

Open Report on behalf of Andrew Crookham, Executive Director – Resources

Report to:	Pensions Committee
Date:	03 October 2019
Subject:	2019 Valuation Update Report

Summary:

The Fund's Actuary, Hymans Robertson, will present the draft whole Fund results of the 2019 triennial valuation to the Committee.

Recommendation(s):

That the Committee note the report and approve the draft results.

Background

1. As part of the Local Government Pension Scheme (LGPS), the Lincolnshire Pension Fund is required to undertake a valuation of the Fund's assets and liabilities every three years – this is called the Triennial Valuation. The purpose of the valuation is to understand the overall funding level of the Pension Fund (i.e. does it have enough assets to meet its liabilities), to understand the individual funding levels of each employer and to set the contribution rates for all the employers for the next three year period.
2. The Committee approved the process for the Valuation at the March 2019 meeting of this Committee, and approved the assumptions to be used in the Valuation process at the July meeting.
3. The Fund's appointed Actuary, Hymans Robertson, received the membership and cashflow data from the Fund as at 31st March 2019, and will present the draft whole Fund results today.
4. Once finalised, individual employer results will be shared with each employer in the Fund. This will be accompanied by the draft Funding Strategy Statement (FSS), presented at agenda item 14, for consultation. This is expected to be in mid-November.
5. To assist employers understanding of their valuation results, two days of employer surgeries will be held at County Offices. These days will consist of a presentation from the Actuary on each day and bookable appointments with the Fund Actuary and the Head of Pensions.

6. Employers will be required to complete a declaration, agreeing the primary and secondary contribution rates, to be returned in January 2020.
7. The final Valuation report, including the rates and adjustments certificate which sets out employers' contribution rates for the three year period to March '23, will be brought back to this Committee for final approval in March 2020.

Conclusion

8. The Fund's Actuary will present the draft 2019 Valuation results at a whole Fund level to the Committee. Once agreed, the individual employer results will be shared, alongside the FSS for consultation.
9. The final Valuation report, including the rates and adjustments certificate which sets out employers' contribution rates for the three year period to March '23, will be brought back to this Committee for final approval in March 2020.

Consultation

a) Have Risks and Impact Analysis been carried out?

Yes

b) Risks and Impact Analysis

The Pension Fund has a risk register which can be obtained by contacting the author of this report.

This report was written by Jo Ray, who can be contacted on 01522 553656 or jo.ray@lincolnshire.gov.uk.