

Barnett Waddingham

Tayside Pension Fund

Actuarial valuation as at 31 March 2014

Valuation report

Barnett Waddingham LLP

12 February 2015

Contents

1.	Introduction and summary	3
2.	Valuation data	4
3.	Actuarial methods and assumptions	6
4.	Valuation assumptions	8
5.	Valuation results	10
6.	Risk and uncertainty	14
Appendix 1	Valuation data	16
Appendix 2	Actuarial assumptions	18
Appendix 3	Individual employer data as at 31 March 2014	21
Appendix 4	Rates and adjustment certificate	23
Appendix 5	LGPS benefits	24

1. Introduction and summary

Purpose of the valuation

- 1.1. We have carried out an actuarial valuation of Tayside Pension Fund (the Fund) as at 31 March 2014, as requested by Dundee City Council. The Fund is part of the Local Government Pension Scheme (LGPS).
- 1.2. The valuation was carried out in accordance with Regulation 32 of The Local Government Pension Scheme (Administration) (Scotland) 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 Dundee City Council 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).

Results of the valuation

- 1.5. The results of the valuation are that the past service funding level of the Fund as a whole has increased from 98.2% to 99.8% between 31 March 2011 and 31 March 2014. The improvement of the funding position since the previous valuation is mainly due to a combination of good investment returns over the intervaluation period and the deficit contributions paid by the employers.
- 1.6. At the same time, the overall employer contribution rate, including payments to target full funding, has decreased from 18.0% to 17.0% of pensionable salaries. This reflects a decrease in the deficit recovery contributions required following an improvement in the funding position.
- 1.7. We would be pleased to discuss any aspect of this report in more detail.



Graeme D Muir FFA



Alison Hamilton FFA

2. Valuation data

Data sources

- 2.1. We have used the following items of data as provided by Dundee City Council.
- membership extract as at 31 March 2014;
 - Fund accounts split by employer for the three years to 31 March 2014; and
 - the results of the previous actuarial valuation as at 31 March 2011.
- 2.2. The data has been checked for reasonableness and any missing or inconsistent data has been estimated where necessary. While 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 of the Fund as at 31 March 2014 was as follows:

Asset allocation of the Fund	31 March 2014	
	£000s	%
UK equities	665,994	27%
Overseas equities	1,094,050	45%
UK gilts	127,991	5%
Corporate bonds	281,590	11%
Overseas bonds	12,841	1%
Property	232,546	9%
Other assets	14,947	1%
Cash	33,104	1%
Total	2,463,063	100%

- 2.5. We estimate that the return on the assets in market value terms for the three years to 31 March 2014 was approximately 8.5% p.a.
- 2.6. The current investment strategy is set out in a Statement of Investment Principles dated June 2014.

Benefits

- 2.7. From 1 April 2015, The Local Government Pension Scheme (Scotland) Regulations 2014 and the Local Government Pension Scheme (Transitional Provisions and Savings) (Scotland) Regulations 2014 will come into effect and replace the current regulations.
- 2.8. The benefits for service from 1 April 2015 will be based on the new regulations and these are summarised in Appendix 5. 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.
- 2.9. The Local Government Pension Scheme (Transitional Provisions and Savings) (Scotland) Regulations 2014 serve the dual purpose of retaining the previous benefit structure for service up to 31 March 2015 and introducing new protections for members close to retirement to ensure that they are not disadvantaged by the benefit changes.
- 2.10. In this valuation, the funding position for past service is based on the previous regulations in force up to 31 March 2014 and the future service cost is based on the Local Government Pension Scheme (Scotland) Regulations 2014.
- 2.11. We have made no allowance for discretionary benefits awarded throughout the LGPS either by the Government or by employers. 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 2014 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 1 January 2014 to 30 June 2014.
- 3.4. The market value of the assets at 31 March 2014 is then adjusted to also be smoothed over the same six month period so that a consistent comparison can be made with the value of the liabilities. If the value of the smoothed assets is greater than the value of the past service liabilities, there is a surplus; 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 after 31 March 2014 and we do this for each active member. This is then divided by the projected payroll to get a cost of future benefits expressed as a percentage of payroll. After deducting expected employee contributions, this is known as the future service cost and represents the employers' share of the cost of future benefits.

Multiple calculations

- 3.6. As part of the valuation, we are required to calculate results on an overall Fund level but also for the individual employers.
- 3.7. For the Fund's future service cost, we consider the benefits accruing in the single year following the valuation date.
- 3.8. 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.
- 3.9. Currently all employers within the Fund pay the common rate of contribution and this is assessed using the Projected Unit Method.

3.10. The amounts that the employer then pays are a combination of the future service cost described above and any adjustments for the past service surplus or deficit.

Funding strategy

3.11. Regulation 32 of the Local Government Pension Scheme (Administration) (Scotland) 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 constant a common rate as possible; and
- the current version of the Administering Authority's Funding Strategy Statement.

3.12. The Funding Strategy Statement states that: "The first aim is to enable employer contribution rates to be kept as nearly constant as possible and at reasonable cost to the Scheduled Bodies, Admitted Bodies and to the taxpayers".

3.13. We can confirm that, in our view, the methods and assumptions adopted meet this requirement.

4. Valuation assumptions

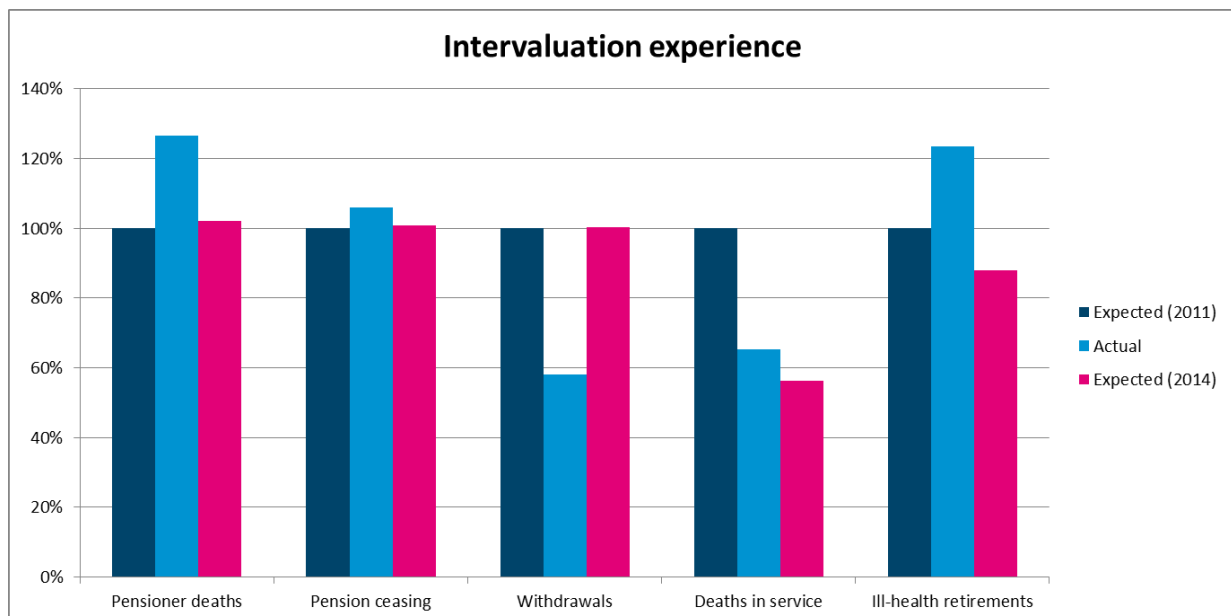
- 4.1. As mentioned in the previous section, various assumptions are needed for this valuation.
- 4.2. The principal assumptions are:
- the discount rate - this is based on the expected investment return from the Fund's assets;
 - pension increases and deferred revaluation - these are set by the Pension 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 2015 will also be linked to the Pension Increase Order;
 - salary increases - active members' benefits for service before 31 March 2015 will continue to be linked to their final salary; and
 - current and future rates of mortality - over the last decade life expectancies have increased more quickly than most predictions so it is 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 that these are suitable for setting the contribution amounts from employers. If an employer leaves the Fund, a different set of assumptions may apply to allow for the crystallisation of their funding obligations. Note that 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 20 October 2014. The final assumptions have been adopted following discussion with the Administering Authority and 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 experience with the assumptions adopted at the previous valuation is summarised below:

Intervaluation experience	Actual	Expected
Investment return	8.5% p.a.	6.3% p.a.
Pay increases*	1.8% p.a.	3.3% p.a.
Pension increases	3.4% p.a.	3.0% p.a.

*includes short term overlay

4.6. A comparison of the actual demographic experience of members of the Fund over the intervaluation period, with that assumed by the assumptions adopted at the last valuation in 2011 in relative terms is shown in the graph below. The graph also shows how the assumptions adopted for this valuation compare in relative terms with those adopted at 2011.



4.7. The assumptions adopted at 2014 reflect both current short term experience and longer term national trends.

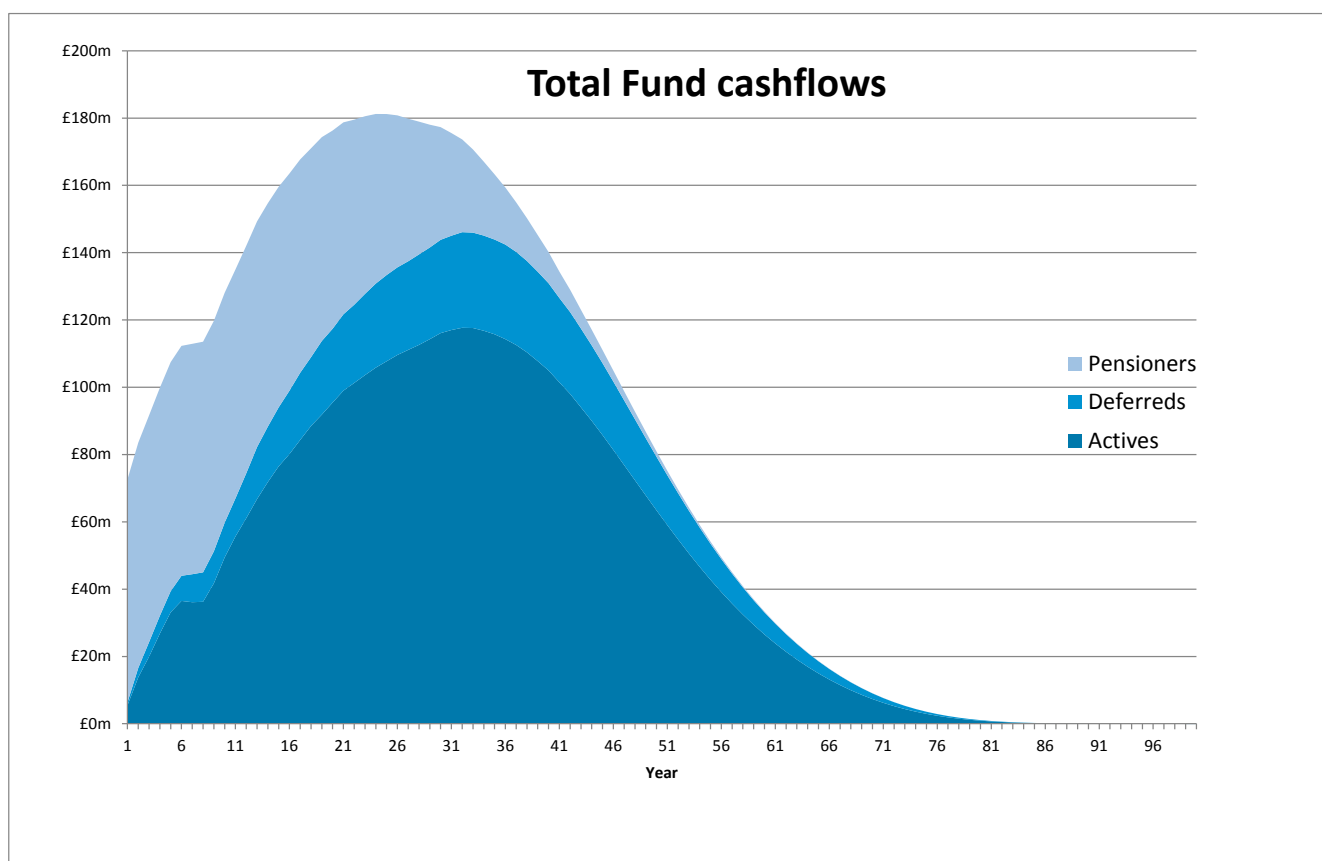
5. Valuation results

Previous valuation

- 5.1. The last formal actuarial valuation of the Fund was carried out as at 31 March 2011 by Barnett Waddingham LLP and the results of that valuation were set out in the formal valuation report dated March 2012.
- 5.2. The results of the previous valuation indicated that the assets of the Fund represented 98.2% of the value of the accrued liabilities of the Fund. The average employer contribution was calculated to be 18.0% of payroll which assumed that the past service funding level would be restored over a period of 12 years.

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. 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; and
- the total employer contribution rate required, which is expected to restore the funding position to 100% over the 3 year period following the valuation date.

Past service funding position	31 March 2014
	£000s
Smoothed asset value	2,396,476
Active members	1,143,605
Deferred members	264,820
Pensioner members	986,792
Transport Fund recharges	6,018
Value of Fund liabilities	2,401,235
Surplus/(Deficit)	(4,759)
Funding level	99.8%
Contribution rates	
Future service cost	16.5%
Deficit recovery over 3 years	0.5%
Total	17.0%

- 5.5. Note that the asset value is a smoothed asset value based on market values spanning the 6 month period. It also includes a 5% volatility reserve to allow for adverse short term financial experience in the period to the next valuation. As we see, the funding level was 99.8% and the average required employer contribution to restore the funding position to 100% over the next 3 years is 17.0% of pensionable pay.
- 5.6. The contributions payable by each employer are set out in Appendix 4. These are either based on 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 future 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:

Change in financial assumption	Approximate effect on deficit
Increase in discount rate of 0.5%	decreases by £186m
Increase in CPI of 0.5%	increases by £133m
Increase in long-term rate of salary increase of 0.5%	increases by £31m
Change in demographic assumption	Approximate effect on deficit
Reduced long-term rate of improvement in mortality projection of 1.25%	decreases by £24m

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 three years after the valuation date (i.e. at the next valuation) the funding position on the same basis will be 100.0%. This allows for contributions to be paid as certified and assumes that investment returns and other experience over the next three 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 6.2% p.a. rather than 5.4% p.a. The higher discount rate results from removing some prudence from the expected future investment return. As a consequence we expect that the future returns from the Fund's investment strategy will be higher than the valuation discount rate and so 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

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

Change in past service position		£000s	£000s
Surplus(Deficit) at 31 March 2011			(35,790)
Benefits accrued		(216,015)	
Early retirements		(2,983)	
Contributions paid		271,101	
Deficit funded (use of surplus)		52,103	
Interest cost		(1,913)	
Asset gain/loss		62,888	
Change in market conditions		17,328	
Financial gain(loss)		78,303	
Salary increases		59,894	
Pension increases		(9,685)	
Membership movements		56,062	
Experience		106,271	
Change in assumptions		(205,646)	
Surplus(Deficit) at 31 March 2014			(4,759)

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. 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 value of the Fund's liabilities – mainly because the Fund invests in volatile assets whose value might fall or rise less than expected.
- 6.5. The sensitivity of the valuation results to changes in the investment return assumptions is shown in 5.8 above. The Fund should regularly review their investment strategy to ensure they understand the risks being taken and that those risks are being appropriately managed.
- 6.6. Inflation - in projecting the expected future benefit payments, we make assumptions 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.
- 6.7. The sensitivity of the results to the choice of inflation assumptions is also shown above.
- 6.8. 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.
- 6.9. 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.
- 6.10. Member options - certain benefit options may be exercised by members without 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.

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

- all benefits relating to membership after 31 March 2015 will be linked to the individual's State Pension Age;
- 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 2015, 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;
- if the LGPS was to be discontinued in its current form it is not known what would happen to members' benefits; and
- more generally, as a statutory scheme the benefits provided by the LGPS or the structure of the scheme could be changed by the Government.

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		£000s		£		Average age	Average retirement age
	2014	2011	2014	2011	2014	2011		
Males	5,743	5,885	139,879	145,106	24,356	24,657	47.0	62.5
Females	11,891	12,065	211,780	211,295	17,810	17,513	46.1	62.7
Total	17,634	17,950	351,659	356,401	19,942	19,855	46.4	62.6

Pensioners	Annual Pensions				Average		This Valuation	
	Number		£000s		£		Average Age	
	2014	2011	2014	2011	2014	2011		
Males	4,803	4,511	36,696	30,389	7,640	6,737	70.6	
Females	6,140	5,356	23,958	18,160	3,902	3,391	69.5	
Dependants	2,180	1,995	5,835	4,834	2,677	2,423	72.9	
Total	13,123	11,862	66,489	53,383	5,067	4,500	70.5	

Deferred pensioners (including "undecideds")	Annual pensions				Average		This valuation	
	Number		£000s		£		Average age	Average retirement age
	2014	2011	2014	2011	2014	2011		
Males	3,302	2,924	6,634	5,616	2,009	1,921	45.2	62.0
Females	6,991	5,814	10,251	7,619	1,466	1,310	45.6	62.6
Total	10,293	8,738	16,885	13,235	1,640	1,515	45.4	62.3

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 2014 Pension Increase Order.

A1.4. Pensionable pay is actual earnings.

A1.5. A summary of the revenue accounts for the three years preceding the valuation date is as shown below:

Revenue accounts	Year to	March 2014 £000s	March 2013 £000s	March 2012 £000s	TOTAL £000s
Expenditure	Retirement pensions	64,283	60,522	55,487	180,292
	Retirement lump sums	17,650	17,478	19,929	55,057
	Death benefits	2,215	2,173	2,573	6,961
	Leavers benefits	4,741	3,410	4,898	13,049
	Expenses	1,220	1,198	1,257	3,675
	Other expenditure	-	-	-	-
	Total		90,109	84,781	84,144
Non investment income	Employees ctbn	22,364	22,029	22,340	66,733
	Employers ctbn	67,620	66,961	69,787	204,368
	Transfer values	3,762	4,216	2,497	10,475
	Other income	-	-	-	-
	Total		93,746	93,206	94,624
New money for investment		3,637	8,425	10,480	22,542
Investment income		50,704	46,035	43,007	139,746
Fund value					
Assets at start of year		2,262,275	1,959,058	1,908,628	1,908,628
Cashflow		54,341	54,460	53,487	162,288
Change in value		146,447	248,757	(3,057)	392,147
Assets at end of year		2,463,063	2,262,275	1,959,058	2,463,063
Annual returns					
Approx rate of return (p.a.)		8.7%	15.0%	2.1%	8.5%

Appendix 2 Actuarial assumptions

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

Future assumed returns at 2014		31 March 2014 weighting	long term allocation
Equities	5.9% p.a.	72%	70%
Gilts	3.6% p.a.	6%	6%
Cash	3.4% p.a.	1%	0%
Bonds	4.1% p.a.	12%	12%
Property	5.5% p.a.	9%	12%
Expense allowance	0.1% p.a.		

The long term allocation of assets has been taken from the Fund's Statement of Investment Principles dated June 2014.

Financial assumptions	2014	2011
Discount rate	5.4% p.a.	6.3% p.a.
Retail price inflation (RPI)	3.6% p.a. (20 year point on the BoE Inflation Curve)	3.5% p.a.
Consumer price inflation (CPI)	2.8% p.a. (RPI less 0.8%)	3.0% p.a.
Pension and deferred pension increases	2.8% p.a. (RPI less 0.8%)	3.0% p.a.
Short term pay increases	In line with the CPI assumption for the 2 years to 31 March 2016	Half of the long term assumption for the 2 years to 31 March 2013
Long term pay increases	4.6% p.a. (RPI plus 1% p.a.)	5.0% p.a.

Statistical assumptions	2014	2011
Post retirement mortality		
Current mortality	120% S2P A tables	120% of the S1P A tables
Mortality projection	2013 CM I Model with a long term rate of improvement of 1.5% p.a.	2011 CM I Model with a long term rate of improvement of 1% p.a.
Retirement ages	<p>Each member retires at their weighted average "tranche retirement age", i.e. for each tranche of benefit, the earliest age they could retire with unreduced benefits</p> <p>If the member is over this retirement age, then it is assumed they will retire at their oldest tranche retirement age. If over the oldest tranche retirement age, the member is assumed to have a 1/3 chance of retiring in each of the next 3 years, and it is assumed all members will be retired by age 75.</p>	<p>For each tranche of benefit, active members retire 1 year later than entitled to retire and receive unreduced benefits. Deferred members retire at the earliest age they can receive unreduced benefits</p> <p>Active and deferred members over these respective ages are assumed to retire immediately</p>
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	90% of members are assumed to be married or have an eligible dependant at retirement or earlier death
Partner age difference	Males are three years older than their spouse and females are three years younger than their spouse	Males are three years older than their spouse and females are three years younger than their spouse
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	15% of ill-health retirements will be eligible for benefits based on full prospective service and 85% will qualify for a service enhancement of 25% of prospective service
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 of £1 of pension	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 of £1 of pension
50/50 scheme allowance	It is assumed that 10% of active members will opt to pay 50% of contributions for 50% of benefits under the new scheme	n/a
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	Based on our analysis of the incidence of pre-retirement death, retirement and withdrawal of our Local Authority client funds.
	Sample rates shown below	

Incidence per 1000 active members per annum								
Age	Death		Ill 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

Appendix 3 Individual employer data as at 31 March 2014

Employer membership data		Active members			Deferred members			Pensioner members		
Code	Employer	Number	Actual pay £	Average age	Number	Deferred pensions £	Average age	Number	Pensions in payment £	Average age
1	Tayside Regional Council	-	-	-	618	861,031	54.0	2,787	10,794,393	77.8
2	Dundee District Council	-	-	-	258	344,132	51.5	1,011	3,951,462	76.4
3	Perth And Kinross District Council	-	-	-	102	129,549	52.5	280	1,152,179	78.1
4	Angus District Council	-	-	-	85	134,519	51.5	210	1,053,860	79.5
20	Dundee City Council	4,940	107,364,736	46.9	2,272	4,352,727	45.1	3,170	19,171,296	66.5
30	Perth And Kinross Council	3,991	78,389,912	46.7	1,933	3,238,625	45.7	1,609	9,191,723	65.8
40	Angus Council	3,719	68,365,568	46.4	1,634	2,748,678	44.3	1,657	8,874,608	67.3
200	Tay Road Bridge	33	774,809	48.9	9	20,898	46.3	56	239,504	74.6
201	Tay River Purification Board	-	-	-	2	See Note 1	See Note 1	7	91,891	76.8
202	Dundee College	251	4,678,001	43.3	140	223,539	43.9	122	535,791	68.1
203	University Of Abertay Dundee	355	8,186,157	43.3	327	669,295	45.2	206	1,019,735	69.9
204	University Of Dundee	17	509,418	55.3	18	32,077	51.4	86	517,029	74.0
205	Dundee Citizens Advice Bureau	4	See Note 1	See Note 1	3	See Note 1	See Note 1	5	See Note 1	See Note 1
207	Dundee Voluntary Action	10	252,065	49.4	11	15,681	52.6	18	53,657	65.5
208	Dovetail Enterprises	41	696,654	53.2	57	120,956	51.0	123	427,821	71.8
209	Anton House	-	-	-	2	See Note 1	See Note 1	3	See Note 1	See Note 1
210	Dundee Society For Visually Impaired	3	See Note 1	See Note 1	7	11,312	53.7	7	20,496	77.0
211	Carolina House Trust	4	See Note 1	See Note 1	28	48,956	47.6	13	94,195	62.8
213	Tayside Joint Police Board	417	8,503,694	48.1	205	473,947	44.4	241	1,257,512	66.0
214	Angus And Dundee Tourist Board	-	-	-	7	18,648	49.4	9	38,398	71.3
215	Tayside Fire And Rescue	70	1,865,678	49.3	30	74,794	41.8	67	390,370	68.4
216	Dundee Business Shop	-	-	-	1	See Note 1	See Note 1	-	-	-
217	Abertay Housing Association	32	910,829	47.3	15	55,789	47.9	25	143,958	67.2
218	Dundee Contemporary Arts Ltd	45	654,111	41.7	23	34,322	41.5	2	See Note 1	See Note 1
219	Tayside Valuation Joint Board	71	1,938,639	46.3	22	101,885	46.9	30	469,175	65.8
220	Dundee Science Centre	5	See Note 1	See Note 1	10	22,026	43.0	-	-	-
221	Tayside Business Gateway	-	-	-	21	60,626	50.6	12	22,115	62.1
222	Tayside Contracts	1,581	18,075,869	46.6	1,068	800,896	44.7	706	2,645,375	67.5
223	Scottish Commission For Care	560	18,641,440	49.6	182	703,999	48.5	153	1,560,268	64.5
224	Scottish Social Serv. Council	180	4,415,019	41.3	59	173,473	40.4	21	267,279	63.9
225	Abertay Students Association	-	-	-	9	9,275	42.9	-	-	-
226	Dundee Leisure	-	-	-	23	27,814	35.2	16	116,476	65.5
227	Visit Scotland	13	267,311	47.3	8	24,104	42.3	10	34,508	60.9
228	Scottish Police Services Authority	93	3,006,299	42.0	16	90,151	43.1	21	220,420	61.0
229	Highlands & Islands Airports	38	1,107,466	40.6	15	36,264	35.9	4	See Note 1	See Note 1

Employer Membership Data		Active Members			Deferred members			Pensioner members		
Code	Employer	Number	Actual Pay £	Average Age	Number	Deferred Pensions £	Average Age	Number	Pensions in Payment £	Average Age
230	Tayside Community Justice Authority	3	See Note 1	See Note 1	-	-	-	1	See Note 1	See Note 1
232	Leisure and Culture Dundee	365	6,754,747	44	41	60,697	34	14	78,174	61
233	Tayplan	3	See Note 1	See Note 1	-	-	-	-	-	-
300	Live Active Ltd	227	3,290,879	35	571	236,481	37	40	123,209	69
301	Perthshire Tourist Board	-	-	-	22	42,962	49	21	65,089	71
302	Perth College	194	4,120,155	45	106	164,793	48	74	279,434	68
303	Pitlochry Leisure Company	-	-	-	3	See Note 1	See Note 1	-	-	-
304	Perth Theatre Company Ltd	31	643,316	40	49	90,058	44	15	29,321	70
305	Perth Citizens Advice Bureau	8	160,621	49	3	See Note 1	See Note 1	3	See Note 1	See Note 1
306	Perth And Kinross Society for the Blind	5	See Note 1	See Note 1	7	11,585	49	6	37,241	75
307	Balnacraig School	24	507,684	49	34	92,727	47	21	159,895	68
308	Rural Forum	-	-	-	4	See Note 1	See Note 1	1	See Note 1	See Note 1
317	Perth Countryside Trust	4	See Note 1	See Note 1	5	See Note 1	See Note 1	2	See Note 1	See Note 1
318	TACTRAN	6	253,623	50	-	-	-	-	-	-
319	MITIE PFI LTD	7	65,138	48	2	See Note 1	See Note 1	1	See Note 1	See Note 1
400	Angus Tourist Board	-	-	-	-	-	-	5	See Note 1	See Note 1
401	Montrose Port Authority	23	615,023	49	14	49,741	50	39	202,241	72
402	Angus College	93	1,508,568	45	96	148,427	45	42	174,472	66
403	Montrose Links Trust	4	See Note 1	See Note 1	4	See Note 1	See Note 1	5	See Note 1	See Note 1
404	Carnoustie Golf Links Community	46	1,160,596	40	24	43,014	45	19	81,879	62
405	Forfar Day Care Centre	2	See Note 1	See Note 1	2	See Note 1	See Note 1	3	See Note 1	See Note 1
406	Forfarshire Society For Blind	-	-	-	4	See Note 1	See Note 1	4	See Note 1	See Note 1
407	Angus ITEC	-	-	-	3	See Note 1	See Note 1	-	-	-
408	Dorward House	2	See Note 1	See Note 1	2	See Note 1	See Note 1	6	31,506	65
409	Rossie Secure Accommodation Services	106	2,698,120	44	63	195,961	47	54	349,698	71
410	Tayside Careers Limited	-	-	-	5	See Note 1	See Note 1	7	41,773	60
417	Angus Digital Media Centre	-	-	-	3	See Note 1	See Note 1	-	-	-
418	Robertson Facilities Management	7	96,225	48	2	See Note 1	See Note 1	3	See Note 1	See Note 1
500	Balgay School	-	-	-	2	See Note 1	See Note 1	6	14,801	74
501	Balgowan School	-	-	-	-	-	-	4	See Note 1	See Note 1
502	Dale School	-	-	-	-	-	-	2	See Note 1	See Note 1
503	Social Work Services - Rossie	-	-	-	-	-	-	1	See Note 1	See Note 1
504	Bowerswell Memorial Homes	-	-	-	-	-	-	-	-	-
505	Countryside Comm. For Scotland	-	-	-	1	See Note 1	See Note 1	28	252,054	77
506	Dundee ITEC	-	-	-	1	See Note 1	See Note 1	5	See Note 1	See Note 1
507	Fairfield Trust	-	-	-	-	-	-	2	See Note 1	See Note 1
508	Stirling District	-	-	-	-	-	-	-	-	-
509	Central Region	-	-	-	-	-	-	-	-	-
510	Health Service	-	-	-	-	-	-	2	See Note 1	See Note 1
900	Councillors	1	See Note 1	See Note 1	-	-	-	-	-	-

Note 1: Membership details have been excluded for privacy reasons where there are fewer than five members.

Appendix 4 Rates and adjustment certificate

- A4.1. In accordance with Regulation 32 of the Local Government Pension Scheme (Administration) Scotland Regulations 2008 we have made an assessment of the contributions which should be paid to the Fund by the Fund employers as from 1 April 2015 in order to maintain the solvency of the Fund.
- A4.2. The common rate of contribution payable by each employing authority under Regulation 32 for the period 1 April 2015 to 31 March 2018 is 17.0% of pensionable payroll.
- A4.3. Further sums should be paid to the Fund to meet the costs of any early retirements using methods and assumptions discussed with us.
- A4.4. The certified contribution rates represent the minimum level of contributions to be paid. Employers may pay further amounts at any time and future periodic contributions, or the timing of contributions, may be adjusted on a basis approved by us.

Projected new benefits

- A4.5. The following table shows the amount of new pension and lump sum benefits (excluding non ill health early retirement benefits) projected to come into payment in each year during the period 1 April 2015 to 31 March 2018.

Year to	Retirement benefits £000s
31/03/2016	17,144
31/03/2017	21,989
31/03/2018	26,240

Appendix 5 LGPS benefits

A5.1. The benefit changes from 1 April 2015 involve the formation of a new scheme, referred to below as SLGPS 2015. Transitional regulations are applied so that the benefits in the previous SLGPS 2008 scheme are maintained.

LGPS benefits	SLGPS 2014 REGS		SLGPS 2008 REGS	
Commencement date	1 April 2015		1 April 2009	
Type of scheme	Career Average Revalued Earnings (CARE)		Final Salary	
Pension benefit accrual	1/49 th		1/60 th	
Revaluation	Consumer Prices Index (CPI)		Based on Final Salary	
Lump sum	By commutation 12:1 up to a maximum of 25% of lifetime allowance			
Pensionable pay	Pay including contractual overtime and additional hours for part time staff			
Member contributions	Tiered contributions based on actual pensionable pay		Tiered contributions based on full time equivalent pensionable pay	
Contribution table (as at 2014)	Earnings range based on actual pensionable pay as at 31 March 2014	Gross contribution rate for 2014/15	Earnings range based on FTE pensionable pay as at 31 March 2014	Gross contribution rate for 2014/15
	Earnings up to and including £20,300	5.5%	Earnings up to and including £20,300	5.5%
	Above £20,300 and up to £24,800	7.25%	Above £20,300 and up to £24,800	7.25%
	Above £24,800 and up to £34,000	8.5%	Above £24,800 and up to £34,000	8.5%
	Above £34,000 and up to £45,300	9.5%	Above £34,000 and up to £45,300	9.5%
	On earnings above £45,300	12.0%	On earnings above £45,300	12.0%
Contribution flexibility	Member can pay 50% contributions for 50% of the pension benefit		Not available	
Normal pension age	Linked to individual member's State Pension Age (minimum age 65)		Age 65	
Death in service lump sum	3 x pensionable pay			
Death in service survivor benefits	1/160 th accrual based on Tier 1 ill health pension enhancement			
Ill health provision	Tier 1 - Immediate payment with service enhanced to normal pension age			
	Tier 2 - Immediate payment with 25% service enhancement to normal pension age			
Post retirement revaluation	CPI		CPI (Retail Price Index for pre-2011)	

LGPS benefits	SLGPS 2014 REGS	SLGPS 2008 REGS
		increases)
Vesting period	2 years	
Members who joined the LGPS before 1 April 2015 and after 31 March 2009		
Benefits	Membership built up to 31 March 2015, benefits will be based on a pension of $1/60^{\text{th}}$ x membership x final pay at retirement and the normal pension age applying to the LGPS 2008.	
Members who joined the LGPS before 1 April 2009		
Benefits	Membership built up to 31 March 2009, benefits will be based on a pension of $1/80^{\text{th}}$ x membership x final pay at retirement plus an automatic lump sum of 3 times their pension.	
Early payment - reduction to benefits (Rule of 85)	For members of the LGPS on 30 November 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 could not satisfy the Rule of 85 by the time they are 65 , then all of their benefits are reduced, if they choose to retire before age 65.	
	If they will be age 60 or over by 31 March 2020 and choose to retire before age 65, then provided they satisfy the Rule of 85 when they start to draw their pension , the benefits they build up to 31 March 2020 will not be reduced.	
	If they will be under age 60 by 31 March 2020 and choose to retire before age 65, then provided they satisfy the Rule of 85 when they start to draw their pension , the benefits they have built up to 31 March 2008 will not be reduced.	