

**Local Pension Board**

**3 December 2020**

**Pension Fund Valuation**



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**Report of John Hewitt, Corporate Director of Resources**

**Purpose of the Report**

- 1 To provide Board Members with details of the outcome of the triennial valuation of the Pension Fund.

**Executive summary**

- 2 This report outlines the outcome of the Pension Fund's triennial valuation. Completed with the Fund's actuary, Aon Hewitt, the Valuation Report summarising the funding valuation as at 31 March 2019 is published on the Fund's website.

**Recommendation(s)**

- 3 The Board is asked to note this report and provide any comments on the Valuation process.

## **Background**

- 4 Under the Local Government Pension Scheme (LGPS) Regulations, Administering Authorities are required to carry out a full actuarial valuation every third year. The main purposes of the actuarial valuation process is to review the financial position of the Fund and to recommend the rates of contributions payable to the Fund in the future.
- 5 Regulation 62 requires an Administering Authority to obtain an actuarial valuation of the assets and liabilities of its pension funds as at 31 March, each third year. The Valuation Report (Appendix 1) is produced by the Fund's actuary, Aon, in respect of this valuation and contains the Rates and Adjustments certificate required.
- 6 As required by Regulation 66, the report was published and was made available to the Secretary of State, and current and prospective employers who contribute or may become liable to make payments to the Fund. All employers were notified of their individual contribution rates in advance of 1 April 2020 when the new rates took effect.
- 7 The main findings of the valuation were that the Fund's assets had increased from £2.32bn to £2.98bn. The liabilities of the Fund however, had increased from £2.85bn to £3.18bn. Overall, this meant that the funding level has improved from 81% to 94%.

## **Author(s)**

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**Appendix 1: Durham County Council Pension Fund 2019  
Actuarial Valuation**

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