

## **PENSIONS COMMITTEE**

### **23 MARCH 2022**

## **FUNDING STRATEGY STATEMENT**

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### **Recommendation**

- 1. The Chief Financial Officer recommends that the February 2022 Funding Strategy Statement (FSS) be agreed.**

### **Background**

2. The LGPS regulations require us to have an FSS and to keep it under review.
3. Our FSS sets out how each Fund employer's pension liabilities are to be met going forward.
4. Our existing FSS was approved by this Committee on 29 June 2021 following a consultation with our employers on the changes we proposed making to the March 2020 FSS.
5. To reassure ourselves that we have a solid appeal process for employers challenging Deferred Debt Arrangements (DDA) / exit credits in place, we sought independent legal counsel from Addleshaw Goddard on our existing FSS, our Statement of Policy on our Discretions as an administering authority, our Appeals form, and our Making a formal representation for an exit credit payment document.
6. We then asked our actuary, Mercer, to review Addleshaw Goddard's counsel and incorporated Mercer's review before issuing a proposed Feb 2022 FSS to our employer contacts on 3 Feb, asking our employers to provide us with their comments by close of play on 18 February.
7. We received no employer comments on our proposed changes.
8. The key areas of change are in:
  - The EMPLOYERS LEAVING THE FUND area of section 5.
  - The Review of contributions area of section 8.
  - Appendix D.
  - Appendix G.

### **Supporting information**

- Appendix - Proposed FSS Feb 2022.

## **Contact Points**

### Specific Contact Points for this report

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## **Background Papers**

In the opinion of the proper Officer (in this case the Chief Financial Officer), there are no background papers relating to the subject matter of this report.