

Report



meeting

PENSIONS INVESTMENT SUB COMMITTEE

date

13 June 2008

agenda item number

REPORT OF THE STRATEGIC DIRECTOR OF RESOURCES

FUNDING STRATEGY STATEMENT

1. Purpose

- 1.1 To present the revised funding strategy statement for approval.

2. Background

- 2.1 The Local Government Pension Scheme Regulations 1997, as amended, require an Administering Authority to prepare a Funding Strategy Statement (FSS). Funding is the making of advance provision to meet the cost of accruing benefit promises and, consequently, the purpose of the FSS is:
- to establish a clear and transparent strategy which will identify how employers' pension liabilities are best met going forward
 - to support the regulatory requirement to maintain as nearly constant employer contribution rates as possible
 - to take a prudent longer-term view of funding those liabilities.
- 2.2 The FSS must be revised and published whenever there is a material change in the policy on the matters set out. As part of the triennial valuation, the assumptions on which the funding level is determined and the objectives for setting individual employer contribution rates have been reviewed.
- 2.3 As a result, the FSS has been revised, in conjunction with the Fund's actuary, and, in order for the valuation to be finalised, it has been issued for consultation to the main employers within the Fund. The revised FSS is attached.

3. Statutory and Policy Implications

- 3.1 This report has been compiled after consideration of implications in respect of finance, equal opportunities, personnel, crime and disorder, human rights and those using the relevant service. Where such implications are material, they have been described in the text of the report.

4. Recommendations

- 4.1 That the revised funding strategy statement be approved.

A L DEAKIN
DIRECTOR OF RESOURCES

Background Papers Available for Inspection
None