

REPORT FOR: PENSION BOARD

Date of Meeting: 22 March 2016

Subject: Information Report – Actuarial Valuation 2016

Responsible Officer: Dawn Calvert, Director of Finance

Exempt: No

Wards affected: All

Enclosures: Appendix1- Regulation 62 of Local Government Pension Scheme Regulations 2013
Appendix 2 – 2016 Valuation: Funding strategy considerations Hymans Robertson)

Section 1 – Summary

This report advises the Board of the need for the triennial valuation of the Pension Fund during 2016 and invites them to receive a presentation from the Actuary, Hymans Robertson LLP.

For Information

Section 2 – Report

1. As required by Regulation 62 of the Local Government Pension Scheme Regulations 2013, every three years an actuarial valuation of the Pension Fund is carried out. The last valuation was carried out in 2013 with the results implemented from 1 April 2014. Another valuation is now due and the Council has appointed the Actuary, Hymans Robertson LLP, as currently led by the partner, Ms Gemma Sefton, to complete the work.
2. A copy of the full text of the Regulation is attached as Appendix I. Some of the main features are as follows:

An administering authority must obtain—

- (a) an actuarial valuation of the assets and liabilities of each of its pension funds as at 31st March 2016 and on 31st March in every third year afterwards;*
- (b) a report by an actuary in respect of the valuation; and*
- (c) a rates and adjustments certificate prepared by an actuary.*

Each of those documents must be obtained before the first anniversary of the date (“the valuation date”) as at which the valuation is made or such later date as the Secretary of State may agree.

The actuary must have regard to—

- (a) the existing and prospective liabilities arising from circumstances common to [the employers];*
- (b) the desirability of maintaining as nearly constant a common rate as possible;*
- (c) the current version of the administering authority’s funding strategy statement; and*
- (d) the requirement to secure the solvency of the pension fund and the long term cost efficiency of the Scheme, so far as relating to the pension fund.*

3. Ms Sefton made a presentation both before and during the meeting of the Pension Fund Committee on 9 March 2016 covering some of the most significant aspects of the valuation. The Board are invited to receive this presentation.
4. On 29 January the Director of Finance and several other officers met the Actuary and agreed a timetable.
5. The Board are asked to note this report.

Financial Implications

6. Whilst, clearly, the results of the valuation have a major impact on the management of the Pension Fund and the contributions from the General Fund other than the actual costs of the valuation there are no financial implications arising directly from this report.

Risk Management Implications

7. The Pension Fund has its own risk register which includes risks arising in connection with the triennial valuation.

Equalities implications

8. There are no direct equalities implications arising from this report.

Council Priorities

9. Whilst the financial health of the Pension Fund and the employer's contribution affects the resources available for the Council's priorities there are no impacts arising directly from this report.

Section 3 - Statutory Officer Clearance

Name: Dawn Calvert



Director of Finance

Date: 25 February 2016

Ward Councillors notified:

NO

Section 4 - Contact Details

Contact: Ian Talbot, Treasury and Pension Fund Manager
0208 424 1450

Background Papers - None