

**18893**

1) How many pension schemes do London Borough of Richmond contribute to/collect monies on behalf of? e.g. in addition to Local Authority schemes, schemes for Teachers, NHS Schemes etc.?

Per the Statement of Accounts Note 36 & 37 p63-68 we contribute to 3 schemes, the LGPS Teacher's Pension Scheme and NHS Pension Scheme.

[http://www.richmond.gov.uk/audited\\_statement\\_of\\_accounts\\_2014\\_15.pdf](http://www.richmond.gov.uk/audited_statement_of_accounts_2014_15.pdf)

2) What percentage of total wages/salaries is paid by London Borough of Richmond towards these schemes?

Prior year percentages are given in the Statement of Accounts notes referenced above. For 2015/16 the following percentages were applied:

LGPS	17.4% + lump sum contribution for the deficit recovery
Teacher's Pension	16.48%
NHS Pensions	14.3%

3) Is the London Borough of Richmond required to make financial provision for deficits of all pension schemes, when 3 or 5 year revaluation takes place?

LBRuT are only required to make arrangements to cover the deficit of the Richmond LGPS Pension Fund, as the other schemes are dealt with nationally. The LB Richmond Pension Fund has a triennial valuation, the last one being as at 31st March 2013. The March 2016 valuation is currently in progress.

Further information on how the valuation works is contained in the Pension Fund Annual Report, especially the Funding Strategy Statement starting on p49 of this Report.

[http://www.richmond.gov.uk/pension\\_fund\\_annual\\_report\\_2014-15.pdf](http://www.richmond.gov.uk/pension_fund_annual_report_2014-15.pdf)

This is a report of the whole Pension Fund, and therefore covers all other employers in the Fund (e.g. LEA schools which are now academies etc.) so all figures quoted in this report are not directly attributable to the Council.

For NHS and Teacher's pensions, the Council will pay the contribution rate set for the scheme. These schemes are not funded and therefore don't have deficits in the same way as the LGPS.

4) If the answer to question 3 is yes, what percentage of Richmond's annual income is required to make such provisions each year currently?

The Council have agreed a lump sum contribution with the Fund's actuary. This was deemed prudent considering the Council is reducing its directly employed workforce through shared services and contracting. Setting a lump sum guarantees annual contributions, where applying a percentage to a reducing total payroll would lead to reducing contributions or a need to keep increasing the percentage to maintain the projected deficit recovery period.

The lump sum for 2015/16 was set by the actuary at £4.46m. This is 2.7% of the 2014/15 income (not including schools grants)

5) *What percentage of Richmond's total annual income is required to provide for current employers contributions to all pension schemes?*

2015/16 figures are not yet final. Using the 2014/15 outturn, the cash contributions to all 3 schemes were:

LGPS (incl. lump sum)	12.7m
Teacher's Pension	7.5m
NHS Pensions	0.2m
<b>Total Employers contributions</b>	<b>20.4m</b>

This is 12.4% of the 2014/15 income (not including schools grants)