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Dear Mr Catherall,

Oldham Council Resolution - Levelling Up

Thank you for your letter of the 17 March 2022 including the Levelling-Up Resolution proposed by Councillor Lancaster and seconded by Cllr Woodbine amended by the Leader of the Labour Party which was carried and moved without debate at your Council meeting on the 16 March 2022, which you have referred to Tameside Council for a response.

I assume in this regard you are only referring to resolution 2 and in particular:

Continue to align with the UK Government's ambition for Local Government Pension Funds to increase asset investment in projects which support local areas and work with Tameside Metropolitan Borough Council and all other relevant stakeholders to ensure this ambition is realised with the Greater Manchester Pension Fund in our Borough.

You will be pleased to note we discussed this at the Pension Fund meeting of the 18 March 2022 and in particular where I made the following statement, which can be found on our website: [Greater Manchester Pension Fund - Management/Advisory Panel - Friday, 18th March 2022 at 10:00am - Tameside Webcasting \(public-i.tv\)](#):

As many of you will be aware the Department for Levelling Up, Housing and Communities published its white paper on levelling up. Amid a sweeping range of policies aimed across government departments, it asked LGPS funds to set out plans for investing up to 5% of their assets in projects that support domestic initiatives.

It noted that only a few funds have so far invested with a local, place-based lens. I am pleased to say it recognised that the Greater Manchester Pension Fund already invests 5% of its assets in local projects across Greater Manchester and GMPF was the only fund to be at this threshold, and to have such a place-based allocation.

The government's levelling up paper also cited the influence of the GLIL Infrastructure platform, which GMPF established together with the Northern and Local Pensions Partnership Investments and LGPS asset pools. By way of a reminder, GLIL has invested around £2.5billion - which includes £800 million of GMPF's commitments. Investments include Anglian Water, Forth Ports and Clyde Wind Farm.

Nevertheless - whilst I am sure we can all be proud we are leading the way - we reminded government of the hierarchy of our responsibilities, with investment performance to pay our pensioners our main priority - and that there will be numerous priority levelling up schemes that would be too risky for the Fund to consider even though they are necessary to the economy – these will therefore require the injection of government funding to level up our areas not pensioner's money.

That said it is pleasing that over the last decade, we have invested nearly a billion pound alone in just property infrastructure in Greater Manchester usually as a catalyst for improving the economy and looking to lead the way on carbon efficient buildings.

As you know being a responsible investor is really important to GMPF. We strive to make decisions and create policies that reflect our commitment to investing in the best interests of all our stakeholders and wider society.

I was proud to announce that last year GMPF was one of the first funds to be approved as a signatory to the Financial Reporting Council's UK Stewardship Code 2020. Additionally, to announce that at the end of last year, the 2021 RAAI Leaders List of the 30 most responsible asset allocators ranked GMPF as 35 in the world of most responsible investors. This was out of a group of the top 634 asset allocators across 98 countries with 36 trillion US dollars in assets. We scored an impressive 96 out of a potential 100 to achieve this rating.

We continue to strive to be a top leader in the area of pension fund stewardship whilst we aim to ensure low cost, sustainable and responsible pensions

The evidence and research that the Levelling Up White Paper is based upon comes from a white paper produced by the Good Economy Project, Impact Investing Institute and Pensions for Purpose who joined forces to produce a report on place-based impact investing that can mobilise capital to help build back better and level up the UK.

The report, which was published in May 2021, and which we discussed at our 17 July 2021 Management meeting attended by Cllr Abdul Jabbar your representative on the Fund found that GMPF is the only LGPS fund to have an approved allocation to invest up to 5% of its total assets locally to achieve this.

You can read the report here: [Place-based-Impact-Investing-White-Paper-May-2021_2021-05-29-090621.pdf](https://www.thegoodeconomy.co.uk/wp-content/uploads/2021/05/Place-based-Impact-Investing-White-Paper-May-2021_2021-05-29-090621.pdf) ([thegoodeconomy.co.uk](https://www.thegoodeconomy.co.uk))

We thank you for your interest in this matter and taking the time to raise with us and we look forward to continuing to deliver our twin aims whilst investing locally in Greater Manchester of good returns to ensure low cost sustainable pensions; and supporting the economy and in particular achieving this in Oldham. However, as we have pointed out to Government this cannot be at risk to the taxpayer and any projects we invest in must be institutionally investable as we are not a grant based body and must make a commercial return.

I trust this addresses your enquiry.

Yours sincerely,



**Cllr Brenda Warrington - Executive Leader of Tameside Council – Administering Authority
Chair of the Greater Manchester Pension Fund**

**CC - Cllr Abdul Jabbar Oldham Representative on GMPF Management Panel -
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