

Essex Pension Fund Strategy Board	PSB 12b
Date: 07 July 2021	

Government Actuary's Department (GAD) S13

Report by Graeme Muir – Fund Actuary

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1. Purpose of the Report

- 1.1 To provide the Board with the outcome review of the Actuarial Valuation of the Fund as at 31 March 2019 as carried out by Government Actuary's Department (GAD).

2. Recommendations

- 2.1 That the Board note the content of the report and training presentation.

3. Background

- 3.1 GAD are required to undertake a review of Local Government Pension Scheme Actuarial Valuations, to report on compliance, consistency, solvency and long term cost efficiency as set out in Section 13 of the Public Services Act 2013 (S13).
- 3.2 The S13 Valuation adopts standard assumptions for all LGPS Funds so that Funds can be compared on a like for like basis. The full report from the Fund Actuary is provided at Appendix A of this report.

4. GAD S13 Report

- 4.1 The purpose of the S13 Valuation is to identify any outlying Funds measured against the four aims set out above.
- 4.2 GAD have adopted the use of a RAG rating status to identify any Funds that are outliers relative to the measures of the other LGPS Funds.
- 4.3 Essex Pension Fund did not receive any red or amber flags and achieved green flags on all measures disclosed in the GAD summary (attached at Appendix B).

5. Link to Essex Pension Fund Objectives

- 5.1 Ensure compliance with the Local Government Pension Scheme (LGPS) regulations, other relevant legislation and the Pensions Regulator's Codes of Practice.
- 5.2 To prudently set levels of employer contributions that aim to achieve a fully funded position in the timescales determined in the Funding Strategy Statement.

6. Risk Implications

- 6.1 Regulatory risks impacting on Investments, Funding and Administration.

- 6.2 The adoption of a funding strategy that causes the Fund to fail any of the Government Actuary's Department (GAD) S13 tests or be named in the GAD S13 report that causes reputational damage

7. Communication Implications

- 7.1 Other than ongoing reporting to the Board there are no communications implications.

8. Background Papers

- 8.1 2019 Valuation and Funding Strategy, PSB 03, 04 March 2020.