



NASH MILLS
PARISH COUNCIL

Clerk Report – Pension Pooling Arrangements February 2023

Clerk Recommendation

- **That council remain as part of the pooling arrangement.**

If you wish to no longer be a part of the pool the actuary would then need to produce a new valuation for the Parish Council to establish an individual employer contribution rate. This could be higher, the same or lower than what you are already paying as part of the pool.

You can only leave the pool at the valuation and once a pool member leaves you will only be allowed to re-enter the pool under exceptional circumstances. This is to avoid volatility in the pool between valuations.

Background

Aims

The main aims of the pooling arrangement are to:

- manage volatility in employer contribution rates between Valuations.
- provide a means of grouping employers with similar characteristics to share membership experience and smooth out the effects of costly but relatively rare events such as deaths in service for the purpose of setting employer contribution rates.
- minimise the risk of cross subsidy between Pool Members

Hertfordshire Pension Fund

Local Government Pension Scheme (LGPS)

Town and Parish Council Pooling Agreement

The 2023 Triennial actuarial valuation is currently underway for the Hertfordshire Pension Fund.

You are part of a Pension Fund pooling arrangement for parish and town councils.

As outlined in the pooling policy, pooling arrangements provide mechanism for grouping together Scheme employers that have similar characteristics for the purposes of setting a common contribution rate. That contribution rate for the will be revised as part of the 2022 valuation.

We have revised the Pooling Policy to include guidance for Parish and Town Councils who wish to close to new entrants.

Individual results schedules for Parish & Town Councils will be provided following the Actuary's valuation. These results schedules will be for information only and will display the Council's individual funding position. More information will be included when these schedules are issued

The pooling arrangement is also reviewed and revised at each subsequent valuation of the Pension Fund. As part of that review, below are some actions for you as an employer:

- Please acknowledge receipt of this information by replying to this email and if necessary, forward it on to relevant authorised personnel.
- Confirm whether the council wishes to remain part of the pooling arrangement with other Parish and Town Councils.

Hertfordshire Pension Fund ("Fund") pooling arrangement for parish and town councils in relation to the Local Government Pension Scheme (LGPS).

Please find the link for the 2022 policy [here](#).

*As we did not receive the email in time for the January meeting, we have received an extension to allow council to consider this matter at our February meeting. The contribution rate for 2023/24 has been notified as 21.15%. It was previously 22.15%.

Nikki Bugden

6/2/2023