

SURREY COUNTY COUNCIL**PENSION FUND COMMITTEE****DATE:** 10 SEPTEMBER 2021**LEAD OFFICER:** ANNA D'ALESSANDRO, DIRECTOR OF CORPORATE FINANCE**SUBJECT:** 2022 VALUATION**SUMMARY OF ISSUE:****Strategic objectives****Funding**

This report provides an introduction to the 2022 triennial valuation including a draft project plan from the Fund actuary, Hymans Robertson.

RECOMMENDATIONS:

It is recommended that the Pension Fund Committee:

- Note the report and draft valuation project plan from Hymans Robertson, shown as Annexe 1.

REASON FOR RECOMMENDATIONS:

The Pension Fund Committee must be aware of and informed of all elements of in respect of the triennial valuation as this informs employer contribution rates and the investment strategy of the Fund. This is consistent with the Fund's strategic funding objectives.

DETAILS:**Background**

1. The Fund actuary, Hymans Robertson, carries out a triennial valuation of the Fund's assets and liabilities. The primary and secondary contribution rates for all employers in the Fund and the accompanying investment strategy are derived from this valuation.
2. The next triennial valuation is on 31 March 2022 (effective 1 April 2023).
3. The project timeline for the next valuation runs from July 2021 to April 2023.
4. Hymans have produced a draft project plan, included as Annexe 1. This is a draft plan and interim dates are yet to be confirmed.
5. Members of the Committee will be provided with training on the valuation process by the Fund actuary.
6. Officers will work with Hymans to refine this plan and report regularly on progress towards the valuation to the Board.

CONSULTATION:

7. The Chairman of the Pension Fund has been consulted on the current position and has offered full support for the proposals.

RISK MANAGEMENT AND IMPLICATIONS:

8. Default by scheme employers can represent a material risk to the Pension Fund. This report seeks to identify and mitigate this risk.

FINANCIAL AND VALUE FOR MONEY IMPLICATIONS:

9. There are no financial and value for money implications.

DIRECTOR OF CORPORATE FINANCE COMMENTARY:

10. The Director of Corporate Finance is satisfied that work towards planning for the 2022 valuation is necessary and appropriate.

LEGAL IMPLICATIONS – MONITORING OFFICER:

11. There are no legal implications or legislative requirements.

EQUALITIES AND DIVERSITY:

12. The approval of the various options will not require an equality analysis, as there is no major policy, project or function being created or changed.

OTHER IMPLICATIONS:

13. There are no potential implications for council priorities and policy areas.

WHAT HAPPENS NEXT:

14. The following next steps are planned:
 - a) Officers to arrange training to the Committee on the valuation process, by the Fund actuary; and
 - b) Further updates to be brought to the Committee.

Contact Officer:

Mel Butler, Pensions Finance Specialist

Consulted:

Pension Fund Committee Chairman

Annexes:

Annexe 1: High-level pre-valuation draft project plan

Sources/background papers:

None
