

**Barnett Waddingham**



# **London Pensions Fund Authority Pension Fund**

Actuarial Valuation as at 31 March 2013

**Valuation Report**

Barnett Waddingham LLP

27 March 2014

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## 1. Introduction and Summary

### Purpose of the Valuation

- 1.1. We have carried out an actuarial valuation of the London Pensions Fund Authority Pension Fund ("the Fund") as at 31 March 2013, as requested by the London Pensions Fund Authority. The Fund is part of the Local Government Pension Scheme ("LGPS").
- 1.2. The valuation was carried out in accordance with Regulation 36 of The Local Government Pension Scheme (Administration) Regulations 2008 ("the Regulations") as amended. The main purpose of the valuation is to review the financial position of the Fund and to set the level of future contributions for the employers in the Fund.
- 1.3. This report summarises the results of the valuation and is addressed to the London Pensions Fund Authority as the Administering Authority to the Fund. It is not intended to assist any user other than the Administering Authority in making decisions. Neither we nor Barnett Waddingham LLP accepts any liability to third parties in respect of this report.
- 1.4. This advice is subject to and complies with Technical Actuarial Standards issued by the Financial Reporting Council (in particular, the Pensions TAS and the generic TASs relating to reporting, data and modelling).
- 1.5. The results of the valuation are that the past service funding level of the Fund as a whole has increased from 81% to 91% between 31 March 2010 and 31 March 2013. At 31 March 2010, the Fund was actually split into two Sub Funds which have now been combined so the 81% is an average. The main reasons for the improvement are the contributions paid since the previous valuation and the strong investment performance over the period.
- 1.6. The total contribution rate required to cover the cost of new benefits and to pay off the deficit by 2030 is 20.1% of pensionable salaries. However, this is just a theoretical figure as each employer will have their own contribution rate set to pay for the benefits for their particular members and to pay for their share of the deficit. These rates and amounts are set out in Appendix 4.
- 1.7. We would be pleased to discuss any aspect of this report in more detail.



**Graeme D Muir FFA**



**Mark Norquay FFA**

## 2. Valuation Data

### Data Sources

2.1. We have used the following items of data as provided by the London Pensions Fund Authority.

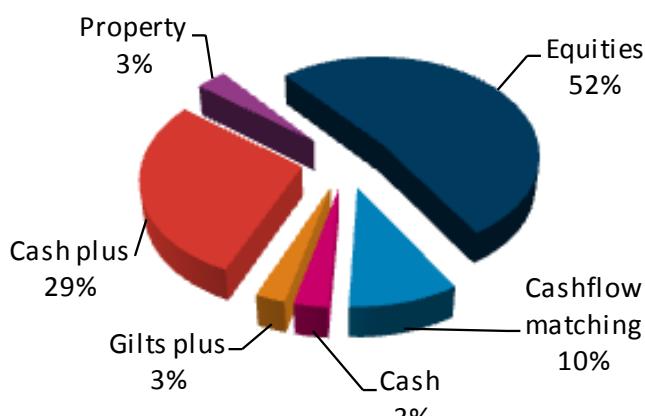
- Membership extract as at 31 March 2013.
- Fund accounts and accounting information split by employer for the three years to 31 March 2013.
- The results of the previous actuarial valuation as at 31 March 2010.

2.2. The data has been checked for reasonableness and any missing or inconsistent data has been estimated where necessary. Whilst this should not be seen as a full audit of the data, we are happy that the data is sufficiently accurate for the purposes of the valuation.

2.3. A summary of the data is set out in Appendix 1.

### Assets

2.4. The asset allocation and total value of the Fund as at 31 March 2013 was as follows:



**Total Fund Value £4,695m**

2.5. We estimate that the return on the assets in market value terms for the three years to 31 March 2013 was approximately 8.8% per annum.

2.6. The current investment strategy is set out in a Statement of Investment Principles dated December 2013.

## Benefits

- 2.7. The valuation has been carried out in accordance with Regulation 36 of The Local Government Pension Scheme (Administration) Regulations 2008 ("the Regulations") as amended.
- 2.8. However from 1 April 2014, The Local Government Pension Scheme Regulations 2013 and the Local Government Pension Scheme (Transitional Provisions and Savings) Regulations 2014 will come into effect and replace the current regulations.
- 2.9. The benefits for service from 1 April 2014 will be based on the Local Government Pension Scheme Regulations 2013. The main changes are to move from a final salary pension scheme based on 60ths accrual and a retirement age of 65 to a career average revalued earnings pension scheme based on 49ths accrual and a retirement age equal to State Pension Age.
- 2.10. The Local Government Pension Scheme (Transitional Provisions and Savings) Regulations 2014 serve the dual purpose of retaining the previous benefit structure for service up to 31 March 2014 and introducing new protections for members close to retirement to ensure that they are not disadvantaged by the benefit changes.
- 2.11. The benefits underlying the valuation are summarised in Appendix 5.
- 2.12. We have made no allowance for discretionary benefits. Where employers grant discretionary benefits, we would expect them to fund the capital value of those benefits at that point.

### **3. Actuarial Methods and Assumptions**

#### **General valuation approach**

- 3.1. We first estimate the future cashflows which will be paid from the Fund for the benefits relating to service up to 31 March 2013 and we do this for all current members and their possible dependants.
- 3.2. We then discount these projected cashflows using the discount rate to get a single figure for the value of the past service liabilities. This figure is the amount of money which, if invested now, would be sufficient to make these payments in future provided that the future investment return was equal to at least the discount rate used.
- 3.3. Various assumptions are needed for the above calculations and these are summarised in Section 4. The financial assumptions such as future inflation and the discount rate are based on smoothed market indicators from around the valuation date, specifically over the six month period from 31 December 2012 to 30 June 2013.
- 3.4. The market value of the assets at 31 March 2013 is then adjusted to also be smoothed over the same six month period so that a consistent comparison can be made with the liabilities. If the smoothed assets are greater than the past service liabilities, there is a surplus and if not, there is a deficit.
- 3.5. Using the same assumptions and a similar methodology, we can also calculate the value of the liabilities expected to build up in the future from service after 31 March 2013 and we do this for each active member. This can then be divided by the expected future payroll to get a cost of future benefits expressed as a percentage of pay-roll.
- 3.6. After deducting expected employee contributions, this is known as the future service cost and it's the employers' share of the cost of future benefits.

#### **Calculations at employer level**

- 3.7. As part of the valuation, we are required to calculate results at overall Fund level and also at individual employer level.
- 3.8. The method and assumptions used for calculations at employer level vary by employer and will be determined as a combination of the following four parameters:
  - Period that the employer is assumed to back the pension liabilities
  - Discount rate for the period that they are assumed to be in the Fund
  - Method for determining the future service cost
  - Recovery Period

## **Period that the employer is assumed to back the pension liabilities**

3.9. When an employer ceases and leaves the Fund, a cessation valuation would be carried out. Where no other employer in the Fund becomes responsible for the remaining pensions obligations (i.e. there is zero future employer covenant), they would then be assessed using a gilts-based discount rate. For employers who do not (or do not appear to) allow new employees to join the Fund, we can project the date that they are expected to cease and so we have used two discount rates for these employers – one for the initial period which reflects the support of the employer and then another which is based on gilt yields to reflect no support.

## **Discount rate for the period that they are assumed to be in the Fund**

3.10. We have used 5 discount rates to distinguish between employers. These range from the discount rate used at Fund level which is appropriate for a very financially strong employer to the minimum rate based on gilt yields which gives no value to the employer support. These are set out in further detail in section 4.

## **Method for determining the future service cost**

3.11. For the Fund's future service cost, we consider the benefits accruing in the single year following the valuation date.

3.12. This is known as the Projected Unit Method and results in a stable, long term contribution rate over time, if the assumptions adopted are borne out in practice and there is a steady flow of new entrants to the Fund. If the admission of new entrants is such that the average age of the membership profile increases then the contribution rate calculated at future valuations would be expected to increase.

3.13. At individual employer level we use the Projected Unit Method for employers who still admit new employees into the Fund. For employers who do not, or do not appear, to allow new employees to join the Fund, we use a method known as the Attained Age Method which assesses the cost of future benefit accrual over all future years rather than just over the next year. This method generally produces a higher level of employer contribution than the Projected Unit Method but, for these closed employers, it should need less revision in the future.

3.14. For closed limited-term employers such as some Transferee Admission Bodies, a modified version of the Projected Unit Method with a control period equal to the remaining term of the contract may be used and this usually gives results between the un-modified Projected Unit Method and the Attained Age Method.

## Recovery Period

- 3.15. As a default, employers will generally pay their deficit over 17 years, or over the average term to retirement of their active members. Contribution affordability has also been taken into consideration so the actual recovery periods set may be different for some employers. Generally, for the employers that experience has been positive over the inter-valuation period and this would lead to a reduction in contributions under the default period, we have reduced the recovery period and maintained the expected contribution amounts.
- 3.16. The amounts that the employer pays are a combination of the future service cost and any adjustments for the past service surplus or deficit. For most employers, if there is a deficit, this adjustment will be specified as additional lump sum cash amounts to be paid in each year.

## Funding Strategy

- 3.17. Regulation 36 of the Local Government Pension Scheme Administration (Regulations) 2008 states that the actuary must have regard to
  - the existing and prospective liabilities of the fund arising from circumstances common to all those bodies;
  - the desirability of maintaining as nearly a common a rate as possible; and
  - the current version of the Administering Authority's Funding Strategy Statement
- 3.18. In addition, it states that the contributions should, in the actuary's opinion, secure the Fund's "solvency".
- 3.19. The Funding Strategy Statement states that the aims of the Fund are to:
  - manage employers' liabilities effectively and, in particular, to minimise unrecoverable debt when an employer ceases to participate;
  - ensure that sufficient resources are available to meet all liabilities as they fall due;
  - maximise the returns from investments within reasonable risk parameters
  - enable employer contribution rates to be kept as nearly constant as possible, taking account of their appropriate risk profile, and at as reasonable as possible cost to taxpayers, scheduled, designated and admitted bodies.
- 3.20. We can confirm that, in our view, the methods and assumptions adopted meet the requirements of Regulation 36.

## 4. Valuation Assumptions

4.1. As mentioned in the previous section, various assumptions are needed as part of the valuation.

4.2. The principal assumptions are:

- The discount rate; at Fund level this is based on the expected investment return from the Fund's assets. At Employer level, we have used 5 different discount rates to distinguish between the employers. The categories A, B and C are as defined in the Funding Strategy Statement and these range as follows:

Category	% of Full Rate	Assumption at 31 March 2013
A	100%	5.9%
B	90%	5.6%
C with Low Risk Identified	75%	5.2%
C with Medium/High Risk Identified	50%	4.5%
Ceased Employers	0%	3.1%

- Pension increases and deferred revaluation; pension increases and deferred revaluation are set by the Pension Increase Order which is laid by the Government each year and expected to be linked to the Consumer Prices Index. Benefits earned by active members after 1 April 2014 will also be linked to the Pension Increase Order.

- Salary increase; active members' benefits for service before 31 March 2014 will continue to be linked to their salary.
- Current and future rates of mortality; over the last decade, life expectancies have increased quicker than most predictions so it's important that any assumptions made are as accurate as possible.

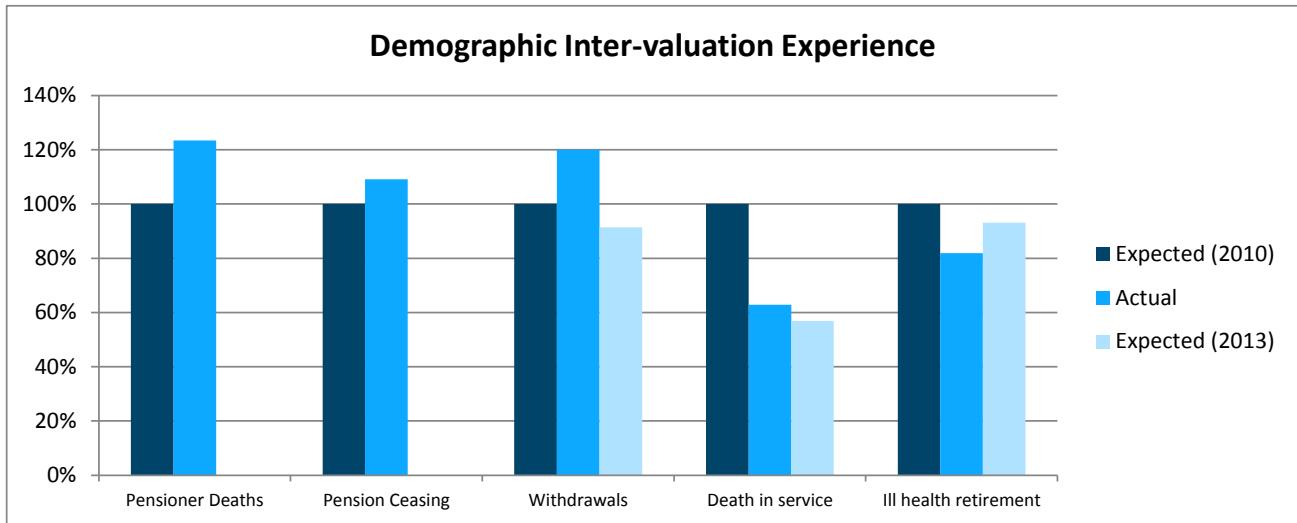
4.3. The assumptions used for this valuation are based on the expected long-term cost of providing the benefits and we believe these are suitable for setting the contribution amounts from employers. If an employer was to leave the Fund, a different set of assumptions may apply to allow for the crystallisation of their funding obligations and the funding assumptions are also not the same as those that would be used for statutory accounting purposes in employers' accounts.

4.4. The assumptions and the rationale for them were discussed in our paper to the Administering Authority of 25 September 2013. Following discussion, the final assumptions adopted are as set out in Appendix 2. We confirm that we believe that these are appropriate for the purposes of this valuation:

4.5. A comparison of the actual financial experience with the assumptions adopted at the previous valuation is summarised below;

Financial Inter-valuation Experience		Actual	Expected
<b>Investment Return</b>		8.8% pa	6.7% pa
<b>Pay Increases (including short-term overlay)</b>		2.3% pa	2.1% pa
<b>Pension Increases</b>		3.5% pa	3.0% pa (ASF), 2.1% pa (PSF)

4.6. A comparison of the actual demographic experience of the members of the Fund over the inter-valuation period with the assumptions adopted at the previous valuation is shown in the graph below. The graph also shows how the assumptions adopted for this valuation would have compared with those at 2010.



4.7. We have not shown the expected number of pensioner deaths and pension amount ceasing due to deaths over the 2010-2013 inter-valuation period on 2013 mortality assumptions because individual Club Vita tables for use in the 2013 valuation have been assigned to members present at the 2013 valuation only.

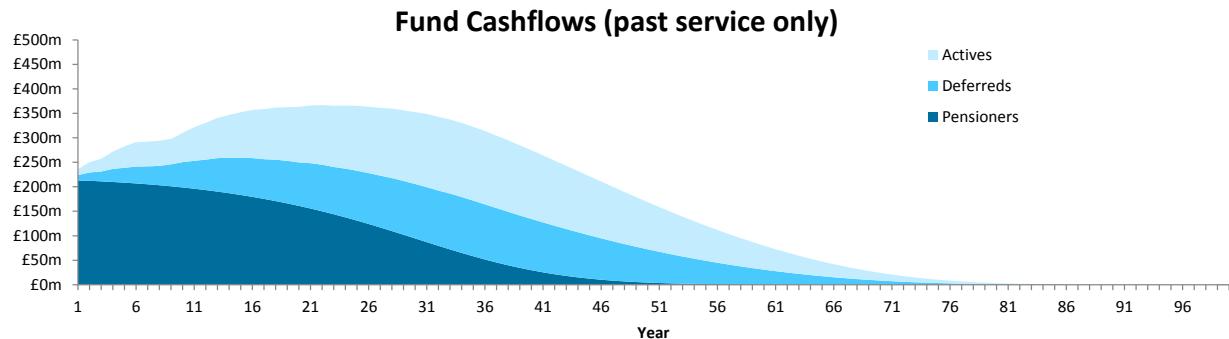
## 5. Valuation Results

### Previous Valuation

- 5.1. The last formal actuarial valuation of the Fund was carried out as at 31 March 2010 by Barnett Waddingham LLP and the results of that valuation were set out in the formal valuation report dated March 2011.
- 5.2. The results of the previous valuation indicated that the assets of the Fund represented 81% of the accrued liabilities of the Fund.

### Projected cashflows

- 5.3. As mentioned above, the first stage is to project the expected cashflows in relation to past service, which can be charted as follows:



## Past Service Funding Position and Contribution Rates

5.4. These cashflows are then discounted and the following table sets out the valuation results for the Fund as a whole. We show

- The past service funding position
- The required average ongoing employer contribution rate for future service benefits
- The required total employer contribution rate to restore the funding position to 100% over 17 years following the valuation date.

Valuation Date	31 March 2013
Past Service Funding Position	£(000)
<b>Asset Value</b>	4,659,313
Active Members	1,339,022
Deferred Pensioners	1,033,268
Pensioners	2,770,324
<b>Value of Accrued Liabilities</b>	5,142,614
<b>Surplus (Deficit)</b>	(483,301)
<b>Funding Level</b>	91%
Contribution Rates	% of payroll
Future Service Cost	13.9%
Deficit recovery over 17 years	6.2%
<b>Total</b>	20.1%

5.5. As we see, the funding level was 91% and the average required employer contribution to restore the funding position to 100% over the next 17 years is 20.1% of pensionable pay.

5.6. The contributions payable by each employer are set out in individual rates and adjustment certificates, which should be read in conjunction with this report. These are based on either the employer's own membership and experience or they are the employer's share of the contributions payable within a pool of employers.

## Sensitivity Analysis

5.7. It is important to understand that these results indicate the expected cost of providing the benefits using the chosen method and assumptions. The actual cost of providing the benefits will depend on the actual experience.

5.8. In order to illustrate this, a number of calculations have been carried out to highlight the sensitivity of the funding position to the assumptions adopted, focusing on the assumptions to which the funding position is most sensitive, as shown below:

Assumption	Action	Effect on Funding Level	Effect on Contribution Rate
Discount rate	Increase by 0.1%	+1.5%	-0.4%
	Decrease by 0.1%	-1.5%	+0.4%
CPI inflation	Increase by 0.1%	-1.4%	-0.4%
	Decrease by 0.1%	+1.4%	+0.4%
Salary increases (compared to inflation)	Increase by 0.1%	-0.1%	0%
	Decrease by 0.1%	+0.1%	0%
Short term salary adjustment	Remove	-0.9%	0%
Long-term rate of mortality improvement	Increase by 0.25%	-0.7%	+0.2%
	Decrease by 0.25%	+0.7%	-0.2%
Cash commutation	Members exchange 10% more of their pension	+0.3%	-0.2%
	Members exchange 10% less of their pension	-0.3%	+0.2%
Proportion with dependants	10% more	-1.0%	+0.2%
	10% less	+1.0%	-0.2%
Members elect for 50:50 benefits	10% of members choose this	0%	-0.6%

## Projected future results

5.9. The progression of the funding level over time is influenced by a large number of factors, including any changes in membership, the investment return achieved and the contributions paid.

5.10. We estimate that in 3 years after the valuation date (i.e. at the next valuation) the funding position on the same basis will be 92%. This allows for contributions to be paid in line with the minimum employer contributions contained within the individual rates and adjustment certificates, and assumes that investment returns and other experience over the next 3 years are in line with the assumptions described above.

### **Neutral Estimate**

5.11. We are also required to consider whether the assumptions used are neutral, that is “not deliberately either optimistic or pessimistic and does not incorporate adjustments to reflect the desired outcome”.

5.12. Other than the discount rate, we consider all the assumptions used to be neutral.

5.13. We would consider a neutral discount rate to be 6.4% per annum rather than 5.9% per annum. This is mainly based on the likelihood that the investment strategy will be modified in the future to be more heavily weighted towards return-seeking assets. These changes have not yet been fully implemented and so the current asset allocation, which gives a more prudent discount rate, has been used for the calculations.

5.14. As a consequence, we expect that the future returns from the Fund’s investment strategy will be higher than the Fund level valuation discount rate and we believe that the contributions set for this valuation are more likely to be sufficient to meet the cost of providing the benefits than not.

## Valuation reconciliation

5.15. The following table sets out the principal reasons for the change in the funding position since the last valuation:

Change in Past Service Position	£(000)	£(000)	£(000)
<b>Surplus(Deficit) at 31 March 2010</b>			<b>(870,060)</b>
Benefits Accrued	(330,169)		
Early Retirements	(25,984)		
Contributions Paid	550,103		
<b>Deficit Funded (Use of Surplus)</b>		<b>193,949</b>	
Interest Cost	(138,993)		
Asset Gain/Loss	548,260		
Change in Market Conditions	(345,582)		
<b>Financial Gain(Loss)</b>		<b>63,685</b>	
Transfer from ASF to PSF	(20,145)		
GLMCA Data Cleanse	39,619		
Salary Increases	9,930		
Withdrawals	54,682		
Pension Increases	(90,983)		
Deaths	22,254		
Other Member Experience	(38,025)		
<b>Experience</b>		<b>(22,668)</b>	
<b>Surplus(Deficit) on consistent assumptions</b>			<b>(635,094)</b>
<b>Change in Assumptions</b>		151,793	
<b>Surplus(Deficit) at 31 March 2013</b>			<b>(483,301)</b>

5.16. As we can see, the main reasons for the improvement are the contributions paid since the previous valuation and the good investment performance over the period.

## 6. Risk and uncertainty

- 6.1. There are many factors that affect the financial position of the Fund, in particular:
- 6.2. Employer covenant risk; there is a risk to the Fund that any of the employing bodies may be unable to pay contributions or meet any cessation deficits as they fall due.
- 6.3. By varying the assumptions based on the employer's assessed strength, higher levels of contribution are payable over the short term by the weaker employers. This means that the funding level should improve faster but this might also increase the risk of employer default so a balance needs to be found. The Fund should monitor the strength of each employer in the Fund over time, so that any sudden changes in an employer's position can be mitigated.
- 6.4. Investment risk; allowance is made in the assumptions for the expected long-term performance of asset classes such as equities. There is a risk that these returns will not be achieved in practice, which may result in further contributions being required. Further, the value of the Fund's assets may not move in line with the Fund's liabilities – mainly because the Fund invests in volatile assets whose value might fall or rise less than expected. The sensitivity of the valuation results to changes in the investment return assumption is shown in 5.8 above. The Fund should regularly review the investment strategy to ensure the risks being taken are understood and that those risks are being appropriately managed.
- 6.5. Inflation; in projecting the expected future benefit payments, assumptions are made regarding future price inflation. There is a risk that the actual rate of inflation will be higher than assumed which will increase the cost of providing the benefits. This would result in additional contributions being required and a deterioration in the funding position unless investment returns are similarly higher than expected. The sensitivity of the results to the choice of inflation assumptions is also shown above.
- 6.6. Mortality; it is not possible to predict with any certainty how long members of the Fund will live, and if members live longer than expected, additional contributions will be required and the Fund's funding position will deteriorate. The sensitivity of the results to the choice of mortality assumptions is also shown above. The Fund should review their mortality assumptions at each valuation, taking into account all available evidence, to ensure they remain appropriate for the Fund.
- 6.7. Member options; certain benefit options may be exercised by members without requiring the consent of the Fund or the Employer, for example exchanging pension for cash at retirement or taking a transfer value. The value of the cash benefit is generally expected to be less than the value of the pension exchanged so the funding position would only deteriorate if fewer members than expected took this option. Individual transfer values can be higher or lower than the value of the valuation liabilities, depending on the particular member and market conditions.

6.8. Legislative changes; there are a number of legislative risks to the Fund and the LGPS in general, including:

- All benefits relating to service after 1 April 2014 will be linked to the individual's State Pension Age and the Chancellor of the Exchequer's Autumn 2013 Statement outlined plans to increase this for some individuals. This valuation is based on the current legislation so if these plans are enacted, some members will find the value of their future benefits reduced and this would be expected to reduce costs.
- Contracting-out of the State Second Pension is due to end in 2016 and it is not yet clear what the effect on the LGPS will be.
- The potential effects of GMP equalisation between males and females, if implemented, are not yet known.
- As part of the changes to the LGPS from 1 April 2014, a cost control mechanism has been implemented so that if the future cost turns out to be higher or lower than expected when the reforms were made, a review of the benefits may be triggered which provides some.
- If the LGPS was to be discontinued in its current form, it is not known what would happen to members' benefits.
- More generally, as a statutory scheme, both past and future service benefits of the LGPS could be changed by the Government as well as the form of the scheme.

## Appendix 1 Valuation Data

A1.1. A summary of the membership records submitted for the valuation is as follows.

Active Members			Actual Pensionable Pay		Average		This Valuation	
	Number		£ (000)		£		Average	Average
	2013	2010	2013	2010	2013	2010	Age	Retirement Age
Males	6,715	7,726	234,770	267,041	34,962	34,564	46.4	62.7
Females	9,746	11,197	277,692	313,994	28,493	28,043	45.0	63.0
<b>Total</b>	<b>16,461</b>	<b>18,923</b>	<b>512,463</b>	<b>581,035</b>	<b>31,132</b>	<b>30,705</b>	<b>45.6</b>	<b>62.9</b>

Deferred Pensioners			Annual Pensions		Average		This Valuation	
(including "undecideds")	Number		£ (000)		£		Average	Average
	2013	2010	2013	2010	2013	2010	Age	Retirement Age
Males	10,476	10,648	30,642	28,984	2,925	2,722	47.6	61.8
Females	17,034	16,782	39,571	34,881	2,323	2,078	46.6	61.9
<b>Total</b>	<b>27,510</b>	<b>27,430</b>	<b>70,213</b>	<b>63,865</b>	<b>2,552</b>	<b>2,328</b>	<b>47.0</b>	<b>61.9</b>

Pensioners			Annual Pensions		Average		This Valuation	
	Number		£ (000)		£		Average	Average Age
	2013	2010	2013	2010	2013	2010	Age	Average Age
Males	13,177	13,045	113,310	100,355	8,599	7,693	72.1	
Females	15,662	14,817	81,191	67,651	5,184	4,566	72.1	
Dependants	5,932	6,119	19,998	18,274	3,371	2,986	76.4	
<b>Total</b>	<b>34,771</b>	<b>33,981</b>	<b>214,499</b>	<b>186,280</b>	<b>6,169</b>	<b>5,482</b>	<b>72.9</b>	

### Notes

A1.2. The numbers relate to the number of records and so will include members in receipt of or potentially in receipt of more than one benefit.

A1.3. Annual pensions are funded items only and include pension increases up to and including the 2013 Pension Increase Order.

A1.4. Pensionable pay is actual earnings.

A1.5. A summary of the assets held by the Fund at the valuation date and the revenue account for the three years preceding the valuation date is as shown below.

Revenue Accounts	Year to	March 2013	March 2012	March 2011	TOTAL
		£ (000)	£ (000)	£ (000)	£ (000)
Expenditure	Retirement Pensions	210,376	199,039	207,550	616,965
	Retirement Lump Sums	35,704	40,174	38,380	114,257
	Death Benefits	4,171	3,737	3,679	11,587
	Leavers Benefits	23,078	42,020	66,744	131,843
	Expenses	-	-	-	-
	Other Expenditure	175	79	60	315
<b>Total Outgo</b>		<b>273,505</b>	<b>285,049</b>	<b>316,413</b>	<b>874,968</b>
Non- investment Income	Employees Ctns	35,386	37,952	40,442	113,780
	Employers Ctns	127,024	144,952	164,346	436,322
	Transfer Values	27,268	20,557	41,819	89,644
	Other Income	-	-	-	-
<b>Total</b>		<b>189,678</b>	<b>203,462</b>	<b>246,607</b>	<b>639,747</b>
<b>Net New Cashflow</b>		<b>(83,827)</b>	<b>(81,588)</b>	<b>(69,806)</b>	<b>(235,221)</b>
Investment Income		19,421	29,284	33,283	81,988
<b>Fund Value</b>					
Assets at Start of Year		4,214,461	4,102,000	3,855,050	3,855,050
Cashflow		(64,406)	(52,304)	(36,523)	(153,233)
Change in Value		544,941	164,765	283,473	993,179
Assets at End of Year		4,694,996	4,214,461	4,102,000	4,694,996
<b>Annual Returns</b>					
Approx Rate of Return (per annum)		13.5%	4.8%	8.3%	8.8%

## Appendix 2 Actuarial assumptions

A2.1. A summary of the assumptions adopted in the valuation is as set out below;

Valuation Assumptions at	2013	2010 - ASF	2010 - PSF
<b>Financial Assumptions</b>			
Discount Rate	5.9% at Fund Level 3.1% - 5.9% at Employer level	6.7%	Merrill Lynch Sterling LIBOR Swap Curve plus 1.5% per annum
Retail Price Inflation (RPI)	3.5% (20 year point on the Bank of England Implied Inflation Curve)	3.5%	Bank of England Implied Inflation Curve
Consumer Price Inflation (CPI)	RPI assumption less 0.8%	3.0%	RPI assumption less 0.75%
Pension and Deferred Pension Increases	RPI assumption less 0.8%	3.0%	RPI assumption less 0.75%
Short Term Pay Increases	In line with the CPI assumption for the 2 years to 31 March 2015	Pay freeze for those earning over £21k for the 2 years to 31 March 2012	
Long Term pay increases	RPI assumption plus 1.0%	4.5%	RPI assumption plus 1.0%
<b>Statistical Assumptions</b>			
Post-retirement Mortality			
Current Mortality	2013 Club Vita tables	2010 Club Vita tables	2010 Club Vita tables
Mortality Projection	2012 CMI model with long-term rate of improvement of 1.5% per annum	CMI medium cohort projection with an underpin of 1% per annum	CMI medium cohort projection with an underpin of 1% per annum
Retirement Ages	Each member retires at the weighted average "tranche retirement age", i.e. for each tranche of benefit, the earliest age they could retire with unreduced benefits	For each tranche of benefit, active members retire 1 year later than entitled to retire and receive unreduced benefits	For each tranche of benefit, active and deferred members retire at earliest age entitled to retire and receive unreduced benefits
Proportion Married	There is an 80%/70% chance that male/female members will, at retirement or earlier death, have a dependant who is eligible for death benefits	For each tranche of benefit, deferred members retire at earliest age entitled to retire and receive unreduced benefits	
Partner Age Difference	Males are 3 years older than their spouse and Females are 3 years younger than their spouse	90% of members are assumed to be married or have an eligible dependant at retirement or earlier death	
Ill-health Tiers	50% of ill health retirements will be eligible for benefits based on full prospective service and 50% will qualify for a service enhancement of 25% of prospective service	Males are 3 years older than their spouse and Females are 3 years younger than their spouse	
Commutation	It is assumed that members at retirement will commute pension to provide a lump sum of 50% of the maximum allowed under HMRC rules and this will be at a rate of £12 lump sum for £1 of pension.	50% of ill health retirements will be eligible for benefits based on full prospective service and 50% will qualify for a service enhancement of 25% of prospective service	
Other Statistical Assumptions	Same as used by Government Actuary's Department when LGPS reforms were designed and based on analysis of incidence of death, retirement and withdrawal for Local Authority Funds	It is assumed that members at retirement will commute pension to provide a lump sum of 50% of the maximum allowed under HMRC rules and this will be at a rate of £12 lump sum for £1 of pension.	
	Sample rates shown below	Based on our analysis of the incidence of retirement and withdrawal of our Local Authority client funds. Mortality is based on Club Vita analysis	
		Sample rates shown below	

**Sample Statistical Assumptions at 2013**

Age	Incidence per 1000 active members per annum									
	Death		III Health Retirement			Withdrawal		Salary Scales		
	Males	Females	Males	Females	Males	Females	Males	Females		
25	0.1	0.1	0.1	0.1	122.0	144.5	100	100		
30	0.2	0.1	0.2	0.1	104.4	122.4	102	101		
35	0.3	0.2	0.3	0.3	89.4	103.6	111	105		
40	0.5	0.3	0.6	0.5	76.5	87.7	117	108		
45	0.8	0.5	1.1	0.8	65.5	74.3	121	110		
50	1.3	0.8	2.2	1.6	56.0	62.9	124	110		
55	2.1	1.3	4.1	2.9	48.0	53.3	127	110		
60	3.4	2.0	7.8	5.3	41.0	45.1	127	110		
65	5.4	3.0	14.8	9.8	35.1	38.2	127	110		

**Sample Statistical Assumptions at 2010**

Age	Incidence per 1000 active members per annum										Salary Scales			
	Males				Females									
	Death	III Health	Wdls	Death	III Health	Wdls	Males	Males	Females	Females	FT	PT	FT	PT
20	0.5	0.0	0.0	400.0	0.2	0.0	0.0	400.0	100.0	100.0	100.0	100.0	100.0	100.0
25	0.4	0.0	0.0	360.0	0.2	0.1	0.1	360.0	122.8	100.0	114.2	100.0		
30	0.3	0.1	0.1	264.0	0.3	0.2	0.2	264.0	145.5	100.0	125.8	100.0		
35	0.5	0.1	0.1	184.0	0.5	0.3	0.3	184.0	166.3	100.0	133.6	100.0		
40	0.9	0.3	0.3	108.0	0.6	0.4	0.4	108.0	183.1	100.0	136.6	100.0		
45	1.3	0.4	0.4	48.0	0.8	0.6	0.6	48.0	194.4	100.0	136.6	100.0		
50	2.5	0.8	0.8	-	1.4	1.1	1.1	-	198.8	100.0	136.6	100.0		
55	4.3	1.8	1.8	-	2.2	2.1	2.1	-	198.8	100.0	136.6	100.0		
60	6.9	3.7	3.7	-	3.1	4.2	4.2	-	198.8	100.0	136.6	100.0		
64	11.1	6.6	6.6	-	4.0	5.8	5.8	-	198.8	100.0	136.6	100.0		

## Appendix 3 Individual Employer data as at 31 March 2013

Employer Membership Data			Active Members			Deferred Members			Pensioner Members		
Employer code	Employer	Number	Actual Pay £	Ave Age	Number	Deferred Pensions £	Ave Age	Number	Pensions in Payment £	Ave Age	
1	London Pensions Fund Authority	107	3,623,082	41	125	572,042	42	38	543,095	65	
2	National Criminal Intelligence Service	0	0	0	13	19,458	46	8	39,672	68	
3	National Crime Squad	0	0	0	49	104,851	48	24	117,744	67	
4	Valuation Office Agency	164	4,394,900	52	174	668,944	49	391	4,274,761	64	
5	Greater London Authority	657	30,314,122	41	719	2,449,814	41	129	1,874,276	62	
6	Transport for London	118	6,137,713	45	139	675,729	45	66	1,321,975	66	
7	The London Development Agency	0	0	0	475	2,053,078	42	36	852,104	60	
9	London Transport User's Committee	0	0	0	0	0	0	1	See note 3.1		
10	London Legacy Development Corporation	104	6,506,077	41	11	62,042	39	4	68,358	27	
11	London Councils	113	4,973,209	42	191	871,016	42	40	666,253	64	
12	GLMCA	0	0	0	226	548,769	50	115	1,019,999	66	
13	National Probation Directorate	0	0	0	6	162,658	52	17	634,648	63	
14	London Probation Trust	1,908	60,569,834	44	1,272	3,729,685	43	798	7,537,021	64	
15	London Thames Gateway UDC	0	0	0	29	107,539	40	3	See note 3.1		
16	Serious Organised Crime Agency	7	181,896	46	1	See note 3.1		4	See note 3.1		
20	Shenley Leisure Centre Trust Ltd	1	See note 3.1	50	6	6,844	52	2	See note 3.1		
21	Woughton Leisure Trust	0	0	0	17	20,592	43	2	See note 3.1		
22	NSL Limited	2	See note 3.1		0	0	0	0	0	0	
100	GLC/ILEA	0	0	0	1,054	1,650,236	59	2,018	5,075,212	68	
106	Vehicle Licensing	0	0	0	0	0	0	42	212,114	87	
125	Cordwainers College	0	0	0	4	See note 3.1		5	14,380	80	
127	Morley College	53	1,508,869	45	47	90,655	45	37	213,211	73	
128	Geffrye Museum Trust Ltd.	23	588,672	42	14	44,393	49	11	50,135	68	
129	Horniman Museum & Gardens	65	1,932,801	47	57	78,293	41	39	238,526	70	
130	GLC Pre 1/4/86 Leavers	0	0	0	18	42,277	58	2,209	11,980,363	84	
135	ILEA Pre 1/4/86 Leavers	0	0	0	8	15,590	59	1,046	5,071,174	85	
145	GLC Abolition Leavers	0	0	0	0	0	0	1,390	10,998,626	81	
146	LRB I/GLC	0	0	0	0	0	0	589	5,784,518	77	
150	LRB	0	0	0	568	1,794,752	54	501	2,833,077	68	
151	LRB II/GLC	0	0	0	0	0	0	46	426,936	79	
152	LRB I/GLS	0	0	0	0	0	0	19	43,529	79	
155	LRB II/GLC - ACP cases	0	0	0	0	0	0	24	331,911	66	
157	LRB II/GLS - ACP cases	0	0	0	0	0	0	25	295,873	66	
158	LRB II/ILEA - Post 1/1/92 cases	0	0	0	0	0	0	65	923,850	76	
159	LRB II/ILEA - Post 1/1/92 ACP cases	0	0	0	3	See note 3.1		90	1,518,040	65	
160	ILEA	0	0	0	1,593	2,852,013	53	2,022	8,430,919	74	

Employer Membership Data		Active Members			Deferred Members			Pensioner Members		
Employer code	Employer	Number	Actual Pay £	Ave Age	Number	Deferred Pensions £	Ave Age	Number	Pensions in Payment £	Ave Age
161	ILEA Redundancy cases 1/4/88	0	0	0	0	0	0	367	1,326,015	79
162	ILEA - Leavers 1/4/90	0	0	0	0	0	0	865	6,564,670	79
163	LRB II/ILEA	0	0	0	0	0	0	308	2,390,962	77
164	LRB II/GLS	0	0	0	0	0	0	91	403,776	77
168	ILEA - Leavers 1/4/90 - ACP cases	0	0	0	0	0	0	238	2,670,346	67
169	LRB II/.ILEA ACP cases	0	0	0	1	See note 3.1		142	1,775,666	66
170	London Fire & Emergency Planning Authority	900	33,076,541	48	687	2,345,105	48	1,265	9,917,912	71
171	Firebuy Limited	0	0	0	15	107,318	49	3	See note 3.1	
172	Babcock Training Limited	53	1,655,441	49	3	See note 3.1		0	0	0
173	Babcock Critical Services Ltd	28	903,820	52	0	0	0	0	0	0
180	London Waste Regulation Authority	0	0	0	16	37,898	52	16	127,460	76
181	East London Waste Authority	4	See note 3.1		1	See note 3.1		2	See note 3.1	
182	North London Waste Authority	0	0	0	48	156,232	54	137	825,511	73
183	West London Waste Authority	82	2,090,789	51	32	88,231	47	76	479,074	72
184	West Riverside Waste Authority	5	305,067	47	35	89,537	52	48	273,795	68
200	Inner London Probation Service	0	0	0	355	843,123	51	652	4,163,899	72
201	Crown Courts	0	0	0	0	0	0	2	See note 3.1	
202	Crown Courts	0	0	0	0	0	0	1	See note 3.1	
207	Middlesex Probation Service	0	0	0	128	273,952	51	258	1,694,529	73
208	South East London Probation Service	0	0	0	33	71,748	53	103	604,902	76
209	North East London Probation Service	0	0	0	61	120,798	51	135	815,627	73
210	South West London Probation Service	0	0	0	33	88,851	51	80	492,502	74
211	Middlesex Area Magistrates Court	0	0	0	16	13,585	56	27	148,565	81
212	S.E. London Magistrates Court	0	0	0	3	See note 3.1		9	32,149	77
213	N. E. London Magistrates Court	0	0	0	6	11,972	60	19	82,882	82
214	S. W. London Magistrates Court	0	0	0	4	See note 3.1		8	18,617	78
215	Turnham Primary GMS School	28	516,771	46	6	2,131	43	9	24,847	66
216	Dunraven School	44	1,012,134	43	38	45,582	42	12	56,220	69
218	Lambeth College	152	4,600,787	46	211	486,485	46	104	677,320	69
219	Lewisham College	285	8,277,366	45	318	681,603	45	152	952,363	68
220	Southwark College	0	0	0	193	319,432	45	69	359,787	64
221	Bishop Thomas Grant School	33	757,576	46	22	32,265	43	12	80,718	66
222	St Francesca Cabrini Primary School	19	266,217	51	5	2,016	40	3	See note 3.1	
223	Archbishop Tenison's Church of England GMS	9	266,601	49	15	20,692	41	7	29,604	72
224	Charlotte Sharman Foundation Primary School	28	311,819	49	11	6,265	46	2	See note 3.1	
225	Willowfield School	0	0	0	6	4,153	53	2	See note 3.1	
226	Julian's Primary School	21	334,723	42	6	1,421	40	1	See note 3.1	
227	Serco Limited	0	0	0	10	39,278	40	26	191,078	65
228	Olympic Park Legacy Company Ltd	0	0	0	5	9,364	36	0	0	0

Employer Membership Data		Active Members			Deferred Members			Pensioner Members		
Employer code	Employer	Number	Actual Pay £	Ave Age	Number	Deferred Pensions £	Ave Age	Number	Pensions in Payment £	Ave Age
229	Infrastructure Planning Commission	0	0	0	41	102,500	43	1	See note 3.1	
230	UK Anti Doping	38	1,436,242	33	14	31,356	33	0	0	0
231	Serco Community Payback	107	2,904,152	51	26	149,510	48	29	182,857	62
232	Briggs Marine Contractors Ltd	76	2,473,908	50	0	0	0	0	0	0
233	Notre Dame School	25	536,761	47	17	14,051	45	9	24,013	70
234	St Martin in the Field High School	33	567,409	48	36	23,187	48	12	39,127	73
235	St Andrews RC Primary School	20	352,872	44	7	4,099	45	19	40,834	69
236	St Bernadette's School	29	267,246	52	15	12,512	49	11	15,371	73
237	Corpus Christi School	19	255,166	44	12	7,892	42	5	24,885	70
238	St Anne's RC Primary School	42	377,334	46	9	6,863	47	0	0	0
239	St Bede's GM Infant & Nursery School	9	132,443	50	4	6,711	51	5	12,313	67
240	Friars School	12	137,909	42	7	4,719	46	4	See note 3.1	
241	Sacred Heart School	23	410,424	42	12	8,192	44	13	93,395	68
242	St Anthony's School	31	317,884	47	10	2,920	55	5	21,196	70
243	St Joseph RC Infant School	20	192,786	52	6	4,436	47	8	20,805	48
244	St Joseph RC Junior School	17	183,608	46	4	See note 3.1		4	26,774	71
245	St Michael's RC School	12	327,931	49	7	21,057	50	3	31,628	71
246	St Thomas the Apostle College	14	319,030	45	13	10,107	46	14	101,560	69
247	Our Lady of Victory RC Primary School	0	0	0	1	See note 3.1		1	See note 3.1	
249	Immanuel & St Andrew C of E Primary School	22	298,196	42	15	7,554	39	6	26,902	72
250	Durand Academy	8	202,655	47	13	10,288	43	2	See note 3.1	
252	Surrey Square Primary School	48	531,003	46	39	17,170	44	16	21,861	68
254	Turney School	21	367,121	51	30	23,984	46	16	27,082	70
255	St Mary's RC Primary School	11	110,559	50	8	5,261	43	3	See note 3.1	
256	Thurlow Park School	0	0	0	8	5,554	53	8	4,367	68
260	Association for Colleges	0	0	0	1	See note 3.1		0	0	0
261	Council for Awards in Care, Health & Education	32	994,346	48	42	89,742	47	36	155,281	66
262	Central Council of Magistrate's Courts Committees	0	0	0	2	See note 3.1		0	0	0
263	Consortium of Rural Teccs	0	0	0	1	See note 3.1		0	0	0
264	UACES	1	See note 3.1		2	See note 3.1		0	0	0
265	Southern Archaeology (Chichester) Ltd	0	0	0	0	0	0	4	See note 3.1	
266	Graham Grange	46	1,069,434	51	55	77,770	46	16	42,705	68
267	FHSVSA	1	See note 3.1		1	See note 3.1		0	0	0
268	Age Concern London	0	0	0	8	43,233	54	4	See note 3.1	
269	Waltham Forest CBHA Ltd	14	539,512	47	26	110,290	46	20	123,064	62
270	Community Care Enterprises	0	0	0	0	0	0	2	See note 3.1	
271	CfBT Advice and Guidance Ltd	0	0	0	59	148,074	46	25	137,921	67
272	Association of Colleges	54	2,761,685	43	57	263,244	44	23	192,598	64
273	London South Bank Careers	0	0	0	20	86,896	51	17	241,725	65
274	Myrrh Education & Training	2	See note 3.1		2	See note 3.1		1	See note 3.1	

Employer Membership Data		Active Members			Deferred Members			Pensioner Members		
Employer code	Employer	Number	Actual Pay £	Ave Age	Number	Deferred Pensions £	Ave Age	Number	Pensions in Payment £	Ave Age
275	Gallions Housing Association	101	3,331,192	47	198	496,834	48	145	801,137	70
276	Trust Thamesmead	2	See note 3.1		9	27,514	50	3	See note 3.1	
277	Tilfen Regeneration Ltd	3	See note 3.1		12	92,076	51	32	393,427	66
300	L.B. of Barking & Dagenham	0	0	0	0	0	0	7	28,549	80
301	L.B. of Barnet	0	0	0	1	See note 3.1		63	566,134	86
302	L.B. of Bexley	0	0	0	1	See note 3.1		5	64,593	84
303	L.B. of Brent	0	0	0	1	See note 3.1		78	706,948	82
304	L.B. of Bromley	1	See note 3.1		0	0	0	12	124,924	77
305	L.B. of Camden	42	1,156,916	57	77	248,378	53	315	1,860,380	73
306	L.B. of Croydon	0	0	0	1	See note 3.1		1	See note 3.1	
307	L.B. of Ealing	0	0	0	3	See note 3.1		88	659,731	84
308	L.B. of Enfield	1	See note 3.1		0	0	0	64	502,361	84
309	L.B. of Greenwich	68	1,971,553	55	95	409,497	53	650	3,398,640	73
310	L.B. of Hackney	26	675,219	55	116	497,625	53	509	2,345,018	74
311	L.B. of Hammersmith & Fulham	32	978,401	58	80	301,881	53	358	1,863,095	72
312	L.B. of Haringey	0	0	0	5	42,417	62	76	614,142	84
313	L.B. of Harrow	0	0	0	1	See note 3.1		49	317,311	84
314	L.B. of Havering	0	0	0	0	0	0	9	31,555	88
315	L.B. of Hillingdon	0	0	0	1	See note 3.1		71	627,205	86
316	L.B. of Hounslow	0	0	0	0	0	0	62	577,583	83
317	L.B. of Islington	25	578,308	56	80	391,835	52	401	2,051,480	73
318	R.B. of Kensington & Chelsea	27	683,855	58	57	243,092	54	209	1,248,441	74
319	R.B. of Kingston upon Thames	0	0	0	0	0	0	1	See note 3.1	
320	L.B. of Lambeth	37	1,112,643	55	146	600,294	52	524	2,677,148	73
321	L.B. of Lewisham	44	1,317,062	58	102	508,485	52	608	3,378,274	73
322	L.B. of Merton	0	0	0	0	0	0	7	42,234	84
323	L.B. of Newham	0	0	0	0	0	0	1	See note 3.1	
324	L.B. of Redbridge	0	0	0	0	0	0	1	See note 3.1	
325	L.B. of Richmond upon Thames	0	0	0	1	See note 3.1		32	287,684	82
326	L.B. of Southwark	40	1,065,189	55	133	513,504	54	551	2,480,449	74
327	L.B. of Sutton	1	See note 3.1		3	See note 3.1		24	115,540	78
328	L.B. of Tower Hamlets	40	1,249,074	54	85	451,071	53	461	2,569,350	74
329	L.B. of Waltham Forest	1	See note 3.1		2	See note 3.1		1	See note 3.1	
330	L.B. of Wandsworth	67	1,516,710	55	133	430,000	53	525	2,356,558	73
331	City of Westminster	11	246,998	62	58	229,074	53	249	1,195,849	75
332	City of London	0	0	0	3	See note 3.1		10	149,267	67
334	Broxbourne BC	0	0	0	0	0	0	1	See note 3.1	
337	Epping Forest DC	0	0	0	0	0	0	3	See note 3.1	
338	Hertsmere BC	0	0	0	0	0	0	5	6,598	75
339	Reigate and Banstead BC	0	0	0	0	0	0	1	See note 3.1	
341	Slough BC	0	0	0	0	0	0	4	See note 3.1	

Employer Membership Data		Active Members			Deferred Members			Pensioner Members		
Employer code	Employer	Number	Actual Pay £	Ave Age	Number	Deferred Pensions £	Ave Age	Number	Pensions in Payment £	Ave Age
343	Three Rivers DC	0	0	0	0	0	0	1	See note 3.1	
344	Thurrock BC	0	0	0	0	0	0	2	See note 3.1	
345	Woking BC	0	0	0	0	0	0	2	See note 3.1	
403	Lee Valley Regional Park Authority	193	5,501,438	43	285	545,446	44	190	1,076,578	72
404	London Valuation Tribunals	21	689,486	49	36	100,869	46	39	240,771	73
406	Valuation Tribunal Service	17	688,158	46	14	22,051	45	1	See note 3.1	
415	UK Film Council	0	0	0	85	336,070	43	10	137,717	54
416	Affinity Sutton Group	37	1,125,838	49	62	251,368	49	47	307,495	67
417	Downland Affinity Group	0	0	0	2	See note 3.1		3	See note 3.1	
418	Mid Sussex Housing Association	0	0	0	4	See note 3.1		31	175,029	75
419	Kelly House Bail Hostel	0	0	0	0	0	0	1	See note 3.1	
420	Haberdashers' Askes Hatcham College	0	0	0	2	See note 3.1		5	40,576	73
421	La Retraite RC Girl's School	32	662,344	45	19	22,270	44	17	60,458	70
425	Brunel University	497	11,536,372	47	645	870,516	45	772	2,797,017	72
426	Kings College / Chelsea College	1	See note 3.1		35	67,233	59	83	334,747	78
427	City University	350	9,214,676	38	818	1,114,993	42	402	1,867,776	73
428	University of Surrey	0	0	0	1	See note 3.1		38	239,643	80
429	University of Reading	0	0	0	0	0	0	6	19,525	85
430	Alleyns School / Dulwich College	0	0	0	0	0	0	1	See note 3.1	
431	Association of Education Committees	0	0	0	0	0	0	1	See note 3.1	
432	Ave Maria School	0	0	0	0	0	0	1	See note 3.1	
435	British Film Institute	291	11,167,883	45	382	1,138,006	47	318	2,107,096	70
436	British Institute Record/Sound	0	0	0	0	0	0	2	See note 3.1	
437	Dulwich Picture Gallery	1	See note 3.1		4	See note 3.1		8	33,365	69
438	Sutton Performing Arts Network	0	0	0	2	See note 3.1		2	See note 3.1	
439	Sutton Centre for Independent Living and Learning	0	0	0	0	0	0	3	See note 3.1	
440	Sports Council	0	0	0	200	379,756	53	239	1,186,574	73
442	Sodexo	28	566,967	50	0	0	0	0	0	0
443	All Saints Educational Trust	0	0	0	1	See note 3.1		3	See note 3.1	
444	SLCF & Southwark Diocesan Board of Finance (2 employees)	0	0	0	0	0	0	2	See note 3.1	
445	Digby Stuart College	0	0	0	1	See note 3.1		18	66,915	81
447	Duncroft Approved School	0	0	0	0	0	0	1	See note 3.1	
448	SLCF & Southwark Diocesan Board of Finance	0	0	0	2	See note 3.1		2	See note 3.1	
449	G.L. Employers Association Ltd	0	0	0	7	62,525	56	7	56,471	72
450	United Kingdom Sport	87	4,011,921	37	135	481,438	41	8	133,286	66
451	Mountain Training limited	6	194,062	56	7	28,798	51	5	22,013	72
452	St Christopher's Fellowship	2	See note 3.1		15	44,237	53	24	112,312	69
453	The Froebel Trust	3	See note 3.1		3	See note 3.1		15	44,812	75
455	Ibstock Place School	28	845,543	52	18	32,077	48	4	See note 3.1	

Employer Membership Data		Active Members			Deferred Members			Pensioner Members		
Employer code	Employer	Number	Actual Pay £	Ave Age	Number	Deferred Pensions £	Ave Age	Number	Pensions in Payment £	Ave Age
456	Poplar Harca	34	1,255,834	54	37	214,883	50	13	106,821	63
458	Local Authorities Mutual Investment Trust	0	0	0	0	0	0	1	See note 3.1	
460	Sport England	68	3,143,330	46	404	1,827,429	46	158	1,794,420	65
462	The English Institute of Sport	216	7,421,789	37	205	468,409	39	5	32,531	62
463	London Regional Examination Board	0	0	0	0	0	0	14	86,067	80
465	Museums Association	0	0	0	0	0	0	1	See note 3.1	
466	N.A.C.R.O.	0	0	0	0	0	0	2	See note 3.1	
467	Council for National Academic Awards	0	0	0	46	83,233	53	37	297,621	70
468	British Sports Trust	1	See note 3.1		3	See note 3.1		3	See note 3.1	
470	RPS Rainer	0	0	0	27	89,298	55	20	60,864	69
471	Laser Advisory Council Ltd	0	0	0	8	12,616	53	9	64,076	79
472	RIPA	0	0	0	10	21,546	59	33	334,883	72
473	St Edmund's Probation & Bail Hostel	0	0	0	0	0	0	1	See note 3.1	
476	College of St. Mark & St. John	187	3,480,969	47	123	146,841	46	104	330,568	66
480	London and South East Library Region - LASER	0	0	0	16	22,547	48	13	184,902	72
482	Thames Conservancy	0	0	0	2	See note 3.1		10	31,727	77
483	Whitelands College	0	0	0	1	See note 3.1		8	52,161	81
484	London Artscom Ltd	63	1,941,717	41	33	53,728	40	4	See note 3.1	
485	Centre of Information on Language Teaching	0	0	0	69	192,219	43	19	149,945	68
486	Centre for Environmental Studies	0	0	0	0	0	0	1	See note 3.1	
487	BECTA	0	0	0	205	831,383	46	106	866,376	66
492	New Islington and Hackney Housing Association	0	0	0	1	See note 3.1		5	29,443	81
493	British Amateur Gymnastics Association	0	0	0	3	See note 3.1		9	133,296	68
494	Octavia Housing and Care	0	0	0	0	0	0	4	See note 3.1	
495	London Arts Board	0	0	0	11	18,118	54	19	71,385	66
496	Royal London Aid Society	0	0	0	0	0	0	1	See note 3.1	
498	Newlon Housing Trust	0	0	0	2	See note 3.1		0	0	0
499	ILPS and ACCS	0	0	0	80	36,776	56	20	20,160	69
500	AmicusHorizon Group Ltd	0	0	0	2	See note 3.1		9	189,583	66
501	Goldsmith College	218	5,411,437	45	303	525,654	45	238	1,057,243	71
502	Schools Council	0	0	0	0	0	0	3	See note 3.1	
507	London Metropolitan University	666	20,921,711	46	674	1,463,307	41	198	1,666,823	60
509	University of Westminster	746	23,985,473	43	929	1,770,322	42	433	2,952,540	71
510	London Guildhall University	0	0	0	268	636,706	51	284	1,554,503	72
511	South Bank University	555	18,432,012	45	884	1,788,660	46	538	3,252,596	70
512	University of Greenwich	710	22,455,861	46	738	1,419,514	45	752	4,542,155	70
513	University of North London	0	0	0	444	933,185	49	348	1,982,141	71
514	Sulgrave Charitable Trust	0	0	0	0	0	0	1	See note 3.1	
515	London Diocesan Fund	1	See note 3.1		0	0	0	1	See note 3.1	
517	Genesis Housing Group	9	260,745	55	46	195,191	51	31	192,784	67

Employer Membership Data		Active Members			Deferred Members			Pensioner Members		
Employer code	Employer	Number	Actual Pay £	Ave Age	Number	Deferred Pensions £	Ave Age	Number	Pensions in Payment £	Ave Age
518	Peabody Trust	140	4,891,384	48	573	1,682,047	46	313	1,956,433	68
519	East Thames Housing Group	0	0	0	1	See note 3.1		7	67,135	72
520	Guinness Trust	0	0	0	7	43,160	55	30	328,466	77
521	Futures Careers Guidance	0	0	0	82	302,254	51	49	290,654	66
522	Gilbert Place Centre	0	0	0	4	See note 3.1		3	See note 3.1	
523	British Mountaineering Council	0	0	0	0	0	0	1	See note 3.1	
524	Central School of Speech & Drama	53	1,878,579	43	48	115,864	44	17	102,661	72
525	Caris Haringey	0	0	0	0	0	0	1	See note 3.1	
526	Hounslow Welcare	0	0	0	1	See note 3.1		2	See note 3.1	
527	All England Netball Association Limited	0	0	0	1	See note 3.1		1	See note 3.1	
528	Sport and Recreation Alliance Limited	9	363,202	41	37	173,599	43	11	111,716	71
530	Probation Association	4	See note 3.1		4	See note 3.1		6	145,175	71
531	British Athletics Federation Ltd	0	0	0	5	7,657	55	8	38,282	72
532	Coram's Fields	8	212,020	48	3	See note 3.1		5	25,633	68
533	Comm for Local Administration in England	174	6,380,632	48	126	413,386	47	144	1,754,143	66
534	Pimlico Village Housing Co-operative TMO RADICLE	0	0	0	10	18,798	49	0	0	0
535		10	273,861	52	9	20,685	50	6	50,886	64
536	UK Housing Trust Ltd	0	0	0	2	See note 3.1		11	70,645	79
537	St Margarets House	0	0	0	0	0	0	1	See note 3.1	
538	Tenant Housing Trust Ltd	0	0	0	1	See note 3.1		2	See note 3.1	
540	Methodist Colleges and Schools	1	See note 3.1		1	See note 3.1		2	See note 3.1	
541	St Pantile House As. In. Cam	0	0	0	0	0	0	1	See note 3.1	
542	S.K.I.L.L.	0	0	0	3	See note 3.1		1	See note 3.1	
543	S.S.A.F.A. Forces Help	222	7,487,659	50	306	909,043	49	260	1,872,268	70
544	Greenwich Young People's Theatre Ltd	0	0	0	0	0	0	1	See note 3.1	
545	Emanuel School	1	See note 3.1		0	0	0	5	47,780	77
546	Colfe's School	1	See note 3.1		0	0	0	2	See note 3.1	
547	Chartered Institute of Housing	33	1,492,274	47	44	160,515	50	17	180,273	67
548	Godolphin and Latymer School	0	0	0	0	0	0	1	See note 3.1	
549	Chartered Institute of Environmental Health	7	428,563	56	14	136,231	53	6	162,540	65
551	N.I.A.C.E.	71	2,426,609	44	174	407,551	42	65	586,469	65
552	Family Service Units	0	0	0	85	262,677	50	61	284,802	65
553	Cenhoco 130 Ltd	8	227,533	52	191	369,436	54	892	2,339,960	74
554	Roehampton University	361	10,427,897	47	461	814,831	45	220	1,063,351	69
555	Samuel Lewis Housing Trust	0	0	0	0	0	0	5	31,109	66
556	Middlesex Association for the Blind	0	0	0	3	See note 3.1		4	24,583	76
557	National Council for Voluntary Youth Services	0	0	0	0	0	0	1	See note 3.1	
558	Effra Trust	0	0	0	0	0	0	1	See note 3.1	
559	London Docklands Development Corporation	0	0	0	83	391,185	54	102	1,236,353	69

Employer Membership Data		Active Members			Deferred Members			Pensioner Members		
Employer code	Employer	Number	Actual Pay £	Ave Age	Number	Deferred Pensions £	Ave Age	Number	Pensions in Payment £	Ave Age
560	Greater London Enterprise Limited	13	800,793	49	61	164,989	47	35	281,474	70
561	GLC Staff Association	0	0	0	3	See note 3.1		3	See note 3.1	
562	Sense	114	2,727,535	51	430	1,013,634	48	154	549,372	65
563	London Diocesan Fund	0	0	0	10	11,598	56	21	133,295	71
564	Bondway Housing Association	0	0	0	0	0	0	1	See note 3.1	
565	Nat. Advisory Board for Public Sector Higher	0	0	0	6	11,660	54	5	48,219	74
566	N.L. Hospice Group	2	See note 3.1		4	See note 3.1		5	55,093	64
567	City Literary Institute	113	2,793,945	44	116	183,225	43	30	186,407	68
568	Mary Ward Centre	16	552,750	51	16	14,849	42	6	50,564	62
569	Neighbour Dispute Mediation Scheme	0	0	0	0	0	0	1	See note 3.1	
571	University of Arts London	1,102	34,125,342	42	1,124	2,206,575	42	445	3,513,787	68
572	S.W. London College	0	0	0	1	See note 3.1		4	See note 3.1	
573	London Oratory School	0	0	0	4	See note 3.1		4	See note 3.1	
574	London Nautical School	15	401,199	48	22	37,239	44	7	28,737	67
577	United Welsh Housing Association Ltd	0	0	0	0	0	0	2	See note 3.1	
578	Cardinal Vaughan Memorial School	0	0	0	2	See note 3.1		8	22,605	77
579	The English & Media Centre	1	See note 3.1		0	0	0	1	See note 3.1	
580	Trinity Laban	14	418,753	49	29	53,472	44	13	66,660	68
581	Ealing, Hammersmith & West London College	306	7,813,475	44	306	589,491	43	113	682,083	65
582	Hackney Community College	131	3,472,218	46	177	298,768	46	105	601,801	67
583	City and Islington College	207	5,930,014	45	295	596,119	44	111	714,493	67
586	City of Westminster College	110	2,902,350	44	168	278,740	41	83	685,147	67
588	Nexus Community	75	1,606,494	44	174	214,410	40	36	87,702	67
589	Prospects Services Ltd	182	5,410,479	49	477	1,918,483	48	240	1,818,346	63
590	Kingsway College	0	0	0	20	74,870	51	28	140,436	67
591	Greenwich Community College	90	2,161,864	47	145	217,170	45	72	352,492	64
592	Jews Free School	0	0	0	5	10,382	53	5	37,753	77
593	La Sainte Union Convent School	30	691,704	50	13	7,945	46	11	43,009	69
595	Food Standards Agency	448	12,956,289	50	320	1,370,565	48	533	4,485,981	64
597	Welcare Community Projects	0	0	0	2	See note 3.1		0	0	0
598	MITIE Managed Services (North & Scotland) Ltd	0	0	0	37	26,604	54	51	49,673	66
600	Shoreditch College	0	0	0	0	0	0	3	See note 3.1	
601	Phillipa Fawcett College	0	0	0	0	0	0	1	See note 3.1	
603	Housing Crombie	0	0	0	0	0	0	9	27,244	74
662	Thames Water Utilities	0	0	0	0	0	0	1	See note 3.1	
663	National Rivers Authority	0	0	0	0	0	0	6	34,015	90
664	NHS	0	0	0	0	0	0	44	176,248	89
701	London East Anglian Group	0	0	0	8	9,911	53	7	23,142	75
702	London Sinfonietta	0	0	0	0	0	0	1	See note 3.1	
703	Raine's Foundation School	15	438,931	50	29	33,074	45	12	64,660	67

Employer Membership Data		Active Members			Deferred Members			Pensioner Members		
Employer code	Employer	Number	Actual Pay £	Ave Age	Number	Deferred Pensions £	Ave Age	Number	Pensions in Payment £	Ave Age
704	Bethnal Green City Challenge	0	0	0	0	0	0	2	See note 3.1	
705	CfBT Advice and Guidance Ltd	14	498,802	52	75	193,300	48	27	167,990	64
706	CfBT Education Trust	4	See note 3.1		5	32,063	52	10	200,387	63
707	Institute of Careers Guidance	0	0	0	6	35,040	54	2	See note 3.1	
708	Liverpool Housing Action Trust	0	0	0	43	147,590	50	63	567,938	67
709	Broadacres Housing Association Limited	23	896,382	54	28	56,169	50	32	173,499	70
711	North Hull H.A.T.	0	0	0	13	58,230	51	7	78,162	63
712	Tower Hamlets College	81	2,606,703	45	167	349,869	42	39	263,354	67
713	Hermitage Housing Association	61	1,625,128	48	35	66,802	47	14	68,918	65
714	Castle Vale H.A.T.	0	0	0	36	159,277	48	34	228,288	66
715	Tower Hamlets H.A.T	0	0	0	7	44,559	51	7	52,119	65
716	Open College Network London Region	11	388,163	48	16	23,280	41	1	See note 3.1	
717	Stonebridge Housing Action Trust	0	0	0	59	234,042	48	9	55,052	66
718	Old Ford Housing Association	2	See note 3.1		5	13,854	51	0	0	0
719	Guinness Care and Support Ltd	5	56,223	53	18	16,628	48	17	60,052	66
720	Gorseway Care Limited	0	0	0	0	0	0	1	See note 3.1	
721	Guinness Hermitage Limited	12	418,192	45	13	12,791	47	5	26,388	64
722	CASTLE VALE COMM HOUS'G ASSOC	4	See note 3.1		4	See note 3.1		3	See note 3.1	
723	Alleyns School	49	1,364,816	53	20	41,636	46	35	162,234	69
724	Dulwich College	157	3,860,525	49	71	150,134	46	79	337,498	70
726	CfBT Strategies	0	0	0	45	535,325	55	58	1,377,673	65
727	BUVFC	11	410,507	44	10	19,005	45	8	71,033	65
777	Urban Learning Foundation	0	0	0	3	See note 3.1		2	See note 3.1	
801	Graveney School GM	0	0	0	31	132,442	60	7	38,408	72
802	Burntwood School	0	0	0	25	109,110	58	7	32,649	74
803	Elliott School	0	0	0	35	107,708	56	5	33,808	71
804	Ethelburga School	0	0	0	9	12,874	63	0	0	0
805	Salesian College	0	0	0	5	35,690	65	3	See note 3.1	
806	Southfields Community College	0	0	0	23	87,728	56	4	See note 3.1	
807	South Thames College	239	5,857,214	44	345	590,680	43	139	751,545	68
808	St Francis Xavier 6th Form College	48	1,013,867	46	50	39,563	42	11	70,114	67
809	Westminster College	0	0	0	49	92,875	48	33	135,369	71
810	Hillbrook Primary School	0	0	0	16	19,006	54	1	See note 3.1	
811	John Paul II Roman Catholic School	0	0	0	6	28,397	59	0	0	0
812	Eardley Grant Maintained School	0	0	0	16	27,073	58	1	See note 3.1	
813	Honeywell Infants G M School	0	0	0	9	7,253	56	1	See note 3.1	
814	Honeywell Junior G M School	0	0	0	11	6,954	65	1	See note 3.1	
815	Albemarle Primary School	0	0	0	12	10,145	57	0	0	0
816	Westminster Kingsway College	167	4,485,834	45	201	466,332	46	79	494,518	66
850	Divert Trust	0	0	0	3	See note 3.1		1	See note 3.1	

Employer Membership Data		Active Members			Deferred Members			Pensioner Members		
Employer code	Employer	Number	Actual Pay £	Ave Age	Number	Deferred Pensions £	Ave Age	Number	Pensions in Payment £	Ave Age
851	SDP Regeneration Services 2 Ltd	2	See note 3.1		30	88,371	43	7	163,399	64
852	St Thomas's C of E JMI School	0	0	0	1	See note 3.1		2	See note 3.1	
853	Hackney Downs School	0	0	0	0	0	0	7	53,216	69
854	Search Careers Limited	0	0	0	8	33,612	50	4	43,888	63
855	Lionheart (RICS Benevolent Fund)	4	See note 3.1		2	See note 3.1		2	See note 3.1	
856	Kettering Community Leisure Ltd	0	0	0	16	36,576	46	9	42,732	68
857	Kingston University Service Company Ltd	27	707,980	55	27	129,230	52	61	297,802	67
858	Greenwich Leisure Limited (SCLL)	0	0	0	39	163,833	44	7	36,853	67
859	Tandridge Leisure Ltd	16	308,557	52	44	40,397	43	7	31,622	65
<b>Total</b>		<b>16,461</b>	<b>512,462,716</b>	<b>45.6</b>	<b>27,510</b>	<b>70,212,998</b>	<b>47.0</b>	<b>34,771</b>	<b>214,499,144</b>	<b>72.9</b>

## Notes

A3.1. Where employers have fewer than 5 members in any one category, the membership details have been omitted for privacy reasons.

## Appendix 4 Rates and Adjustment Certificate

In accordance with Regulation 36 of The Local Government Pension Scheme (Administration) Regulations 2008 we have made an assessment of the contributions which should be paid to the Fund by the employing authorities from 1 April 2014.

We have provided the LPFA with each employer's individual rates and adjustment certificate separately and these should be read in conjunction with this valuation report.

### Projected New Benefits

The following table shows the amount of new pension and lump sum benefits projected to come into payment during the period 1 April 2014 to 31 March 2017.

Year to	Retirement Benefits £(000)
31 March 2015	34,246
31 March 2016	36,555
31 March 2017	45,712

## Appendix 5 LGPS Benefits

A5.1. The benefit changes from 1 April 2014 involve the formation of a new scheme, referred to below as LGPS 2014. Transitional regulations are applied so that the benefits in the previous LGPS 2008 scheme are maintained.

LGPS Benefits	LGPS 2014	LGPS 2008		
<b>Type of Scheme</b>	Career Average Revalued Earnings (CARE)	Final Salary		
<b>Pension Benefit Accrual</b>	1/49 <sup>th</sup>	1/60 <sup>th</sup> for service after 1 April 2008. Benefits for service before 31 March 2008 were based on 1/80 <sup>th</sup> accrual and an automatic lump sum of 3/80 <sup>ths</sup> .		
<b>Revaluation</b>	Consumer Prices Index (CPI)	Based on Final Salary		
<b>Lump Sum</b>	By commutation 12:1 up to a maximum of 25% of lifetime allowance			
<b>Pensionable Pay</b>	Pay <b>including</b> non-contractual overtime and additional hours for part time staff	Pay <b>excluding</b> non-contractual overtime and non-pensionable additional hours		
<b>Member Contributions</b>	Banded Contributions based on <b>actual</b> pensionable pay	Banded Contributions based on <b>full time equivalent</b> pensionable pay		
	Range	Gross Rate	Range	Gross Rate
	Up to £13,500	5.5%	Up to £13,700	5.5%
	£13,501 to £21,000	5.8%	£13,701 to £16,100	5.8%
	£21,001 to £34,000	6.5%	£16,101 to £20,800	5.9%
	£34,001 to £43,000	6.8%	£20,801 to £34,700	6.5%
	£43,001 to £60,000	8.5%	£34,701 to £46,500	6.8%
	£60,001 to £85,000	9.9%	£46,501 to £87,100	7.2%
	£85,001 to £100,000	10.5%	More than £87,100	7.5%
	£100,001 to £150,000	11.4%		
	More than £150,000	12.5%		
<b>Contribution Flexibility</b>	Member can pay 50% contributions for 50% of the pension benefit	Not Available		
<b>Normal Pension Age</b>	Linked to individual member's State Pension Age (minimum age 65)	Age 65		
<b>Death in Service Lump Sum</b>	<b>3 x Pensionable Pay</b>			
<b>Death in Service Survivor Benefits</b>	1/160 <sup>th</sup> accrual based on potential service to <b>Normal Pension Age</b>			
<b>III Health Provision</b>	Tier 1 - Immediate payment with service enhanced to <b>Normal Pension Age</b>			
	Tier 2 - Immediate payment with 25% service enhancement to <b>Normal Pension Age</b>			

LGPS Benefits	LGPS 2014	LGPS 2008
Tier 3 - Temporary payment of pension for up to 3 years		
<b>Post Retirement Revaluation</b>		Pension Increase Order
<b>Vesting Period</b>	2 years	3 months
<b>Early Payment - Reduction to Benefits (Rule of 85)</b>	For members of the LGPS on 30 September 2006, some or all of their benefits paid early could be protected from reduction under what is called the Rule of 85.  The Rule of 85 is satisfied if their age at the date they draw their benefits plus their scheme membership (each in whole years) add up to 85 or more.  If they <b>could not satisfy the Rule of 85 by the time they are 65</b> , then all of their benefits are reduced, if they choose to retire before age 65.  If they <b>will be age 60 or over by 31 March 2016</b> and choose to retire before age 65, then <b>provided they satisfy the Rule of 85 when they start to draw their pension</b> , the benefits they build up to 31 March 2016 will not be reduced.  If they <b>will be under age 60 by 31 March 2016</b> and choose to retire before age 65, then <b>provided they satisfy the Rule of 85 when they start to draw their pension</b> , the benefits they have built up to 31 March 2008 will not be reduced. Also, if they will be aged 60 between 1 April 2016 and 31 March 2020 and meet the Rule of 85 by 31 March 2020, some or all of the benefits that they have built up between 1 April 2008 and 31 March 2020 will not have a full reduction.	