

Pensions Update

**An update on the provisional results of the
2022 triennial 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 contribution rates for the next 3 year period

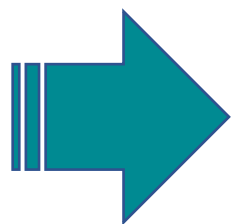
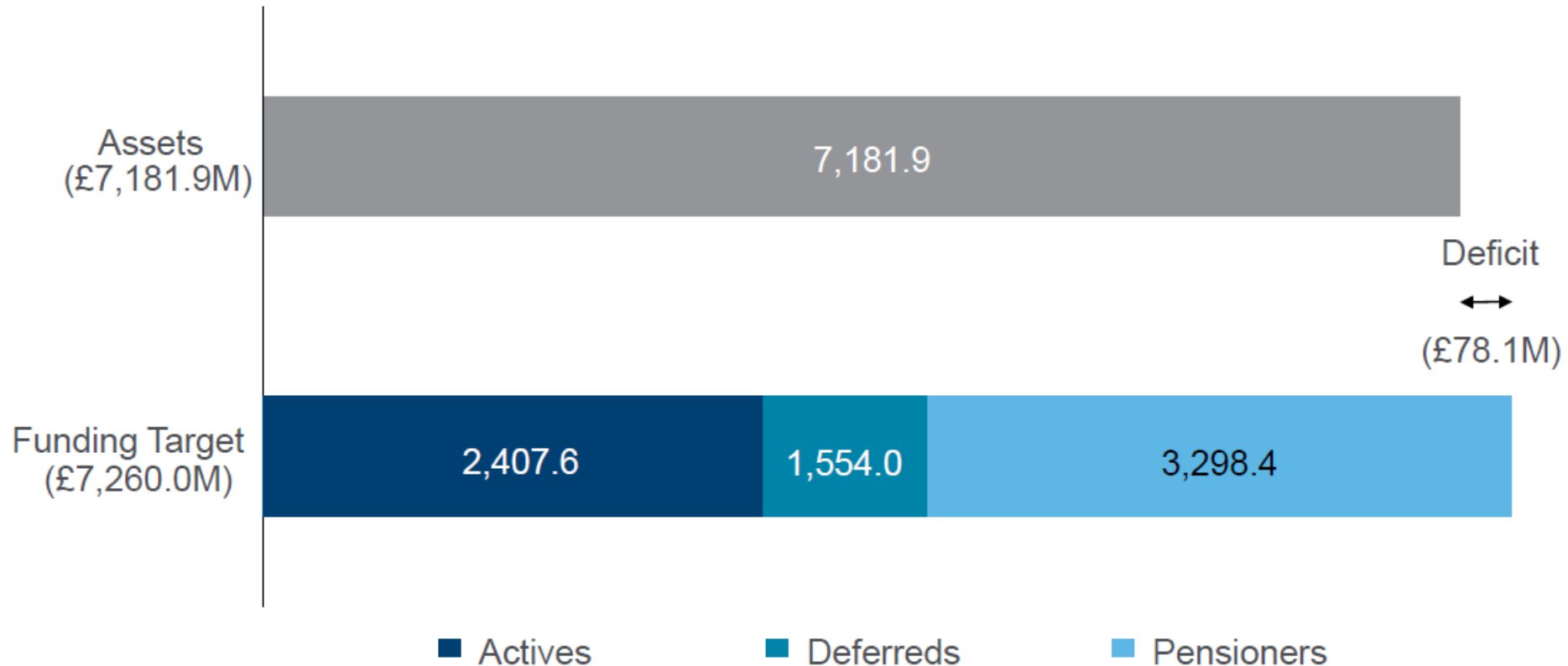
**Primary
Rate**

- Employer Contributions to meet the cost of new benefits

**Secondary
Rate**

- Employer Contributions to eliminate surplus / shortfall

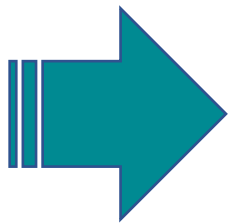
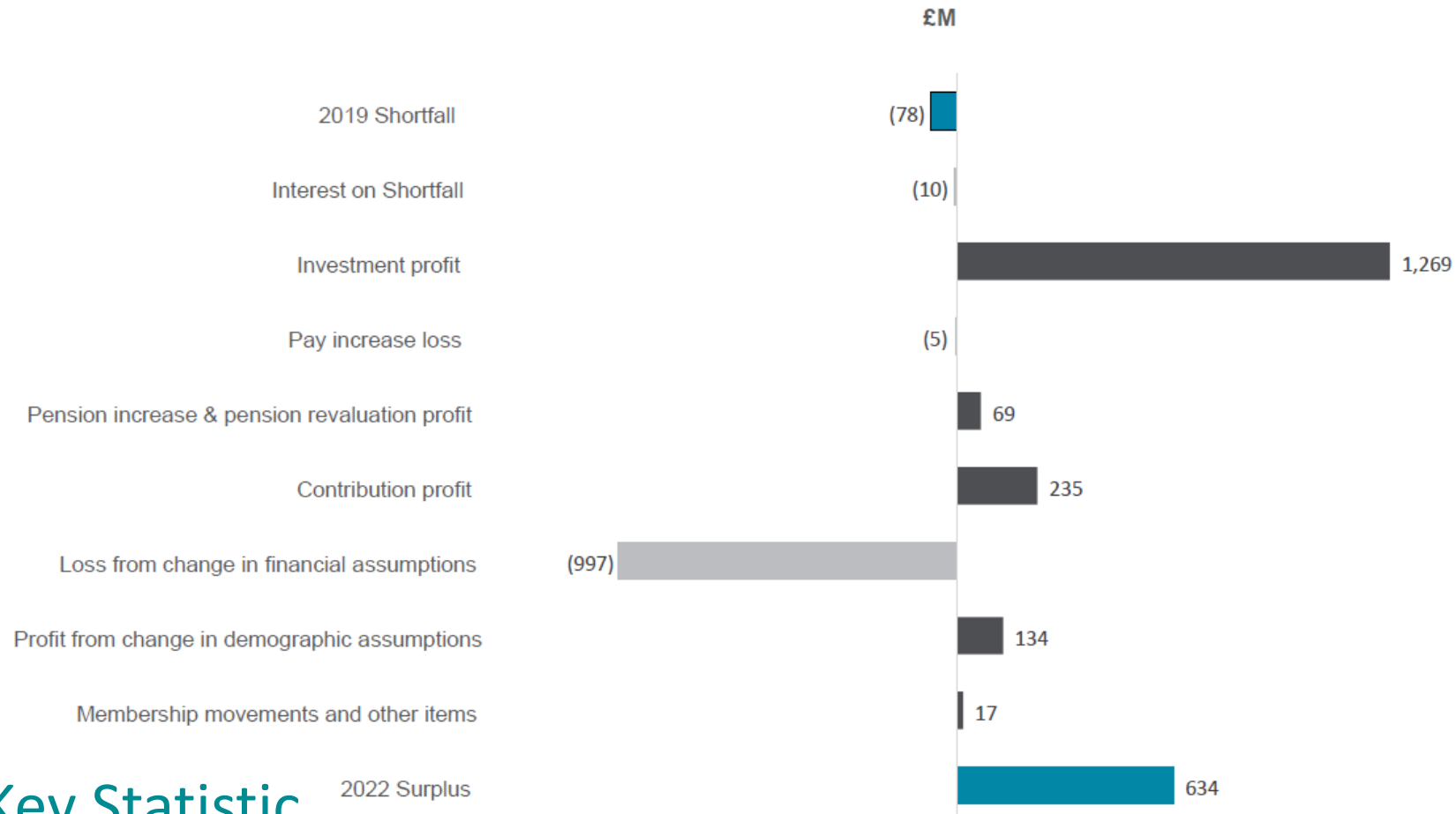
Reminder 2019 Position



Key Statistic

Whole of Fund funding Ratio: 98.9%

Change in Funding Position (2022)



Key Statistic

Whole of Fund funding Ratio: 107.1%

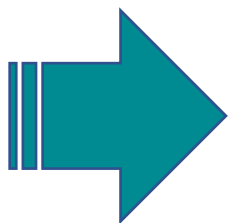
What does this mean to NFDC

	2016 Valuation	2019 Valuation	2022 Valuation
Primary Rate	17.1%	18.4%	17.4% - 18.4% *
Secondary Rate	£1.850M	£nil	£nil

£1.25M
within 22/23
base budget

* Why is there a range?

- Pension fund de-pooling (in 2019) means that NFDC now gets a unique rate, rather than a pooled rate with other LA's
- An 17.4% rate would seek to protect a 105% ratio (minimum option)
- An 18.4% rate would seek to protect NFDC's unique ratio above 105%



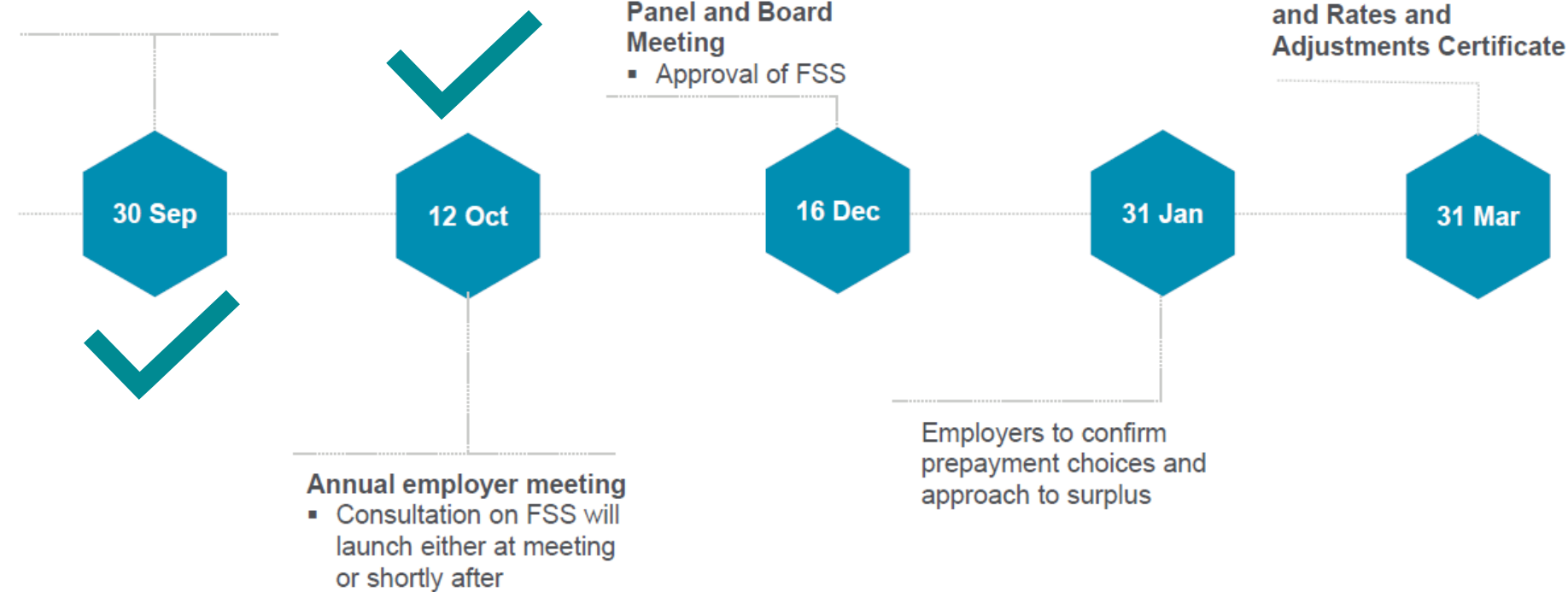
Key Point

The advice from the Actuary is to aim to protect the unique ratio

Timetable and Next Steps

CFO meeting

- Individual employer results advised to Councils, Police and Fire



Summing Up

- A very positive revaluation
- The December MTFP will take of the position and will recommend the level of contribution for NFDC covering 2023/24 – 2026/27
- Members of the panel asked to note the contents of this update