023,359
Total	13,050,620	10,743,810	9,709,368	33,503,798

	At 31 March 2025			
	Level 1 £000	Level 2 £000	Level 3 £000	Total £000
Financial assets:				
Equities	11,111,758	0	0	11,111,758
Fixed interest	0	3,424,941	0	3,424,941
Derivatives	0	8,321	0	8,321
Pooled investment vehicles	0	3,112,697	8,560,773	11,673,470
Insurance policies	0	3,688,050	0	3,688,050
Non-financial assets (at fair value through profit & loss):				
Directly held investment property	0	0	1,010,195	1,010,195
Total	11,111,758	10,234,009	9,570,968	30,916,735

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 2026 and 31 March 2025. 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 2026	Valuation range	Value on increase	Value on decrease
	£000	%	£000	£000
Directly held investment property	1,023,359	15.9%	1,186,073	860,645
Private equity	3,829,782	27.0%	4,863,823	2,795,741
Indirect property investments	2,088,264	15.9%	2,420,298	1,756,230
Infrastructure	2,767,963	14.6%	3,172,086	2,363,840
Level 3 Assets	9,709,368		11,642,280	7,776,456

	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	7,652,194

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

31 March 2025 £000		31 March 2026 £000
9,308,180	Opening balance	9,570,969
1,043,817	Acquisitions	1,062,536
(945,666)	Disposal proceeds / Return of capital	(970,005)
	Total gains/losses included in the Fund account:	
234,255	- on assets sold	61,217
(69,617)	- on assets held at year end	(15,349)
9,570,969	Closing balance	9,709,368

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 2025.

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 2025	31 March 2026
	p.a.	p.a.
UK equities	16.3%	18.0%
Overseas equities	18.0%	18.3%
Fixed interest gilts	5.5%	5.4%
Index linked gilts	6.7%	6.7%
Corporate bonds	6.5%	6.3%
High yield debt	7.5%	7.2%
Investment property	15.2%	15.9%
Private equity	26.6%	27.0%
Infrastructure	14.5%	14.6%
Cash and other liquid funds	0.3%	0.3%
GMPF	11.3%	11.5%

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 2026 and 2025. 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 2026 and 2025 would have been as shown in the tables below.

Asset type	31 March 2026 £000	% Change p.a.	Value on increase £000	Value on decrease £000
UK equities	3,129,179	18.0%	3,692,431	2,565,927
Overseas equities	11,597,042	18.3%	13,719,299	9,474,782
Fixed interest gilts	2,470,596	5.4%	2,604,008	2,337,184
Index linked gilts	2,275,079	6.7%	2,427,510	2,122,649
Corporate bonds	1,610,367	6.3%	1,711,821	1,508,914
High yield debt	1,795,960	7.2%	1,925,270	1,666,651
Investment property	3,808,112	15.9%	4,413,602	3,202,622
Private equity	3,722,910	27.0%	4,728,096	2,717,724
Infrastructure	2,874,835	14.6%	3,294,561	2,455,109
Cash and other liquid funds	1,801,997	0.3%	1,807,403	1,796,591
GMPF	35,086,077	11.5%	39,120,976	31,051,178

Asset type	31 March 2025 £000	% Change p.a.	Value on increase £000	Value on decrease £000
UK equities	2,922,010	16.30%	3,398,297	2,445,722
Overseas equities	9,543,247	18.00%	11,261,032	7,825,463
Fixed interest gilts	1,510,363	5.50%	1,593,433	1,427,293
Index linked gilts	2,343,184	6.70%	2,500,177	2,186,191
Corporate bonds	2,065,155	6.50%	2,199,390	1,930,920
High yield debt	1,744,961	7.50%	1,875,833	1,614,089
Investment property	3,383,492	15.20%	3,897,783	2,869,201
Private equity	4,232,842	26.60%	5,358,777	3,106,906
Infrastructure	2,650,886	14.50%	3,035,265	2,266,508
Cash and other liquid funds	1,868,148	0.30%	1,873,752	1,862,543
GMPF	32,264,288	11.3%	35,910,153	28,618,424

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 22 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 2026 was £508,040,000 (31 March 2025 £526,000,000). This was held with the following institutions:

Summary	Rating	Balance at 31 March 2025 £000	Balance at 31 March 2026 £000
Money Market Funds			
Aberdeen Assets	AAA	75,000	73,390
Federated	AAA	75,000	75,000
Insight	AAA	63,300	73,250
Invesco	AAA	800	61,400
Legal & General	AAA	75,000	75,000
Morgan Stanley	AAA	75,000	75,000
DB Advisors	AAA	1,900	0
Banks			
Bank of Scotland	A+	75,000	75,000
Local authorities & public bodies			
Greater Manchester Combined Authority	N/A	75,000	0
Tameside MBC	N/A	10,000	0
Total		526,000	508,040

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 2026 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 2025 £000	Liquidity terms	31 March 2026 £000
21,997,068	Assets realisable within 7 days	24,680,221
0	Assets realisable in 8-30 days	0
0	Assets realisable in 31-90 days	0
10,267,220	Assets taking more than 90 days to realise	10,405,856
32,264,288	Total	35,086,077

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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 2025 £000	For the year ending:-	31 March 2026 £000
(212,469)	Members' contributions	(224,600)
	Employers:	
(691,459)	Normal contributions	(726,058)
(731)	Deficit recovery contributions	(1,188)
(692,190)	Total employers contributions	(727,246)
(904,659)	Total	(951,846)

By Authority

31 March 2025 £000	For the year ending:-	31 March 2026 £000
(29,029)	Tameside MBC (administering body)	(28,808)
(821,020)	Scheduled bodies	(870,238)
(54,610)	Admission bodies	(52,800)
(904,659)	Total	(951,846)

6. Benefits payable

By Category

31 March 2025 £000	For the year ending:-	31 March 2026 £000
965,797	Pensions	1,011,542
193,050	Commutation & lump sum retirement benefits	198,414
24,812	Lump sum death benefits	27,489
1,183,659	Total	1,237,445

By Authority

31 March 2025 £000	For the year ending:-	31 March 2026 £000
49,916	Tameside MBC (administering body)	51,421
894,853	Scheduled bodies	945,256
238,890	Admission bodies	240,768
1,183,659	Total	1,237,445

7. Payments to and on account of leavers

31 March 2025 £000	For the year ending:-	31 March 2026 £000
55,433	Individual transfers to other schemes	90,108
(8)	Income for members from state scheme	(6)
1,741	Refunds to members leaving service	4,068
57,166	Total	94,170

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 2025 £000	For the year ending:-	31 March 2026 £000
113,175	Investment management expenses	109,903
10,058	Administrative costs	11,252
2,057	Oversight and governance costs	4,630
125,290	Total	125,785

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 above costs include GMPF's share of costs for Northern LGPS.

Administrative costs:

31 March 2025 £000	For the year ending: -	31 March 2026 £000
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6,919	Employee costs	7,997
2,930	Support services including IT	2,978
209	Printing and publications	277
10,058	Total	11,252

Investment management expenses:

31 March 2025 £000	For the year ending:-	31 March 2026 £000
1,796	Employee costs	1,959
903	Support services including IT	900
5,091	Transaction costs (public managers) *	6,178
80,744	Management fees - private markets (custodian)**	74,354
24,162	Management fees - public markets	25,990
479	Custody fees	522
113,175	Total	109,903

* Transaction costs are incremental costs directly attributable to the sale and purchase of UK and Overseas equities. They comprise £891,000 (2025 £764,000) commissions and £5,286,000 (2025 £4,327,000) 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 2025 £000	For the year ending:-	31 March 2026 £000
576	Employee costs	545
39	Support services including IT	2,741
169	Governance and decision-making costs	200
82	Investment performance monitoring	16
256	External audit fees *	196
187	Internal audit fees	177
191	Actuarial fees - investment consultancy	157
557	Actuarial fees	598
2,057	Total	4,630

***Breakdown of External Audit Fee**

31 March 2025 £	For the year ending:-	31 March 2026 £
191,573	Statutory audit fees	176,250
18,000	Work carried out on behalf of GMPF's main scheme employers	20,000
47,100	Prior year additional charge	-
256,673	Total	196,250

9. Investment income

31 March 2025 £000	For the year ending:-	31 March 2026 £000
(75,760)	Income from bonds	(89,975)
(326,810)	Equities	(322,723)
(299,937)	Pooled investment vehicles	(285,085)
(46,139)	Investment property (gross)	(84,007)
11,126	Investment property non-recoverable expenditure	10,508
(36,629)	Interest on cash deposits	(30,693)
(821)	Stocklending	(561)
(774,970)	Total	(802,536)

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 2025/26 amounts to £4,069,000 (2024/25 £4,058,000) and is shown as a tax charge.

As Tameside MBC is the Administering Authority for GMPF, VAT input tax was recoverable on all GMPF activities including expenditure on investment and property expenses.

11. Investments at fair value

11a. Reconciliation of movement in financial assets

Value at 31 March 2025 £000		Purchases & derivative payments £000	Sales & derivative receipts £000	Change in fair value £000	Value at 31 March 2026 £000
	Financial assets at fair value through profit and loss				
11,111,758	Equities	5,094,934	(5,188,816)	2,032,744	13,050,620
3,424,941	Bonds	1,097,198	(1,145,916)	13,123	3,389,346
1,010,195	Investment property	33,387	(41,611)	21,388	1,023,359
977	Derivatives - Futures	186,105	(143,537)	(42,185)	1,360
(211)	Derivatives - Forwards	93,786	(32,780)	(53,515)	7,280
15,361,520	Managed and unitised funds	1,435,237	(1,294,994)	512,323	16,014,085
30,909,180		7,940,647	(7,847,654)	2,483,878	33,486,050
	Financial assets and liabilities at amortised cost				
964,100	Cash				1,206,659
383,452	Other investment assets				375,620
87,014	Net current assets				101,844
(14,514)	Other investment liabilities				(5,764)
(34,716)	Net current liabilities				(34,690)
32,294,516	Total			2,483,878	35,129,719

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	15,361,520
30,437,609		7,331,988	(7,494,008)	633,592	30,909,180
	Financial assets and liabilities at amortised cost				
613,945	Cash				964,100
222,412	Other investment assets				383,452
73,519	Net current assets				87,014
(30,777)	Other investment liabilities				(14,514)
(24,906)	Net current liabilities				(34,716)
31,291,802	Total			633,592	32,294,516

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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 2025 £000		31 March 2026 £000
690,085	UK public sector quoted	779,556
316,230	Overseas public sector quoted	4,475
362,187	UK corporate quoted	340,146
607,935	Overseas corporate quoted	632,105
1,448,504	Index linked	1,633,064
3,424,941	Total	3,389,346

11c. Investment property

31 March 2025 £000		31 March 2026 £000
728,281	UK - Main investment property portfolio	765,025
281,914	UK - Greater Manchester Property Venture Fund	258,334
1,010,195		1,023,359

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. One property was being marketed at 31 March 2026 - valuation: £29,500,000 (compared to two properties March 2025 combined valuation: £6,000,000).

GMPF sold two investment properties during the 2025/26 financial year: combined valuation £39,800,000 at 31 March 2025 (GMPF sold two investment properties during the 2024/25 financial year: combined valuation £6,520,000 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 2025/26	£000
Balance at 1 April 2025	1,010,195
Purchases	23,623
Expenditure during year	9,764
Disposals	(41,611)
Net gains/ (losses) from fair value adjustments	21,388
Balance at 31 March 2026 *	1,023,359

* One property was either being prepared for sale, marketed or prices had been agreed at 31 March 2026

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	6,878
Disposals	(5,442)
Net gains/ (losses) from fair value adjustments	2,932
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

Future operating lease rentals receivable

31 March 2025 £000		31 March 2026 £000
54,843	Not later than 1 year	54,025
182,152	Later than 1 year, but not later than 5 years	174,667
273,694	Later than 5 years	239,345
510,689	Total	468,037

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 2025 £000		31 March 2026 £000
	Investment assets:	
663	Forward currency contracts	7,881
7,658	Financial futures	18,507
8,321		26,388
	Investment liabilities:	
(874)	Forward currency contracts	(601)
(6,681)	Financial futures	(17,147)
(7,555)		(17,748)
766	Net (liability)/asset	8,640

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 2026						
Contract	Currency	Currency bought 000	Currency	Currency sold 000	Assets £000	Liability £000
Forward Currency Contract	EUR	280	USD	322	1	
Forward Currency Contract	JPY	65,676,000	GBP	309,596	3,814	
Forward Currency Contract	USD	564,000	GBP	424,001	3,704	
Forward Currency Contract	CHF	16,300	GBP	15,580		(165)
Forward Currency Contract	AUD	20,300	GBP	10,731		(189)
Forward Currency Contract	CAD	42,000	GBP	23,017		(176)
Forward Currency Contract	HKD	22,000	GBP	2,115	15	
Forward Currency Contract	EUR	63,000	GBP	54,750	347	
Forward Currency Contract	GBP	5,540	USD	7,400		(71)
Total					7,881	(601)

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	(371)
Total					663	(874)

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31 March 2026			Economic exposure 000	Market value £000
Contract	Settlement date	Currency		
UK Equity Futures	Less than one year	GBP	(45,284)	306
Overseas Equity Futures	Less than one year	GBP	(843,656)	18,201
UK Equity Futures	Less than one year	GBP	35,697	(237)
Overseas Equity Futures	Less than one year	GBP	534,728	(16,910)
Total			(318,515)	1,360

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

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 2025 £000		31 March 2026 £000
1,549,351	Property	1,950,123
2,650,886	Infrastructure *	2,767,963
3,709,599	Private equity **	3,394,984
780,276	Equities	1,103,581
523,243	Special opportunities	434,798
1,636,168	Global credit	1,670,303
10,849,523	Managed funds	11,321,752
823,947	Property	834,630
823,947	Unit trusts	834,630
11,673,470	Total pooled investment vehicles	12,156,382

* Includes £1,164,596,000 GLIL investment via the Northern LGPS Pool vehicle (2025 £1,142,770,000)

** includes £916,283,000 NPEP investment via the Northern LGPS Pool vehicle (2025 £850,814,000)

11f. Insurance policies

31 March 2025 £000		31 March 2026 £000
302	UK quoted equity	0
265,187	UK fixed interest	282,592
654,790	UK index linked securities	718,293
621,385	UK corporate bonds	638,117
494,468	UK cash instruments	503,331
565,261	Overseas quoted equity	553,511
238,862	Overseas fixed interest	251,623
473,648	Overseas corporate bonds	499,679
239,890	Overseas index linked securities	249,903
108,793	Global credit	125,657
25,464	Inflation funds	34,997
3,688,050	Insurance policies	3,857,703

The above assets are held within unit linked insurance policies.

11g. Cash

31 March 2025 £000		31 March 2026 £000
555,199	Sterling	672,684
408,901	Foreign currency	533,975
964,100	Total	1,206,659

11h. Other investments balances and net assets

31 March 2025 £000		31 March 2026 £000
114,882	Amounts due from broker	3,229
76,522	Outstanding dividends and recoverable withholding tax	81,158
26,458	Gross accrued interest on bonds	28,355
2,046	Gross accrued interest on loans	7,266
84,957	Investment loans	141,636
73,247	Variation margin	106,308
5,340	Other accrued interest and tax reclaims	7,668
383,452	Other investment assets	375,620
(14,514)	Amounts due to broker	(5,764)
0	Irrecoverable withholding tax	0
(14,514)	Other investment liabilities	(5,764)
40,289	Employer contributions - main scheme	45,188
41	Employer contributions - additional pensions	26
28,295	Property	37,543
485	Admin & investment management expenses	2,103
17,904	Other	16,984
87,014	Current assets	101,844
(10,090)	Property	(11,761)
(45)	Employer contributions - main scheme	(18)
(1,332)	Employer contributions - additional pensions	(809)
(6,236)	Admin & investment management expenses	(6,293)
(17,013)	Other	(15,810)
(34,716)	Current liabilities	(34,690)
52,298	Net current assets	67,154
421,236	Other investment balances and net assets	437,010

12. Summary of managers' portfolio values at 31 March

2025			2026	
£m	%		£m	%
		Externally managed		
10,890	33.7%	UBS Global Asset Management	13,221	37.6%
3,688	11.4%	Legal & General	3,858	11.0%
2,594	8.1%	Sci Beta	2,888	8.2%
1,833	5.7%	Ninety One	2,009	5.7%
1,636	5.1%	Newfleet	1,670	4.8%
650	2.0%	Schroders Capital	688	2.0%
79	0.2%	APAM	77	0.2%
282	0.9%	CBRE	258	0.7%
21,652	67.1%		24,669	70.2%
		Internally managed		
6,883	21.2%	Private markets	6,598	18.8%
26	0.1%	Designated funds	33	0.1%
2,295	7.1%	Property (indirect)	2,785	7.9%
1,439	4.5%	Cash, other investments and net assets	1,045	3.0%
10,643	32.9%		10,461	29.8%
32,295	100.0%	Total	35,130	100.0%

13. Concentration of investments

As at 31 March 2026, GMPF held 8.64% 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 2025 £000	POLICY MF32950	31 March 2026 £000
564,603	Overseas equities	553,511
231,608	UK fixed interest	248,130
478,704	UK corporate bonds	497,017
238,821	Overseas fixed interest	251,623
221,836	UK index linked	256,374
239,848	Overseas index linked	249,903
460,246	UK cash instruments	477,181
473,565	Overseas corporate bonds	499,679
2,909,231	Total	3,033,418

14. Undrawn commitments

31 March 2025 £000	Asset type	Nature of commitment	31 March 2026 £000
10,754	Directly held investment property	Commitments regarding demolition or refurbishment work	12,366
1,797,179	Indirect private equity and infrastructure	Commitments to fund	1,836,660
240,755	Special Opportunities portfolio	Commitments to fund	342,787
236,779	Property managed funds	Commitments to fund	221,639
7,410	Property unit trusts	Commitments to fund	4,120
109,175	Commercial/domestic based property unit trust	Commitments to fund	111,359
13,241	Local Investment 4 Growth fund	Commitments to fund	9,053
296,707	Local Impact Portfolio	Commitments to fund	322,265
198,338	Greater Manchester Property Venture Fund	Commitment to lend	122,761
445,932	Private debt portfolio	Commitment to fund	331,056
328,083	Internally Managed LGPS Northern Housing	Commitment to fund	300,447
3,684,353	Total		3,614,513

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

15. 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 £1,310,000 which has since been paid.

31 March 2025 £000		31 March 2026 £000
11,839	TMBC incurred costs on behalf of GMPF	14,037
(136)	TMBC (reclaimed) / paid HMRC VAT (net)	1,133
11,703	Payment due to TMBC / (GMPF)	15,170
1,693	Payment made to TMBC / (GMPF)	13,860
10,010	Amount generated in year to TMBC / (GMPF)	1,310
(8,261)	Opening value to TMBC / (GMPF)	1,749
0	Payment made to TMBC / (GMPF) re prior year	1,749
1,749	Total debt outstanding to TMBC / (GMPF)	1,310

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.

16. Directorships and Pension Benefits

There is no direct charge to GMPF for the services of the Chief Executive & Director of Pensions 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 2026	Salary, fees & allowances (Paid in year)	Employers pensions contributions (Paid in year)	Total (Paid in year)
	£	£	£
Sandra Stewart, Chief Executive of GMPF	204,396	39,448	243,844
Assistant Director of:			
Pensions (Investments)	107,521	20,752	128,273
Pensions (Local Investments & Property)	107,521	18,761	126,282
Pensions (Administration)	107,521	20,752	128,273

For year ending 31 March 2025	Salary, fees & allowances (Paid in year)	Employers pensions contributions (Paid in year)	Total (Paid in year)
	£	£	£
Sandra Stewart, Chief Executive of GMPF took up post 09/10/2024	94,770	18,291	113,061
Assistant Director of:			
Pensions (Special Projects)	62,512	12,065	74,577
Pensions (Investments)	104,187	20,108	124,295
Pensions (Local Investments & Property)	104,187	18,148	122,335
Pensions (Administration)	104,187	20,108	124,295

Note: There were no payments for Compensation for Loss of Office in 2024/25 or 2025/26

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).

At 31 March 2026, 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 2025/26	Company in which directorship is held	Company Registration Number
Sandra Stewart	Chief Executive	Northern LGPS Ltd	16978973
		Northern Pool GP (No1) Ltd	11360203
Patrick Dowdall	Assistant Director of Pensions (Local Investments & Property)	GMPF Heimstaden Bostad Ltd	14684986
		Northern Gritstone Ltd	12982592
Kevin Etchells	Head of Real Assets	Island Site (General Partner) Ltd	11532059
		Island Site (Nominee) Ltd	11532379
		Leeds Valley Park Management Company Ltd	04635674
		GMPF Heimstaden Bostad Ltd	14684986
		Manchester Charles Street Residential (ELP GP) Ltd	10977358
		Manchester Charles Street Residential (SLP GP) Ltd	SC576947
		Manchester New Square (General Partner) Ltd	11082473
		Airport City (General Partner) Ltd	08723477
		Airport City (Asset Manager) Ltd	08723467
		Matrix Homes (General Partner) Ltd	08980059
		GMPF UT (Second Unit Holder) Ltd	08725454
		Bruntwood Scitech Ltd	3814666
John Douglas	Head of Accountancy	GLIL Corporate Holdings Ltd	10046509
		GLIL Corporate Holdings 2 Ltd	10824179
		GLIL Corporate Holdings 3 Ltd	12932522
		GLIL Corporate Holdings 4 Ltd	13679875
		GLIL Corporate Holdings 5 Ltd	13680391
		GLIL Corporate Holdings 6 Ltd	15235159
		GLIL Renewable Holdings	12315576
		GLIL Storage 1 Ltd	13489710
		GLIL Storage 2 Ltd	13490021
		GLIL Blue Comet Holdings Ltd	12880831

The above receive no remuneration for these directorships.

Name	Position in GMPF 2025/26	Company in which directorship is held	Company Registration Number
Andrew Hall	Principal Investment Manager (Property)	GMPF UT (Second Unit Holder) Ltd	08725454
		Matrix Homes (General Partner) Ltd	08980059
		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
		Trafford Property GP Ltd	16419464
		Manchester New Square (General Partner) Ltd	11082473
Alexander Jones	Investments Manager (Local)	Trafford Property GP Ltd	16419464
Daniel Collett	Investments Manager	GLIL Corporate Holdings 7 Ltd	16500993
		Cascade Infrastructure Limited	16453851
		Cascade Infrastructure Holdings Limited	16451135
		Aqueduct Resilience Holdco Limited	CMP75411

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. On 11 May 2026 Councillors regained eligibility to join the LGPS.

The following members of the Management and Advisory Panels consequently have:

- benefits on hold during 2025/26 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 MBE	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 N Peel	Councillor member
Cllr D Ward	Councillor member

In receipt of pension from membership as Employee	
Name	Position
Cllr G Cooney	Councillor member
Cllr M Smith	Councillor member
Cllr J Lane	Councillor member
Cllr A Jabbar MBE	Councillor member
A Flatley	Employer representative
F Llewellyn	Employee representative
A Kniveton	Employee representative
D Hope	Employee representative
L Millar	Employee representative

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

Greater Manchester Pension Fund Statement of Accounts 2025/26

Name	Related party position held within year to 31 March 2026	Organisation relationship with GMPF
Cllr E Wills	Leader of Tameside Metropolitan Borough Council	Contributing employer
	Governor - St Peters RC Primary School	Contributing employer
Cllr G Cooney	Director - The Mechanics Centre Museum of Labour and Trades' Union History Trust (Co No: 02150230)	Contributing employer
	Director of Mechanics' Centre Ltd (Reg No 01983373)	Contributing employer
Cllr A McLaren	Director - APH Developments Limited (Co No 03989251)	Contributing employer
	Director - Pioneer Homes Services Limited (Co No 06546606)	Contributing employer
	Director - Jigsaw Homes Tameside (Co No: 03807022)	Contributing employer
Cllr C Martin	Governor - Aldwyn Primary School	Contributing employer
Cllr N Rehman	Director - The Growth Company Limited (Co No: 02443911)	Contributing employer
	Director - Wigan Metropolitan Development Company Limited (Co No: 01486410)	Contributing employer
	Director - Wigan Metropolitan Development Company (Investment) Limited (Co No: 01817308)	Contributing employer
Cllr A Jabbar MBE	Director - The Unity Partnership Limited (Co No: 05916336)	Contributing employer
	Non Executive Director - Jigsaw Homes Group Ltd (IP Reg No: 29433R)	Contributing employer
Cllr R Akbar	Board Member - One Manchester	Contributing employer
	Governor - Birchfields Primary School	Contributing employer
C Greatbatch	Employee of Manchester City Council	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
T Delaney	Employee of Oldham Community Leisure Ltd	Contributing employer
P Taylor	Employee of LTE Group	Contributing employer
L Millar	Employee of Salford City Council	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	Contributing Employer
Cllr H Roderick	Director - Cash Box Credit Union Ltd (Co No: IP00421C)	Contributing Employer
Cllr S Patel	Employee of Manchester City Council	Contributing Employer
Cllr V Choksi MBE	Employee of Oldham Metropolitan Borough Council	Contributing Employer

17. Employer related investment

As at 31 March 2026, GMPF had no outstanding short-term loans to contributing employers: (2025 £85 million).

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 2026 (2025 £nil).

GMPF has a minor holding in the Airport City joint venture, which is developing land adjacent to Manchester Airport for commercial use. Another shareholder 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 2026 (2025 £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 2026 (2025 £nil).

As at 31 March 2026, the GMPF UK Property Portfolio includes a standing investment of office accommodation. Until December 2025 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 £100,000 in the year to 31 March 2026 (2025 £230,000).

18. 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.

19. Actuarial Review of GMPF

GMPF’s last Actuarial valuation was undertaken as at 31 March 2025. 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 2025 were valued at £32,200 million, were sufficient to meet 128% of the present value of promised retirement benefits earned. The resulting surplus was £7,051 million.

The present value of promised retirement benefits at 31 March 2026 can be found in Note 22.

The key financial assumptions adopted for the 2025 valuation were:

Financial assumptions	31 March 2025	
	% p.a.	% p.a.
	Nominal	Real
Discount rate	5.40%	2.60%
Pay increases	4.30%	1.50%
Price inflation / Pension increases	2.80%	-

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.

20. 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 £322.8 million (31 March 2025: £368.1 million) in exchange for which the custodian held collateral at fair value of £343.2 million (31 March 2025: £385.5 million), which consisted exclusively of government bonds and government guaranteed bonds.

21. 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.

At the time of publishing GMPF are awaiting the 2026 information from Prudential.

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

22. Actuarial present value of promised retirement benefits

CIPFA's Code of Practice on Local Authority Accounting 2025/26 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 2025/26.

Financial assumptions

31 March 2025 % p.a.		31 March 2026 % p.a.
2.75%	Inflation/pension increase rate	3.00%
3.55%	Salary increase rate	4.50%
5.80%	Discount rate	6.20%

Mortality

Life expectancy is based on GMPF's VitaCurves with improvements in line with the CMI 2025 model, with core parameterisation, initial adjustment of 0.25% and a long-term rate of improvement of 1.5% p.a. Based on these assumptions, the average future life expectancies at age 65 are summarised below:

31 March 2025			31 March 2026	
Males	Females		Males	Females
20.6 years	23.7 years	Current pensioners	20.6	23.8
21.8 years	25.4 years	Future pensioners*	21.8	25.2

* 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 2025 £m		31 March 2026 £m
32,200	Value of net assets per NAS	35,130
(21,635)	Present value of promised retirement benefits	(24,051)
10,565	IAS26 Surplus in the Fund	11,079

Liabilities have been projected using a roll forward approximation from the latest formal funding valuation as at 31 March 2025.

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.”

This legislation was included within the Pension Scheme Bill that received Royal Assent on 29 April 2026.

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 2025		Change in assumptions at year ended 31 March	31 March 2026	
Approximate % increase to promised retirement benefits	Approximate monetary amount (£m)		Approximate % increase to promised retirement benefits	Approximate monetary amount (£m)
2%	369	0.1% increase in the Pension Increase Rate	2%	369
0%	17	0.1% increase in the Salary Increase Rate	0%	17
4%	865	1 year increase in member life expectancy	4%	962
1%	352	0.1% decrease in Real Discount Rate	2%	386

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.

23. Post balance sheet events

There are no events after the reporting period to be disclosed.