

LOCAL PENSION BOARD – 24 JANUARY 2020

2019 FUND VALUATION

Report by the Director of Finance

RECOMMENDATION

1. **The Board are RECOMMENDED to note the latest position on the 2019 Valuation and provide any comments back to the Pension Fund on the process or the latest version of the Funding Strategy Statement.**

Valuation Update

2. The Fund's actuaries Hyman Robertson have now produced individual statements for scheme employers detailing the draft results of the 2019 valuation. These have been prepared on the basis of the draft Funding Strategy Statement which this Board reviewed at their last meeting.
3. For the majority of scheme employers these were emailed out during week commencing 06 January 2020. The email had four attachments:
 - a. A letter giving further information on the valuation results and details of next steps. It was suggested this was read first.
 - b. A personalised draft valuation results schedule
 - c. The draft Funding Strategy Statement, for comment
 - d. New employer contact details form.
4. A sample of the letter and the latest draft Funding Strategy Statement are attached as annexes to this report. The closing date for query and consultation responses is 31 January 2020.
5. Scheme employers will also have received an invitation to the Pension Fund Forum which was due to be held on Friday 17 January 2020, where they will have the opportunity to hear a presentation from the Fund Actuaries about the valuation process and results.
6. Scheme employers have also been asked if they would like to book a one to one session with the Actuaries in the afternoon to discuss their own results. Eleven employers have booked these sessions.

Next Steps

7. The Rates and Adjustment Certificate, detailing the contribution rates, has to be issued by 31 March 2020. Actions for the next six weeks include:
 - To have discussions with any scheme employers where questions have been raised to resolve these.

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- To finalise any outstanding employer queries so that a rate is issued / updated
 - To identify any post 2019 scheme employers to be included.
 - To review any comments and feedback on Funding Strategy Statement.
8. The Pension Fund Committee at its meeting on 6 March 2020 will review all the consultation responses on the draft Funding Strategy Statement and approve the final version of the document. All the draft Valuation results will need to be reviewed in light of any changes agreed to the draft to ensure the final results are consistent with the agreed Strategy Statement.

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January 2020