

**WIRRAL COUNCIL**  
**PENSION COMMITTEE**

**29 OCTOBER 2018**

<b>SUBJECT:</b>	<b>INTERIM VALUATION 2018 - WHOLE FUND RESULT</b>
<b>WARD/S AFFECTED:</b>	<b>ALL</b>
<b>REPORT OF:</b>	<b>DIRECTOR OF PENSIONS</b>
<b>RESPONSIBLE PORTFOLIO HOLDER:</b>	
<b>KEY DECISION?</b>	<b>NO</b>

**1.0 EXECUTIVE SUMMARY**

- 1.1 This report outlines the scope of the interim funding review for Merseyside Pension Fund, undertaken by the Fund Actuary, Mercer Ltd, assessed at 31 March 2018.
- 1.2 The appendix to the report contains exempt information. This is by virtue of paragraph(s) 3 of Part 1 of Schedule 12A of the Local Government Act 1972, i.e. information relating to the financial or business affairs of any particular person (including the authority holding that information).

**2 BACKGROUND AND KEY ISSUES**

- 2.1 In line with the Local Government Pension Scheme Regulations 2013, the Fund's actuary carried out a triennial valuation at 31 March 2016.
- 2.2 The main purpose of the valuation is to estimate the liabilities for the future payment of pensions, evaluate the obligations against the funds' assets and calculate the overall solvency position. This position is then used to determine any required deficit cash payments or surplus adjustments and to set future employer contribution rates.
- 2.3 In the years between full valuations the Actuary is asked to undertake interim valuations to assess the approximate financial position of the Fund.
- 2.4 As part of the interim assessment, key factors such as asset values, and liabilities based on current market conditions, are updated from the last full valuation.

2.5 The demographic assumptions are generally not updated, although it is usual to consider national data on life expectancy trends. As a number of approximations are made regarding membership movements and pay growth, it is important to note that the results are indicative of the underlying position.

### **3.0 RELEVANT RISKS**

3.1 Noted in the exempt appendix.

### **4.0 OTHER OPTIONS CONSIDERED**

4.1 Not relevant for this report

### **5.0 CONSULTATION**

5.1 Not relevant for this report

### **6.0 OUTSTANDING PREVIOUSLY APPROVED ACTIONS**

6.1 None associated with the subject matter.

### **7.0 IMPLICATIONS FOR VOLUNTARY, COMMUNITY AND FAITH GROUPS**

7.1 There are none arising from this report

### **8.0 RESOURCE IMPLICATIONS: FINANCIAL; IT; STAFFING; AND ASSETS**

8.1 Noted in the exempt appendix.

### **9.0 LEGAL IMPLICATIONS**

9.1 There are none arising from this report

### **10.0 EQUALITIES IMPLICATIONS**

10.1 Has the potential impact of your proposal(s) been reviewed with regard to equality?

No, because the Ministry of Housing, Communities and Local Government undertake equality impact assessments with regard to the statutory policies governing the triennial valuation.

## **11.0 CARBON REDUCTION AND ENVIRONMENTAL IMPLICATIONS**

11.1 There are none arising from this report

## **12.0 PLANNING AND COMMUNITY SAFETY IMPLICATIONS**

12.1 There are none arising from this report

## **13.0 RECOMMENDATION**

13.1 The Pension Committee is requested to note the outcome of the interim valuation at 31 March 2018, updated to 31 August 2018.

## **14.0 REASON/S FOR RECOMMENDATION/S**

14.1 It is a requirement for the Scheme Manager to be kept informed of the solvency position of the Fund and revisions to the costs of future accruals as a result of changes in the expected return outlook

**REPORT**  
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<b>Briefing Note</b>	<b>Date</b>
<b>Actuarial Valuation 2016</b>	<b>21 March 2017</b>