

# PENSIONS UPDATE

*An update on the provisional results of  
the 2019 Triennial Pension Revaluation*

# Triennial Revaluation

- Every 3 years, the Fund actuary carries out a detailed assessment on the fund Assets and Liabilities
- Their review determines the primary and secondary employer contributions for the next 3 year period

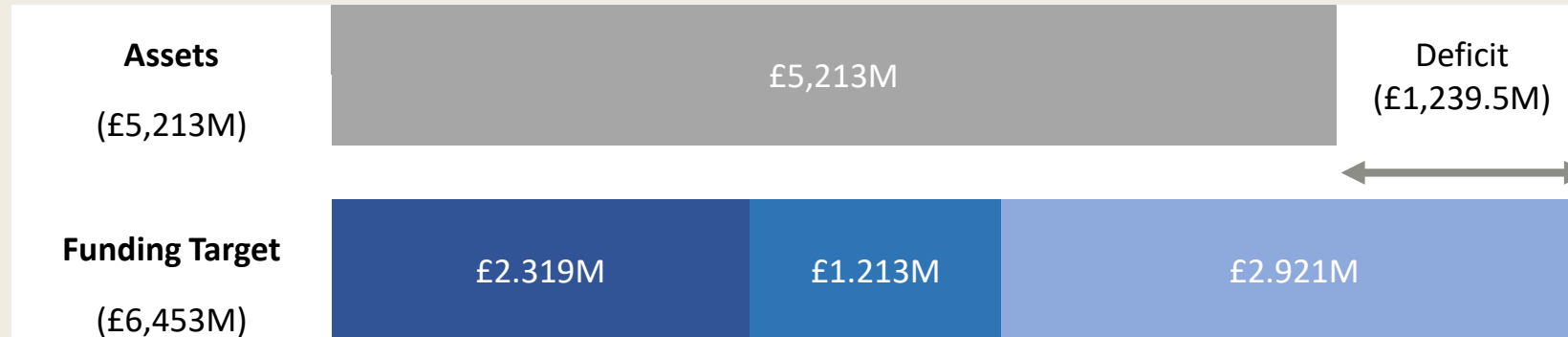
Primary  
Rate

- Employer Contributions to meet cost of new benefits

Secondary  
Rate

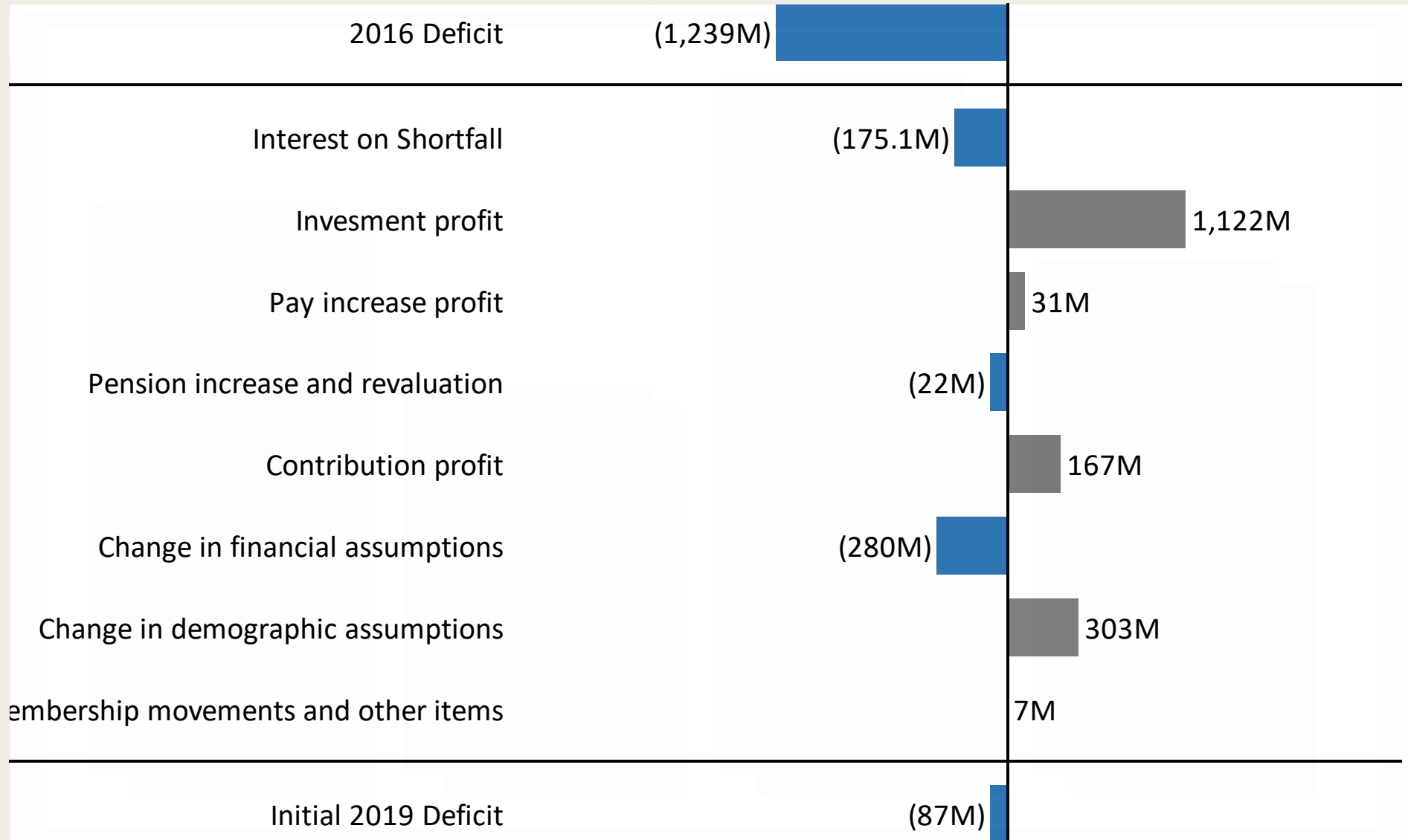
- Employer Contributions to eliminate surplus/shortfall

# Reminder 2016 Position

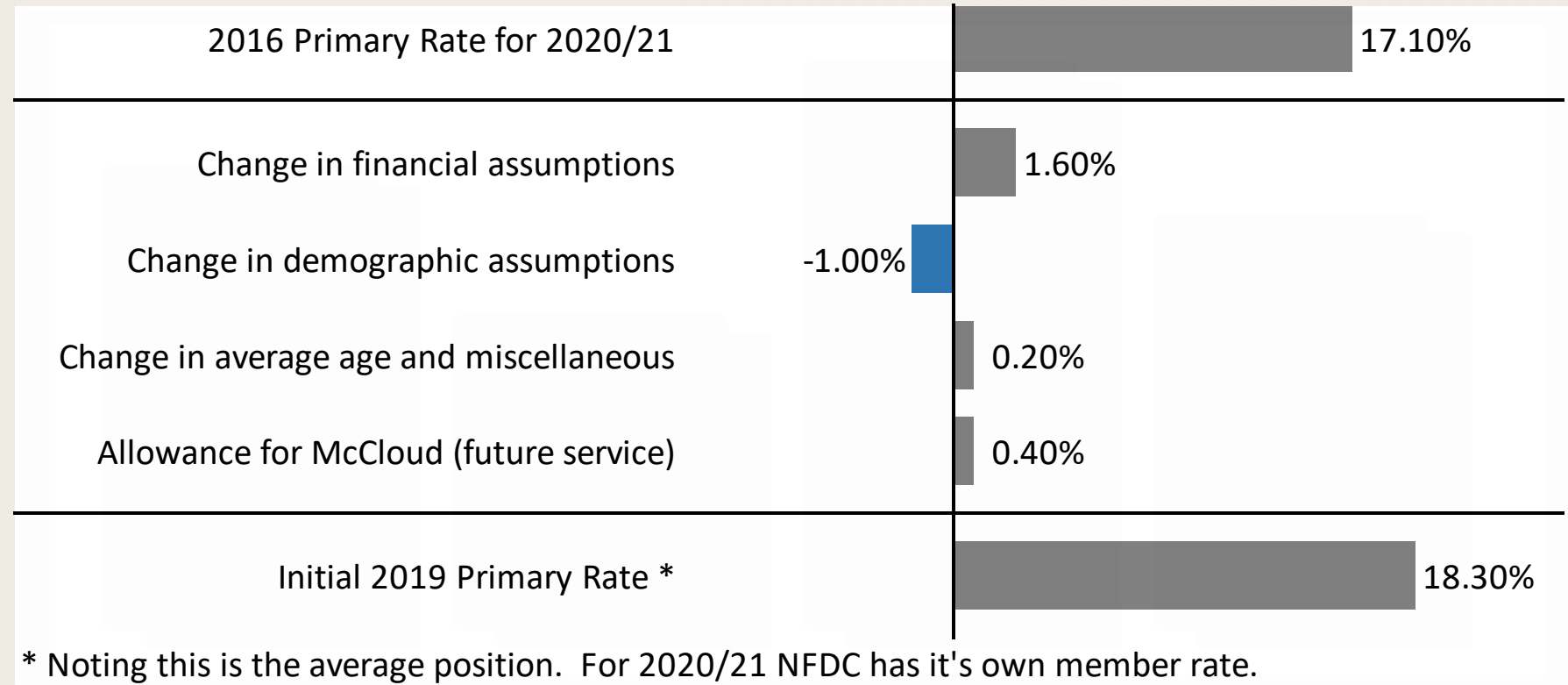


	Certified contributions			Planned
Contributions of pay	2017/18	2018/19	2019/20	2020/21
Employer share of future service cost (primary Rate %)	14.1	15.1	16.1	17.1
Past Service Deficit Contributions (19 years): Base 2016	+8.8%	+8.8%	+8.8%	+3.9%
Past Service Deficit Contributions (19 years): NFDC £M	1.503	1.635	1.779	1.850

# Change in funding position (2019)



# Change in primary rate 2016 to 2019



# What does this all mean to NFDC?

	Budgeted 2020 Postion based on 2016 Valuation	Revised 2020 Postion based on 2019 Valuation	Financial Impact *
Primary Rate	17.10%	18.40%	+£200k pa
Secondary Rate	£1.850M	-	(£1.850M) pa
* Note these figures are split across the General Fund / HRA			

November MTFP;

- 4.7 *It is proposed that savings arising from the favourable 2019 Pension Fund valuation largely be used to top up the Budget Equalisation Reserve in the intervening period, or support one-off expenditure. If by the 2022 valuation the returns have been maintained and stabilised (by which time we should also have more certainty about the financial outlook for the Council) the revenue savings can be factored into the MTFP at that point in time.*