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Actuarial Valuation 2023

All Local Government Pension Scheme (LGPS) funds in Scotland are required to complete actuarial valuations as at 31st March 2023.

The valuation is a health check on each of the funds. It also sets the level of contributions which employers need to pay into their fund for the next 3 years.

The valuation has no effect on scheme members, their benefits or their contributions, which are fixed by the regulations, not by the fund.

SPF has received initial results of its valuation from its actuary, Hymans Robertson. These are:

Valuation Date	31 March 2020	31 March 2023
	(£m)	(£m)
Total Liabilities	19,744	18,970
Total Assets	20,941	27,872
Surplus	1,197	8,902
Funding Level	106%	147%

Since 2020:

- assets have grown as a result of excellent investment performance;
- the value of liabilities has reduced as a result of changes in investment market conditions and changes to the actuarial assumptions; and
- the funding level has improved to its highest level ever.

Funding Strategy

Because of the very high funding level, SPF needs less in employer contributions for the next 3 years. Local authorities and other employers in the Fund's Main Employer Group have paid a contribution rate of 19.3% of pensionable payroll since 1st April 2011. The SPF Committee has agreed a Funding Strategy which includes an employer contribution rate for these employers of:

- 6.5% (of pensionable payroll) from 1st April 2024
- 6.5% (of pensionable payroll) from 1st April 2025
- 17.5% (of pensionable payroll) from 1st April 2026

SPF has more than 150 employers in total. Individual rates for employers who are not in the Main Employer Group have still to be calculated. Individual results schedules will be issued to all employers in November. Most of them will also see reductions in the rate they need to pay.

Further details of the valuation results and Funding Strategy are available here: <https://www.glasgow.gov.uk/councillorsandcommittees/submissiondocuments.asp?submissionid=110330>

Funding Strategy Statement (FSS)

The SPF Committee approved a revised draft [Funding Strategy Statement](#) for consultation.

Please send any comments or questions on the draft Statement to spfo@glasgow.gov.uk before 31st December 2023.

The actuarial valuation and funding strategy have no effect on scheme members, but members should be reassured by the success of SPF and the absolute security it provides for their pensions.