

Report for: Pensions Committee and Board – 11 September 2025

Item number:

Title: Haringey Pension Fund Actuarial Valuation 2025

Report authorised by: Taryn Eves, Corporate Director of Finance and Resources
(Section 151 Officer)

Lead Officer: Jamie Abbott, Head of Pensions
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Ward(s) affected: N/A

**Report for Key/
Non Key Decision:** Not applicable

1. Describe the issue under consideration

- 1.1. This report provides the Pensions Committee and Board (PCB) with information regarding the 2025 actuarial valuation exercise which is currently underway, and which will be a recurring item for several of the upcoming PCB meetings.
- 1.2. The report covers initial advice on assumptions from the Pension Fund's actuary, Hymans Robertson, as well as an overview of the valuation process to be carried out over the coming months.

2. Cabinet Member Introduction

- 2.1. Not applicable

3. Recommendations

The Pensions Committee and Board is recommended:

- 3.1. To note Hymans Robertson's Advice on Assumptions paper, appended as Confidential Appendix 1, and the advice contained therein.
- 3.2. To agree the methodology and valuation assumptions proposed by the Pension Fund's actuary, Hymans Robertson as outlined in Confidential Appendix 1 to this report.
- 3.3. To note ALM paper in Appendix 2

4. Reason for Decision

- 4.1. Haringey Council, in its role as the Administering Authority for the Haringey Pension Fund, is required by law to undertake an actuarial valuation of the Pension Fund's assets and liabilities, every three years.
- 4.2. The Council has delegated the responsibility to exercise all the Council's functions as the Pension Fund's Administering Authority to the Pensions Committee and Board.

5. Other options considered

- 5.1. All the relevant options under consideration are detailed in Hymans Robertson's Advice on Assumptions paper, appended as Confidential Appendix 1 to this report.

6. Background information

- 6.1. The Pension Fund is required to undertake an actuarial valuation of the Pension Fund's assets and liabilities, every three years. This exercise, also referred to as the "triennial valuation", determines the contribution rates payable by the scheme's employers, which include Haringey Council, for the next three years from 1 April 2026. Scheme benefits and contributions payable by employees are determined by the Local Government Pension Scheme (LGPS) regulations.
- 6.2. Employer contribution rates are set such that there are enough assets to meet future benefit payments, within the agreed funding time horizon. Due to the uncertainty regarding the events that may occur over the funding time horizon, assumptions are required.
- 6.3. There are two main types of assumptions, financial assumptions such as inflation and expected investment returns; and demographic assumptions which estimate scheme members life expectancy. The table below summarises the key assumptions included in Confidential Appendix 1 for the PCB's consideration.

Table 1 – Summary of Key Assumptions

Discount rate	A discount rate is required to place a prudent value of benefits due after the funding time horizon. This value determines each employer's funding objective and impacts on the amount of money the Pension Fund is willing to hold to meet future benefit payments as well as the Pension Fund's target for investment returns.
Consumer Price Index (CPI) Inflation	LGPS scheme member benefits are increased by CPI inflation each year to adjust for the changes in the cost of living. An

	increase in the assumed future inflation will increase inflation linked liabilities.
Salary increases	This is the assumed increase in employee pay which particularly impacts on benefits paid to members for service earned prior to 31 March 2014, when the scheme changed from Final Salary to CARE.
Funding Level	<p>A key output of the valuation is a measurement of past service liabilities at the valuation date to determine the funding level. An assessment of the likelihood of achieving the assumed future investment return will be required. This is referred to as the prudence level.</p> <p>The prudence level does not affect employer contributions and is mainly applied when reporting and tracking the Pension Fund's funding level.</p>
Longevity assumptions	Longevity assumptions impact on how long the Pension Fund can expect to pay a pension to each member and their dependants. An analysis of longevity is carried out by Club Vita, a firm of longevity experts who have partnered up with Hymans Roberson for this work.

- 6.4. A detailed assessment of the assumptions under consideration is included in Confidential Appendix 1 to this paper.

High Level Valuation Timetable

- 6.5. The table below outlines the high-level timetable for the valuation process.

Table 1 – Actuarial Valuation Timetable

Activity	Key Dates	Progress Update
Assumptions advice and contribution rate modelling. Hymans Robertson to provide training to the PCB in July 2025 and presented to the PCB on 11 September 2025	September 2025	Completed
Pension Fund data provision to Hymans Robertson which includes fund membership, investment, and accounting data.	August 2025 – September 2025	In progress

Activity	Key Dates	Progress Update
Whole Fund Results and Funding Strategy Statement. Hymans Robertson to present the fund valuation results to the PCB on 01 December 2025	December 2025	On target
Employer results and consultation. Officers to consult with employers on proposed Funding Strategy Statement and contribution rates for the 3 years from 1 April 2026.	December 2025 – January 2026	On target
Final valuation report and Funding Strategy Statement. Hymans Robertson to present final reports to the PCB at the March 2026 meeting.	March 2026	On target

7. Contribution to Strategic Outcomes

7.1. Not applicable

8. Statutory Officers comments (Chief Finance Officer (including procurement), Assistant Director of Corporate Governance, Equalities)

Finance and Procurement

8.1. The advice on assumptions included in Hymans Robertson's report has various financial implications on the Pension Fund and the employers participating in the Haringey Pension Fund Local Government Pension Scheme. Finance comments related to these implications are contained throughout the report.

Comments of the Head of Legal and Governance (Monitoring Officer)

8.2. The Head of Legal and Governance (Monitoring Officer) has been consulted on the contents of this report. The Council, as administering authority must comply with certain obligations contained in the Local Government Pension Scheme Regulations 2013.

8.3. Under Regulation 58 must have a written statement setting out its funding strategy and keep the statement under review and, after consultation with such persons as it considers appropriate, make such revisions as are appropriate following a material change in the policy set out in the statement where there are revisions, publish the statement as revised.

8.4. Regulation 62 requires the administering authority to obtain an actuarial valuation of the assets and liabilities of its pension funds on 31 March in every third year

from 31 March 2016. The relevant date for the purpose of this report is the 31 March 2025.

Equalities

8.5. Not applicable.

9. Use of Appendices

9.1. Confidential Appendix 1: Advice on Assumptions

10. Local Government (Access to Information) Act 1985

10.1. Not applicable.