

# Report on the actuarial valuation as at 31 March 2022

Lancashire County Pension  
Fund

30 March 2023



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## Section 1

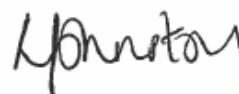
# Introduction

This report is addressed to the Administering Authority of the Lancashire County Pension Fund (“the Administering Authority”) and is provided to meet the requirements of Regulation 62 of the Local Government Pension Scheme Regulations 2013 (as amended) (“the Regulations”). It describes the factors considered by the Administering Authority when carrying out the actuarial valuation as at 31 March 2022 and the decisions reached as a result.

The purpose of the actuarial valuation is for the Administering Authority to determine:

1. The expected cost of providing the benefits built up by members at the valuation date (the “liabilities”), and compare this against the funds held by the Fund (the “assets”).
2. The contributions needed to cover the cost of the benefits that active members will build up in the future and other costs incurred in running the Fund (the ‘Primary Contribution Rate’).
3. An appropriate plan for achieving and maintaining a 100% solvency funding level. This plan will cover the amounts which will need to be paid (the ‘Secondary Contribution Rate’) and the timeframe over which they will be paid (‘the Recovery Period’).

Signature

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30 March 2023

**This report uses various technical terms. These are explained in more detail in the explanatory boxes which appear throughout this report, and in the Glossary in Appendix I.**

This report has been prepared in accordance with Technical Actuarial Standards TAS 100: Principles for Technical Actuarial Work and TAS 300: Pensions, which are issued by the Financial Reporting Council. The calculations referred to in the report use methods and assumptions appropriate for reviewing the financial position of the Fund and determining a contribution rate for the future. Mercer does not accept liability to any third party in respect of this report; nor do we accept liability to the Administering Authority if the information provided in this report is used for any purpose other than that stated. The report may be disclosed to members and others who have a statutory right to see it. It may also be disclosed to any participating employer and, if the Administering Authority and Mercer consent, it may be disclosed to other third parties.

## Section 2

# Funding Strategy – Key Elements

Fundamental to the valuation results is the funding strategy adopted by the Fund. This funding strategy is set out in a specific document (the Funding Strategy Statement or FSS for short) which is one of the Administering Authority's key governance documents for the Fund. In essence, the FSS sets out an overview of the approach to be used for the actuarial valuation. Amongst other things it outlines the assumptions, both economic and demographic, to be used in calculating the value of the liabilities built up, the contributions required to correct any funding shortfall or surplus, and the contribution rate required to fund the benefits for future service. It also sets out the strategy for making good any funding shortfall, in particular how any shortfall is expected to be financed in terms of the balance between future contributions and future investment returns, and the period over which any surplus or shortfall is expected to be recovered.

The FSS is the Administering Authority's key governance document in relation to the actuarial valuation. It sets out the funding policies adopted, the actuarial assumptions used, and the timescales over which deficits will be paid off. Employers are consulted about the FSS as part of the actuarial valuation process.

The principal elements of the funding strategy adopted for this actuarial valuation are as follows:

- **The McCloud Judgment** (see Appendix D for details) – we have carried out a stand-alone estimate of the cost of the McCloud Judgment, and the results of this at whole Fund level are shown in Section 3 of this report. The past service liabilities at the valuation date include an estimated allowance for the proposed McCloud remedy. As the remedy end date is 31 March 2022, the Primary Contribution Rate effective from 1 April 2023 does not include an allowance for McCloud.
- **Assumed rate of future long term average CPI inflation** – 3.1% p.a., based on the yields available on fixed and index-linked gilts of appropriate duration less an adjustment of 0.8% p.a. (reflecting an average RPI/CPI structural gap and an inflation risk premium).
- **Real investment returns over and above CPI for past service** – 1.40% p.a., based on the anticipated real returns achievable on the Fund's expected long term investment strategy with a suitable margin for prudence.
- **Real investment returns over and above CPI for future service** – 1.90% p.a., based on the anticipated real returns achievable on future invested contributions.
- **Future pay growth** – 1.5% p.a. over and above CPI.
- **Baseline life expectancy** based on a scheme-specific mortality study.
- **Future mortality improvements** based on the CMI 2021 model with a long term improvement trend of 1.75% p.a.
- **Allowance for known observed CPI inflation** between 1 September 2021 and 31 March 2022 to refine the estimate of the 2023 pension increase order and liability cash flows.

- **Introduction of a surplus buffer** of 110% of liabilities to reflect current economic uncertainty and aid future contribution stability. Only surplus above the funding level buffer can be refunded to employers through offsetting future service contributions
- **Existing recovery period target** reduced by 3 years for open employers in deficit, with no change for employers in surplus. For closed employers, the recovery period reduced in line with the average future working lifetime
- Continuation of an **ill health “captive” arrangement** for certain employers to help manage the funding risks associated with ill health retirements. The FSS sets out further details of how this arrangement operates
- Introduction of a different, more prudent, set of assumptions to use for employers without taxpayer backing – known as Category B employers. For these employers the assumption for the real investment return above CPI for both past and future service is reduced by 0.25% p.a. In most circumstances, for this category of employer no surplus offsets have been applied.

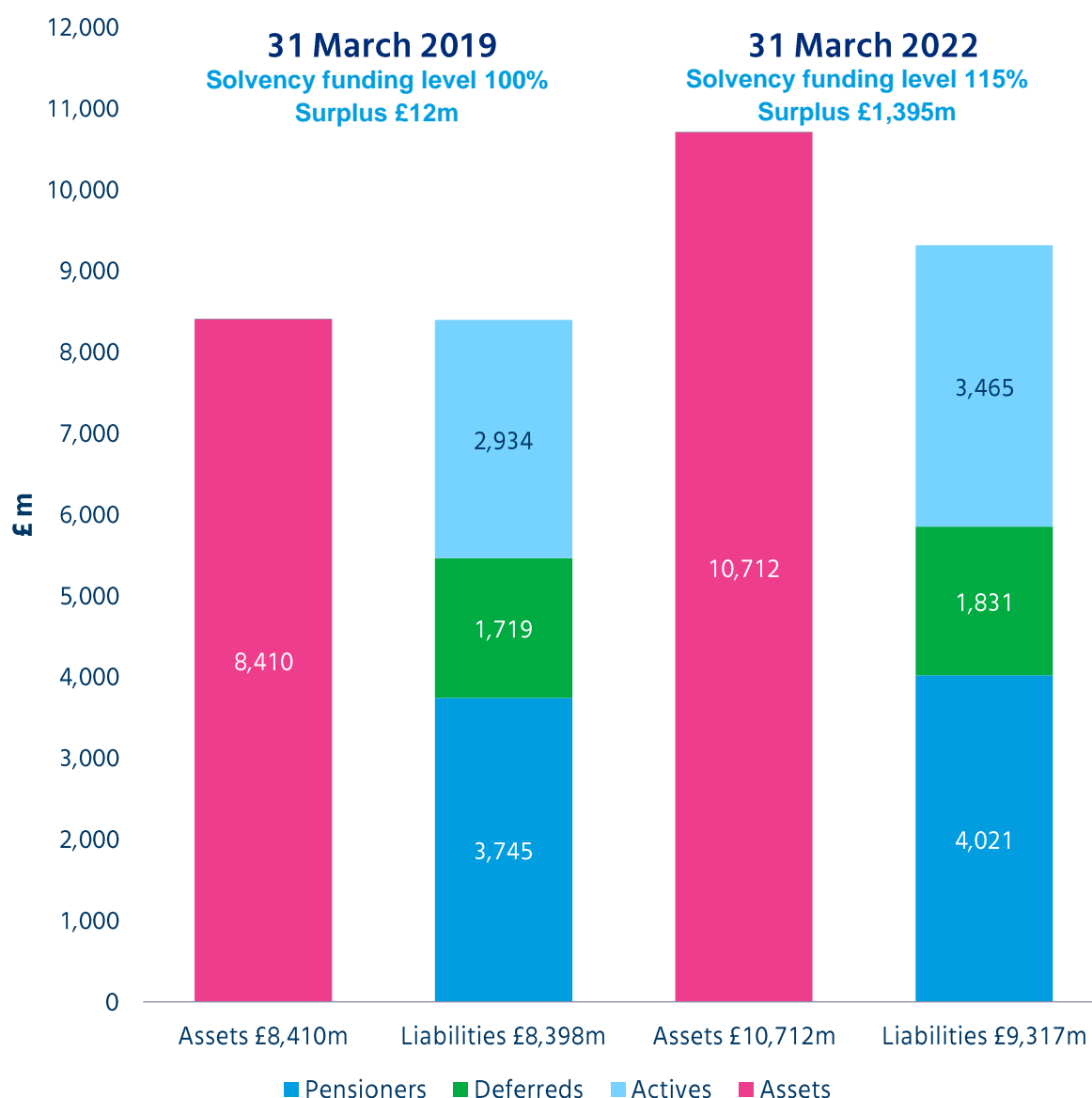


## Section 3

# Key results of the funding assessment

## Solvency funding position

The table below compares the assets and liabilities of the Fund at 31 March 2022. Figures are also shown for the last valuation as at 31 March 2019 for comparison.



The LGPS Regulations require the contributions to be set so as to secure the Fund's solvency and long term cost efficiency. In this context solvency means being able to meet the liabilities as and when they arise, with long term cost efficiency meaning that contribution levels should not be set so as to give rise to additional costs at a later date. In practice, contribution levels have been set so as to achieve and maintain a solvency funding level of 100%, based on the funding parameters outlined in Section 2 above.

The liability value at 31 March 2022 shown in the chart above is known as the Fund's "**solvency funding target**". The solvency funding target is calculated using assumptions that the Administering Authority has determined are appropriate having consulted with the Actuary, and are also set out in the FSS.

The chart shows that **at 31 March 2022 there was a surplus of £1,395m** against the Fund's solvency funding target. An alternative way of expressing the position is that **the Fund's assets were sufficient to cover 115% of its liabilities** – this percentage is known as the solvency funding level of the Fund.

At the previous valuation at 31 March 2019 the surplus was £12m, equivalent to a solvency funding level of 100%. The key reasons for the changes between the two valuations are considered in Section 4.

Further details of the way in which the solvency funding target has been calculated are set out in Appendix A.

## Primary Contribution Rate

The valuation looks at the normal employer contribution rate required to cover the cost of the benefits (including death benefits and expenses) that will be built up over the year after the valuation date (the "Primary Contribution Rate"). A summary of the assumptions used is provided in Appendix A.

The table below gives a breakdown of the Primary Contribution Rate at 31 March 2022 and also shows the corresponding rate at 31 March 2019 for comparison. In calculating the average Primary Contribution Rate we have not made any allowance for future members to opt for the 50:50 scheme. Active members pay contributions to the Fund as a condition of membership in line with the rates required under the governing Regulations (see Appendix D).

The "Primary rate" of the employers' contribution is the contribution rate required to meet the cost of the future accrual of benefits including ancillary, death in service and ill health benefits together with administration costs.

Primary Contribution Rate	% of Pensionable Pay	
	31 March 2019	31 March 2022
<b>Normal Contribution rate for retirement and death benefits</b>	23.1	25.0
<b>Allowance for administrative expenses</b>	0.6	0.6
<b>Total normal contribution rate</b>	23.7	25.6
<b>Average member contribution rate</b>	6.3	6.4
<b>Primary contribution rate*</b>	17.4	19.2

\* In line with CIPFA guidance, the Primary Contribution Rate is the weighted average of the individual employer Primary Contribution Rates as derived based on their individual circumstances (e.g. whether or not they are closed to new entrants).

## Correcting the imbalance – Secondary Contribution Rate

The funding objective as set out in the FSS is to achieve and maintain a solvency funding level of 100% of liabilities (the solvency funding target). In line with the FSS, where a shortfall exists at the effective date of the valuation a deficit recovery plan will be put in place which requires additional contributions to correct the shortfall. Equally, where there is a surplus in some circumstances it might be appropriate to offset this against contributions for future service, in which case contribution reductions will be put in place to allow for this.

The “Secondary rate” of an individual employer’s contribution is an adjustment to the Primary Contribution Rate to reflect any past service deficit (or surplus where appropriate), to arrive at the rate the employers are required to pay.

The FSS sets out the process for determining the recovery plan in respect of each employer. At this actuarial valuation the average recovery period adopted for employers in deficit is 10 years, and for employers in surplus is 16 years. The total initial recovery payment (the “Secondary rate” for 2023/24) is an offset of 2.3% of salaries - approximately £27m per annum in £ terms (which allows for the contribution plans which have been set for individual employers under the provisions of the FSS, including allowance for some employers to phase in any increases).

## The McCloud Judgment

As described in Section 2 of this report, we have carried out a stand-alone estimate of the cost of the McCloud Judgment. We estimate that the cost is an increase in past service liabilities at the valuation date of £107 million. This represents 1.1% of total past service liabilities and is included in the 2022 liability figure above. Provision for these estimated McCloud costs has been included within the Secondary Contribution Rate shown above and in the corresponding Secondary Contribution Rate for each individual employer.

The “McCloud Judgment” refers to a legal challenge in relation to historic benefit changes for all public sector schemes being age discriminatory. The Government published a consultation in July 2020 including a proposed remedy for the LGPS. This is likely to result in increased costs for some employers. We are expecting remedial regulations to take effect from October 2023, with a retrospective effect back to April 2014 in England and Wales and a remedy end date of 31 March 2022.

## Section 4

# Experience since last valuation

### Summary of key inter-valuation experience

The last actuarial valuation was carried out with an effective date of 31 March 2019.

The average Pensionable Salary increase for the Fund members who were in service for the whole of the inter-valuation period was 3.4% per annum.

Pensions in payment (in excess of Guaranteed Minimum Pensions (GMPs)) were increased as guaranteed under the Fund as follows:

1. April 2020 1.7%
2. April 2021 0.5%
3. April 2022 3.1%

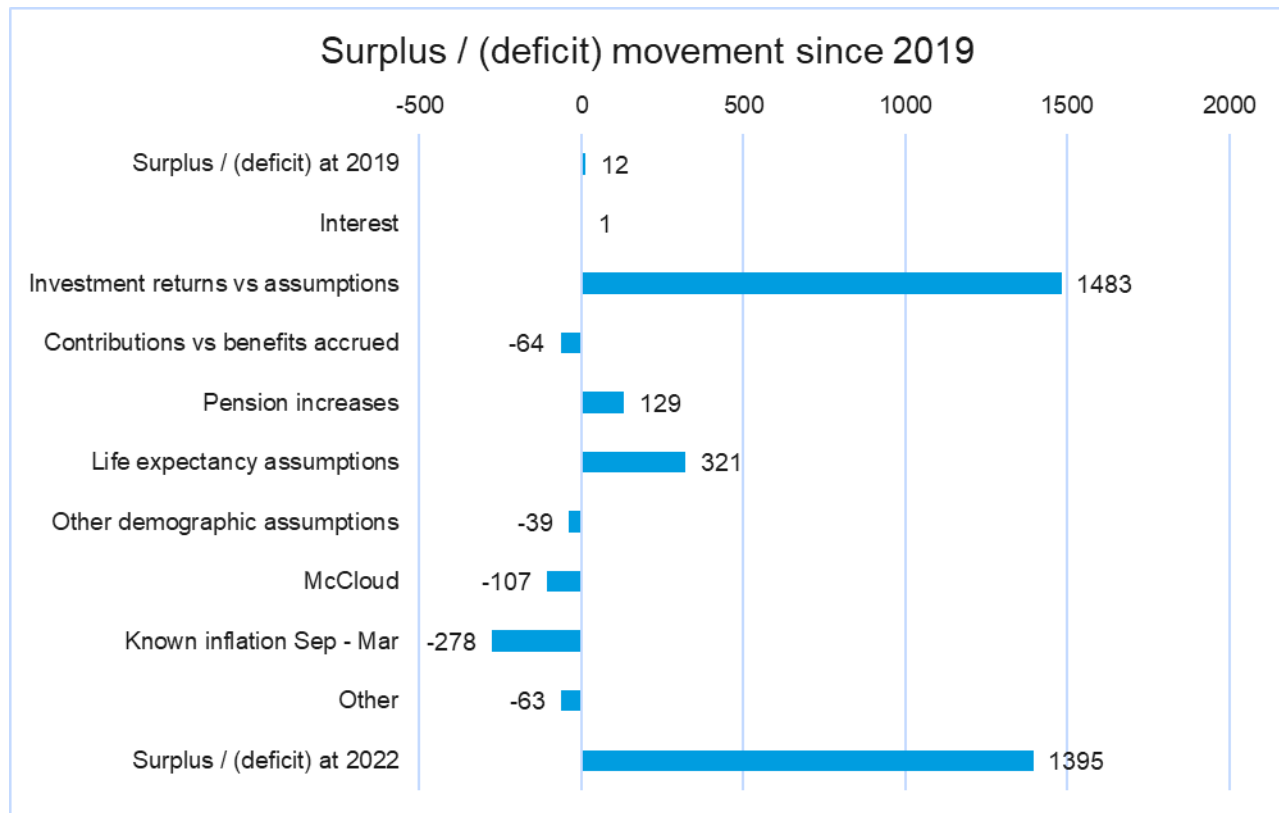
Over the inter-valuation period, benefit inflation has averaged 1.8% p.a. Over the three years to 31 March 2022 the gross investment return on the Fund's assets has averaged 9.0% p.a., meaning that the average real return over CPI inflation has been about 7.2% p.a.

In addition to the published pension increase orders, we have made allowance for known observed CPI inflation over the period 1 September 2021 to 31 March 2022 as this will be reflected in the April 2023 pension increase order.

The outcomes from the valuation are determined both by the assumptions adopted for the future, and the Fund's historic experience relative to assumptions made in the past. In this section we consider the effect of the Fund's experience over the last three years.

## Reasons for the change in funding position since the last actuarial valuation

The surplus at the last valuation date was £12m. The chart below sets out the main reasons for the change in the surplus between 31 March 2019 and 31 March 2022 (figures shown in £m).



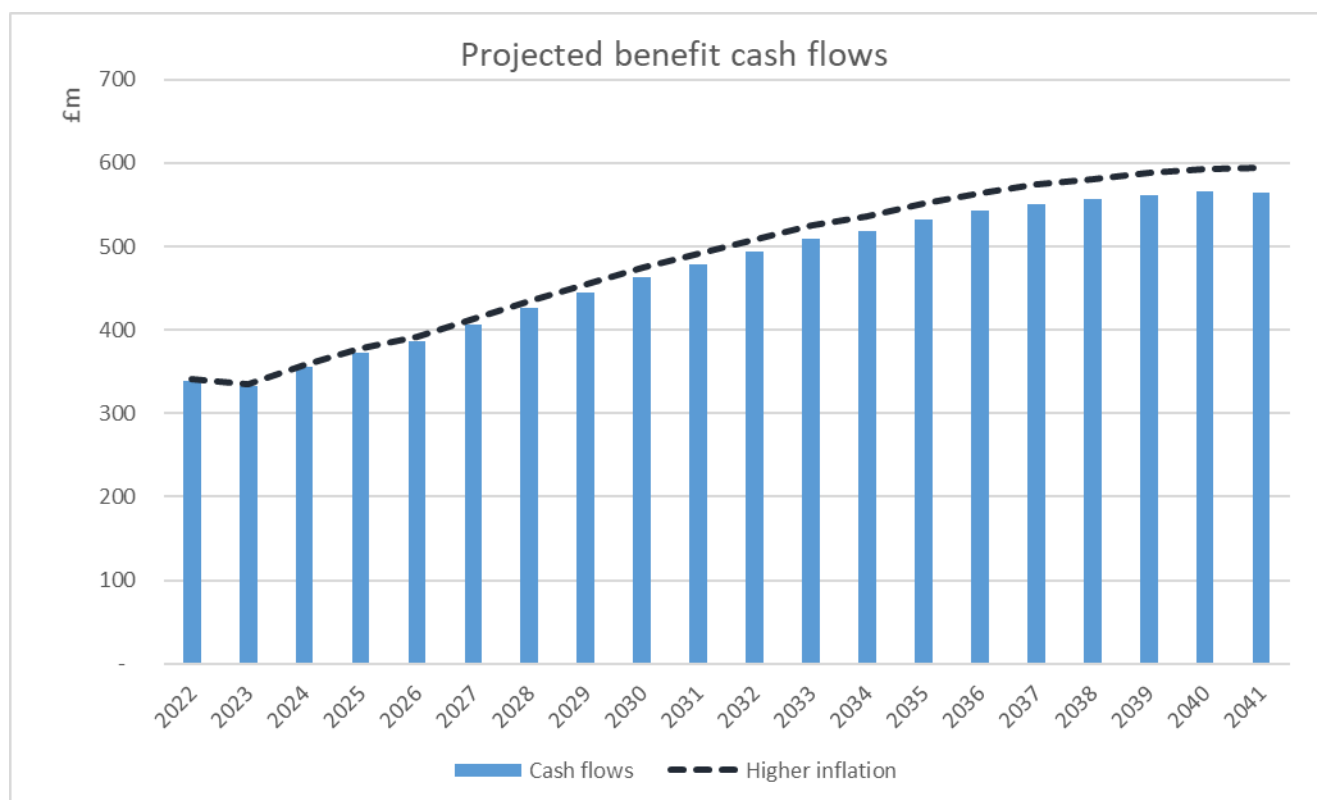
## Section 5

# Cash flows, risks and alternative funding positions

### Benefit cash flows

The projected benefit cash flows which result from applying the assumptions as set out in Section 2 are shown in the chart below. The additional trendline sets out how those total projected benefit cash flows would change if we were to assume inflation of 0.25% p.a. higher than the long-term average assumption of 3.1% p.a. used for the actuarial valuation. Over the 20 years following the valuation date, the extra benefit payments which would result from the extra 0.25% p.a. inflation assumption are projected to be c£260m.

The actuarial valuation process is principally concerned with projecting all the expected benefit cash flows into the future, and then converting them into present day values by discounting them to allow for assumed future investment returns. The chart shows those projected cash flows, and also illustrates how sensitive they are to the future inflation assumption.



## Projected funding position at the next actuarial valuation

As part of this valuation, the Administering Authority has set an average recovery plan of approximately 10 years for employers in deficit and 16 years for employers in surplus where a surplus offset applies. The next actuarial valuation will take place with an effective date of 31 March 2025. If experience up to that date were to be in line with the assumptions made for this current actuarial valuation and contributions are paid at the agreed rates or amounts, there would be a surplus at 31 March 2025 of c£1,504m, equivalent to a funding level of 114%.

## Material risks faced by the Fund

The Fund is subject to some potentially material risks that are, to an extent, outside the Administering Authority's control, but could affect the funding level and ultimately the employer contribution requirements. Any material worsening of the funding level may mean more contributions are needed (either at an increased rate or at the same rate over a longer period) to be able to provide the benefits built up in the Fund – unless experience acts in other ways to improve the funding level. Examples of such risks, and how the Administering Authority manages them, are:

Funding a defined benefit pension scheme such as the LGPS which is open to new members is by its nature uncertain, and involves some level of risk. The principal funding risks are investment (e.g. whether the Fund earns the desired level of long term real returns) and demographic (e.g. whether longevity of members is longer or shorter than anticipated). In practice, the key is whether such risks can be managed and mitigated.

- If an Employer becomes unable to pay contributions or to make good deficits in the future, the Fund's assets will be lower than expected and the funding level will be worse than expected. The Administering Authority regularly monitors the financial strength of the employers so that actions can be taken to mitigate (but not fully remove) the risk
- If future investment returns on assets are lower than assumed in the valuation, the Fund's assets will be lower, and the funding level worse, than expected. The Administering Authority has a process in place to monitor investment performance quarterly, and it reviews the Fund's investment strategy alongside each actuarial valuation. The Fund has also assessed the liabilities for some employers using a different, more prudent set of assumptions
- If CPI inflation is greater than assumed over a prolonged period this means that the benefit payments and therefore Fund liabilities will be greater than expected leading to potentially higher employer contributions at future valuations. The Fund invests in assets which have some correlation to inflation so to some degree the impact will be mitigated and the Administering Authority keeps this under review on an ongoing basis
- If improvements in life expectancy are greater than assumed, the cost of benefits will increase because members are living longer than expected. This will mean the funding level will be worse than expected. The Administering Authority regularly reviews the Fund's experience and ensures that the assumptions it makes about members' life expectancy take the most recent information available into account
- If members make decisions about their options which increase the Fund's liabilities, the funding level will be worse than expected. An example would be if members commute less pension for cash than is being assumed. The Administering Authority reviews the Fund's experience at each valuation to ensure that their treatment of member options remains appropriate.

## Post valuation date experience and contribution sustainability

The valuation results and employer contributions shown in this report are assessed as at 31 March 2022. We have seen substantial financial market volatility as a combination of the continued impact of the COVID19 pandemic on life expectancy, the Russia Ukraine conflict, the September 2022 “mini-budget” and spikes in short/medium term inflation. This potentially has far-reaching consequences in terms of funding and risk which will need to be kept under review.

Our view is that it is important to take stock of the situation as opposed to make immediate decisions in what is an unprecedented set of events. In particular, we have considered these factors when deciding on the final assumptions to adopt and also highlighted to employers the potential risks around contribution sustainability. The position will be kept under review by the Administering Authority who will monitor the development of the situation and keep all stakeholders informed of any potential implications so that the outcome can be managed effectively.

Recognising this uncertainty, where surplus offsets are granted the Administering Authority has introduced a surplus buffer of 110% of liabilities to reflect current economic uncertainty and aid future contribution stability. Only surplus above the funding level buffer can be refunded to employers through future surplus offsets.

## Sensitivity of funding position to changes in key assumptions

The value placed on the Fund's liabilities is critically dependent on the assumptions used to carry out the calculations. If future experience differs from the assumptions the Administering Authority has used after consulting with the employers, then the projected future funding level will be different from the level described above.

To illustrate how sensitive the funding level is to experience being different from assumed, the table below shows how the valuation results at 31 March 2022 would have differed given small changes in the key assumptions.

Assumption change	Loss (gain) at 31 March 2022 (£m)	Resultant surplus (deficit) at 31 March 2022 (£m)
<b>Original solvency funding position</b>	-	1,395
<b>Real investment return e.g. return above inflation 0.25% p.a. lower than assumed</b>	409	986
<b>Pensionable Salary growth 0.25% p.a. higher than assumed</b>	51	1,344
<b>Long term improvement rate in life expectancy increased by 0.25% p.a.</b>	70	1,325
<b>Assets fall by 25%</b>	2,678	(1,283)

The figures above consider each impact in isolation. In practice the Fund's risk management framework will mitigate the financial risks to varying degrees.

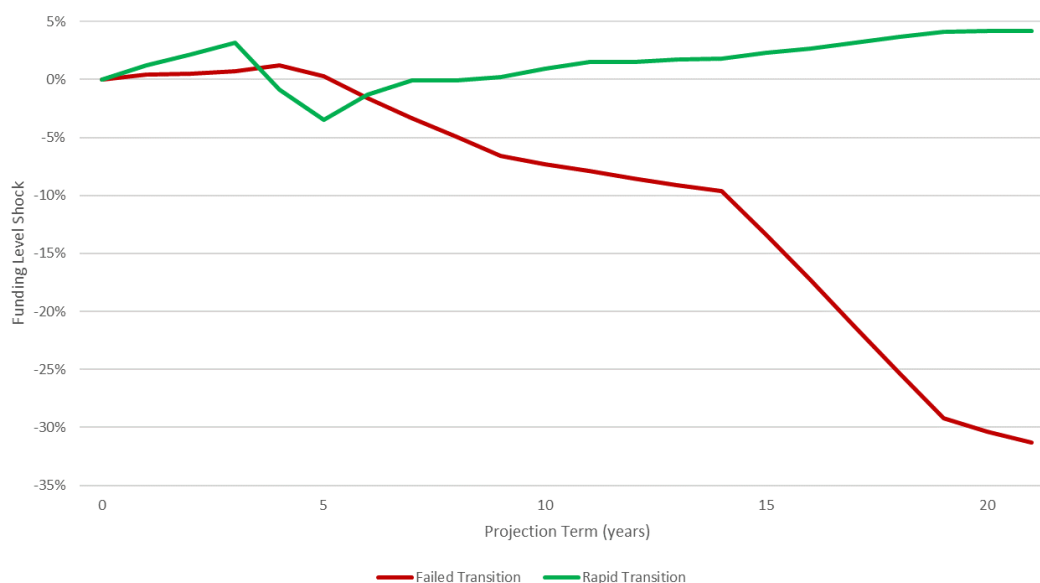
## Climate change

Climate change has the potential to be a material financial risk to the Fund – whether that be the costs of moving to a low carbon economy, the cost of physical damages caused as a result of climate change or even as a result of litigation/regulation to address past practices. Climate change is expected to affect most if not all of the risks highlighted above, however, the extent of and interaction between these impacts are uncertain. As part of the valuation the Administering Authority has considered the relative impact on funding over time of the following climate change scenarios and a summary of the output is set out below (the key assumptions underpinning these scenarios is included in Appendix A).

In practice, the impact of climate change cannot be known at this stage as the ultimate effects will depend on a wide variety of factors. This in turn means that a wide variety of outcomes are possible, depending on the speed and degree to which climate change is addressed. As part of the valuation we have considered two potential scenarios from the range of possible outcomes – these are not meant to be predictors of the impact of climate change but are meant to show the risks associated with the transition risks (short term) and physical risks (long term) of two different scenarios. The analysis specifically includes a negative (although not worst-case) scenario that allows for a failure of global climate policy and so a significant increase in global temperatures, as it is important to understand the potential impact on the Fund when taking decisions on the prudence margins to incorporate as part of the overall Funding Strategy.

Further detail on the analysis has been provided to the Administering Authority in our separate advice report and the information provided here is a summary of that report. This will form part of the Fund's overall work on climate change as it develops its approach to climate risk going forward. The potential risks associated with climate change have been considered when setting the assumptions in this report. The two scenarios considered are as follows:

- **Rapid transition** - Policy and technology developments come together to deliver the rapid reduction in emissions to limit heating to below 1.5°. There are material transition costs associated with this that reduce returns.
- **Failed transition** - Transition is limited and not co-ordinated. Emissions continue to rise. Transition risks are very small but significant physical risks come in to play.



Mercer supports limiting warming to 1.5 degrees Celsius but recognises that given the current warming trajectory, based on existing policies and actions, this pathway may represent a short term shock to investment portfolios. Investors should position their portfolios in line with their objectives whilst also understanding the potential impact of transition risks and physical damages.

The Fund will continue to monitor climate risk going forward, and develop its climate risk reporting (in line with the LGPS specific guidance from Government currently being considered).

## Minimum risk funding position

In assessing the value of the Fund's liabilities (the solvency funding target), allowance has been made for investment returns as described in Appendix A, taking into account the investment strategy adopted by the Fund, as set out in the Fund's Investment Strategy Statement (ISS).

It is not possible to construct a portfolio of investments which produces a stream of income exactly matching the expected liability outgo. However, it is possible to construct a portfolio which attempts closely to match the liabilities and provide a high level of certainty in future investment returns relative to CPI inflation. This represents a "minimum risk" investment position. Such a portfolio would consist mainly of a mixture of long term index-linked and fixed interest gilts. Investment of the Fund's assets in line with the minimum risk portfolio would minimise fluctuations in the Fund's minimum risk funding level between successive actuarial valuations but would result in much higher employer contributions (all other things equal).

If, at the valuation date, the Fund had been invested in this portfolio, then in carrying out the valuation it would not be appropriate to make any allowance for out-performance of the Fund investments nor allow for an inflation risk premium as inflation risk would be fully hedged. In this event the value of the Fund liabilities would have increased substantially, to £17,633m, and the funding level would have reduced correspondingly to 61%. If the actuarial assumptions are borne out in practice and contributions are paid in line with the Rates and Adjustment Certificate for all employers, the projected funding level on this basis at the next actuarial valuation would remain at 61%.

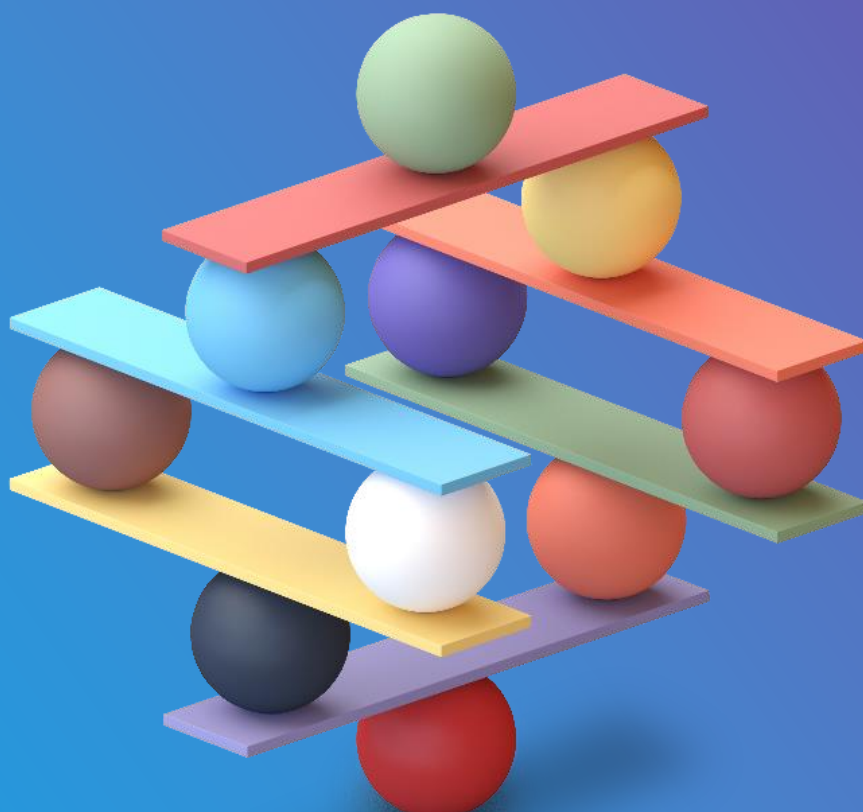
The value of the liabilities on the ongoing solvency funding target assumptions was £9,317m, which is £8,316m less than the value on the minimum risk basis. The funding plan is therefore making a prudent allowance for future investment returns of £8,316m over and above those available from the notional minimum risk investment portfolio to support the funding of member benefits along with contributions payable. This is an indication of the expected return built into the funding strategy for the Fund as a whole.

Managing investment risk and other risks e.g. employer covenant is a key objective for the Administering Authority. The policies to manage these risks are set out in the Funding Strategy and Investment Strategy Statements.





# Appendices



## Appendix A

# Assumptions

### How the benefits are valued

In order to calculate the liabilities, there is a need to make assumptions about various factors that affect the cost of the benefits provided by the Fund – for example, how long members will live, or the future level of inflation. The table below explains the key assumptions being made in the valuation.

Assumption	Why it is important and how it impacts on the liabilities
<b>Discount rate</b>	<p>The majority of benefits in a pension fund are paid many years in the future. In the period before the benefits are paid, the Administering Authority invests the funds held by the Fund with the aim of achieving a return on those funds. When calculating how much money is needed now to make these benefit payments, it is appropriate to make allowance for the investment return that is expected to be earned on these funds. This is known as “discounting”.</p> <p>The higher the investment return achieved, the less money needs to be set aside now to pay for benefits. The calculation reflects this by placing a lower value on the liabilities if the “discount rate” is higher.</p>
<b>Inflation</b>	<p>Pensions in payment and member CARE pension pots increase in line with Consumer Price Inflation (CPI). Salary growth is also normally linked to price inflation in the long term. A higher inflation assumption will, all other things being equal, lead to a higher value being placed on the liabilities.</p>
<b>Pensionable Salary growth</b>	<p>Benefits earned prior to 1 April 2014 for active members are based on their salaries immediately before retirement, so it is necessary to make an assumption about future Pensionable Salary growth. The higher this assumption, the higher the value placed on the liabilities for active members. Equally, pay growth will impact on the potential liabilities in relation to the McCloud Judgment as the assumption affects the value of the final salary underpin.</p>
<b>Life expectancy</b>	<p>Pensions are paid while the member (and potentially their spouse or partner) is alive. The longer people live, the greater is the cost of providing a pension. Allowing for longer life expectancy therefore increases the liabilities.</p>

The liabilities of the Fund are calculated by projecting forward all of the future benefit cash flows and discounting them back to the effective date of the valuation, using these assumptions. For example, the liability for a single pensioner is calculated by estimating the amount of each pension payment they will receive in the future, multiplying by the probability that the member will still be alive by the date of each payment, and then discounting each payment back to the effective date of the valuation using the appropriate discount rate, and then summing up all of these discounted amounts. The liabilities for the whole Fund are calculated by summing the liabilities for each of the individual members.

## Financial assumptions used to calculate the solvency funding target

The table below summarises the key financial assumptions used in the calculation of the solvency funding target at whole Fund level and those used for the 31 March 2019 actuarial valuation. Full yield curves were used in calculating the liabilities. Approximate single equivalent rates have been shown below for information purposes. Section 2 of this report sets out how these assumptions might vary from one employer to another.

Financial assumptions	31 March 2019	31 March 2022
<b>Discount rate:</b>		
Category A employers*:	3.80% p.a.	4.50% p.a.
Category B employers*:	N/A	4.25% p.a.
<b>Price inflation (CPI)</b>	2.40% p.a.	3.10% p.a.
<b>Salary increases (long term)</b>	3.90% p.a.	4.60% p.a.
<b>Pension increases in payment:</b>	2.40% p.a.	3.10% p.a.

*\*Definitions are contained within the FSS, but broadly speaking Category A employers have taxpayer backing / a taxpayer guarantee, and Category B employers do not*

The key financial assumption is the expected long term investment return above CPI inflation as this is usually the principal factor which determines the long term cost to employers via their contributions. In determining this we consider first the long term real returns (i.e. returns above CPI) which the Fund's investment strategy can be expected to deliver based on market outlook at the valuation date taking into account the projected cash flow position of the Fund. This analysis then helps us recommend and agree with the Administering Authority on a suitably prudent assumption for the valuation discount rate based on the investment strategy, any risk management framework in place, and reasonably allowing for the likely changes in investment strategy as the Fund matures.

Our analysis of expected future real investment returns uses a Monte Carlo simulation (stochastic) model, based on 4,000 simulations. Within the overall analysis we specify and calibrate a range of economic and asset class models. Our analysis uses an asset correlation matrix to help generate each stochastic simulation. The model includes estimates for long term expected returns and inflation along with volatilities each asset class and inflation.

In order to consider the level of prudence we look at the likelihood of the expected real return from the Fund's assets exceeding the assumption made. We measure this by considering the percentile expected return from the analysis. A return assumption higher than the 50<sup>th</sup> percentile return from the analysis can be deemed to be prudent and retain margins to provide some protection against increases in contributions at future valuations.

At this actuarial valuation the real discount rate which we have used is 1.4% p.a., which is the 78<sup>th</sup> percentile return from our analysis. At the previous valuation the real discount rate used was 1.4% p.a., which at the time was the 71<sup>st</sup> percentile.

## Demographic assumptions used

### Post-retirement Mortality

Mortality (or life expectancy) tables are typically made up of three elements: a baseline table (equivalent to the expected current mortality), an allowance for future improvements, and a margin for prudence. Very few pension funds are large enough for them to be able to determine a bespoke set of baseline assumptions based purely on the fund's own membership experience. Typically, the life expectancy assumptions are set by benchmarking a fund's membership profile and mortality experience against larger external datasets.

For this actuarial valuation, we have benchmarked the Fund's membership profile and experience against the "S tables" published by the CMI. We have applied weightings and age ratings as appropriate to adjust the standard tables so as to arrive at assumptions which are appropriate for the Fund. This has been based on our detailed study using Longevity which considers a range of lifestyle factors to derive the weightings. Full details are set out in our separate report.

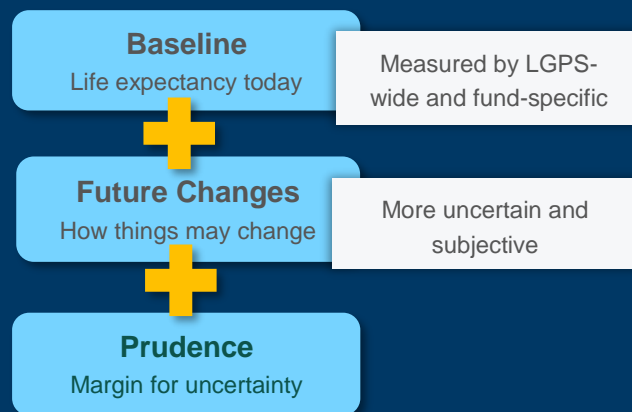
As for the 2019 valuation, we have generally used the S3PA tables ("middle" tables for females), other than for female dependants where the S3DA tables have been used and for members retiring in ill health, where the S3IA tables have been used.

The weightings and age ratings applied to the above are set out in the table below.

Current Status	Retirement Type	2019 weighting/age rating	2022 weighting/age rating
<b>Annuitant</b>	Normal Health	103% males, 91% females	113% males, 105% females
	Dependant	137% males, 92% females	137% males, 122% females
	Ill Health	125% males, 129% females	141% males, 172% females
	Future Dependant	132% males, 110% females	137% males, 122% females
<b>Active</b>	Normal Health	110% males, 94% females	119% males, 105% females
	Ill Health	126% males, 144% females	256% males, 337% females
<b>Deferred</b>	All	133% males, 109% females	126% males, 113% females
<b>Active/deferred</b>	Future Dependant	132% males, 110% females	134% males, 123% females

There are two separate decisions on mortality assumptions:

- The baseline table for the current rates of mortality; and
- The allowance for future improvements.



*A weighting applied to an actuarial table has the effect of increasing or reducing the chance of survival at each age, which increases or reduces the corresponding life expectancy. Similarly, an age rating applied to an actuarial table has the effect of assuming that beneficiaries have a life expectancy equal to those older (or younger) than their actual age.*

Future improvements are assumed to follow the CMI 2021 model with a 1.75% p.a. long term improvements trend (Smoothing Parameter (Sk) of 7.5, with all other parameters core, i.e. zero initial improvements parameter and no allowance for 2020 or 2021 data).

At the 2019 actuarial valuation the CMI 2018 model with 1.75% p.a. long term trend was used.

The mortality assumptions used for the 31 March 2022 valuation result in the following life expectancies.

	Years
<b>Life expectancy for a male aged 65 now</b>	21.6
<b>Life expectancy at 65 for a male aged 45 now</b>	23.1
<b>Life expectancy for a female aged 65 now</b>	23.9
<b>Life expectancy at 65 for a female aged 45 now</b>	26.0

## Pre-retirement Mortality

The following mortality tables (together with any appropriate weightings and age ratings) have been adopted for mortality rates in the period up to retirement.

	31 March 2019	31 March 2022
<b>Base Table</b>	DxL08 tables with adjustments of 80% (male) 50% (female) to reflect the Fund's membership profile	DxL08 tables with adjustments of 80% (male) 70% (female) to reflect the Fund's membership profile
<b>Allowance for Future Improvements</b>	CMI_2015 [1.5%]	CMI_2021 [1.75%]

## Commutation

Members have the option to commute part of their pension at retirement in return for a lump sum at a rate of £12 cash for each £1 per annum of pension given up. Following an analysis of the take-up rates, it has been assumed that, on average, retiring members will take 75% of the maximum tax-free cash available at retirement. This is slightly less than the assumption at the 2019 actuarial valuation, which was equivalent to members taking about 80% of the maximum tax-free cash available.

Retirement lump sums are less costly for the Fund to provide than the alternative pension, as members receive only £12 of each £1 p.a. of pension given up. If members take the cash sum option at a higher rate than has been assumed then this will normally lead to an improvement in the funding level.

## Early retirement

For those members who are entitled to receive their accrued benefits (or part of those benefits) prior to age 65, a proportion of the active membership is assumed to retire in normal health, as set out below:

If members take early retirement to a greater extent than has been assumed then this will typically lead to a worsening of the funding level. This is because many members are able to take substantial parts of their benefits from age 60 without them being reduced for early payment.

	% retiring per annum	
Age	Males	Females
60	10	20
61	8	15
62	8	15
63	8	15
64	8	15
65	100	100

Otherwise, all other benefits are assumed to be payable from age 65 and the appropriate early retirement factors are applied to the relevant tranche of benefits in line with the Government Actuary's Department (GAD) guidance.

These are the same assumptions as the 2019 valuation.

## Ill health retirement

A small proportion of the active membership has been assumed to retire owing to ill health. As an example of the rates assumed, the following is an extract from the decrement table used:

The level of ill health retirement benefit provided for a member falls into one of three "tiers", depending on whether and when the member might be expected to resume gainful employment. Tier 1, for example, is on the basis that the member is unlikely to be able to do so before Normal Pension Age. Full details are set out in the LGPS Regulations and associated guidance.

	% retiring per annum	
Age	Males	Females
35	0.034	0.030
45	0.093	0.089
55	0.414	0.362

The assumption has been changed since the last valuation. The 2019 assumption is set out in our 2019 valuation report

The proportion of ill health early retirements falling into each tier category, split by males and females, has been assumed to be as set out below (which is the same assumption as used in the 2019 valuation):

	Tier 1	Tier 2	Tier 3
<b>Males</b>	75%	12.5%	12.5%
<b>Females</b>	75%	12.5%	12.5%

These assumptions are also used to derive the premium included in the captive ill health insurance arrangement for certain employers. Further details of this arrangement are set out in the FSS and the employers in the arrangement are covered on the schedule in Appendix H.

## Withdrawal

This assumption relates to those members who leave the Fund with an entitlement to a deferred pension or transfer value. It has been assumed that active members will leave the Fund at the following sample rates:

	% leaving per annum	% leaving per annum
<b>Age</b>	<b>Males</b>	<b>Females</b>
<b>25</b>	20.25	22.38
<b>35</b>	5.09	6.27
<b>45</b>	2.54	3.89

In relation to pre 2014 benefits, deferred benefits tend to be less costly for the Fund to provide than if the member had remained in the Fund until retirement. If the number of members leaving the Fund is greater than expected then this will typically lead to a slight improvement in the funding level.

These are the same assumptions as the 2019 valuation

## Partners' and Dependants' Proportions

It has been assumed that the proportions of members below will on death give rise to a dependant's pension (spouse's and partner's), and that spouses/partners of female (male) members are three years older (younger), on average than the member.

	% spouse/partner	% spouse/partner
<b>Age</b>	<b>Males</b>	<b>Females</b>
<b>25</b>	43	51
<b>35</b>	69	68
<b>45</b>	72	68
<b>55</b>	74	68
<b>65</b>	76	62

If more members than assumed have partners then this will lead to an increase in the number of dependants pensions coming into payment over and above that expected. This would lead to a worsening of the funding level.

The assumption has been changed since the last valuation. The 2019 assumption is set out in our 2019 valuation report.

## Assumptions used to calculate the Primary Contribution Rate

The cost of future accrual (the Primary Contribution Rate) has been calculated using the same actuarial assumptions as used to calculate the solvency funding target and recovery plan as set out above except that the financial assumptions adopted are as described below.

The financial assumptions for assessing the future service contribution rate should take account of the fact that contributions will be invested in market conditions applying at future dates, which are unknown at the effective date of the valuation, and which are not directly linked to market conditions at the valuation date.

The financial assumptions in relation to future service (i.e. the Primary Contribution Rate) are not specifically linked to investment conditions as at the valuation date itself, and are based on an overall assumed real return (i.e. return in excess of price inflation) of 1.90% per annum (for Category A employers, 1.65% for Category B). This represents a reduction of 0.25% per annum compared to the 2019 valuation (for Category A, 0.5% for Category B), which increases the estimated cost of providing LGPS benefits. With a long term average assumption for price inflation of 3.1% per annum, this gives rise to an overall discount rate of 5.0% p.a. for Category A and 4.75% for Category B (the corresponding discount rate at the 2019 actuarial valuation was 4.55% p.a.).

Nevertheless, it is instructive to consider the assumption against the long term real returns (i.e. returns above CPI) which the Fund's investment strategy can be expected to deliver based on the current market outlook. At this actuarial valuation the real discount rate used was 1.90% p.a., which is the 72<sup>nd</sup> percentile return from our analysis. At the previous valuation the real discount rate used was 2.15% p.a., which at the time was at the 61<sup>st</sup> percentile.

## Climate change modelling

The ongoing funding level includes implicit allowance for climate change to the extent that this is expected and priced into markets. We have illustrated how other climate change scenarios could impact on the projection of funding level in section 4, and the assumptions underpinning that analysis are shown below.

### Modelling Assumptions – cumulative return impacts

Asset Class	Failed Transition	Rapid Transition
	30/06/2022	
	20 Years	20 Years
MSCI World Equity	-27.80%	-8.70%
MSCI ACWI Equity	-28.90%	-7.80%
UK Equity	-22.80%	-5.70%
Europe Equity	-26.90%	-8.60%
Emerging Markets Equity	-34.90%	-8.10%
UK Sovereign Bonds	-0.40%	0.50%
World Private Infrastructure	-25.10%	3.60%
UK Real Estate	-28.90%	-1.30%
Private Infrastructure Equity Europe	-17.00%	0.10%
Private Infrastructure Debt EU	-2.20%	0.30%
Global Private Debt	-2.70%	-6.90%
Absolute Return Fixed Income	-1.10%	-2.60%
MSCI Paris Aligned Equity	-29.20%	-1.10%
MSCI ACWI ESG Equity	-29.60%	-4.40%

## Appendix B

# Summary Membership Data

The membership data is summarised in the table, with figures at the previous valuation shown for comparison.

Data in relation to members of the Fund were supplied by the Fund's administrator on behalf of the Administering Authority. The accuracy of the data provided has been relied on. While reasonableness checks on the data have been carried out, they do not guarantee the completeness or the accuracy of the data. Consequently, Mercer does not accept any liability in respect of its advice where it has relied on data that is incomplete or inaccurate.

	31 March 2019	31 March 2022
<b>Active members</b>		
<b>Number</b>	53,644	56,406
<b>Total Pensionable Salaries (£000s p.a.)</b>	935,050	1,076,687
<b>Average Pensionable Salary (£ p.a.)</b>	17,431	19,088
<b>Average age (pension weighted)</b>	50.1	50.6
<b>Deferred pensioners (including undecideds)</b>		
<b>Number</b>	69,292	72,411
<b>Total deferred pensions revalued to valuation date (£000s p.a.)</b>	87,113	97,527
<b>Average deferred pension (£ p.a.)</b>	1,257	1,347
<b>Average age (pension weighted)</b>	49.2	50.1
<b>Pensioners (including dependants)</b>		
<b>Number</b>	49,535	54,617
<b>Total pensions payable (£000s p.a.)</b>	232,766	260,029
<b>Average pension (£ p.a.)</b>	4,699	4,761
<b>Average age (pension weighted)</b>	70.9	71.5

## Appendix C

# Assets

The market value of the Fund's assets was £10,711.5m on the valuation date.

The Administering Authority's investment strategy is to apportion the Fund's assets by asset class as shown in the table below. The actual distribution of assets will vary over time due to changes in financial markets. The table also shows the distribution of assets at the valuation date.

	Investment strategy	Actual market value of assets at 31 March 2022	
	%	£000s	%
<b>Public equities</b>	45.5%	5,165	48.2%
<b>Fixed income</b>	1.5%	399	3.7%
<b>Diversifying strategies</b>	0.0%	102	1.0%
<b>Credit</b>	18.0%	1,417	13.2%
<b>Infrastructure</b>	16.0%	1,386	12.9%
<b>Private equity</b>	5.0%	936	8.7%
<b>Real Estate</b>	12.5%	1,117	10.4%
<b>Cash / Net current assets</b>	1.5%	190	1.8%
<b>Total</b>	100%	10,712	100%

The Administering Authority also holds additional voluntary contributions (AVCs) which are separately invested. These assets have been excluded from the market value shown as they exactly match the value of the benefits they cover.

The details of the assets at the valuation date and the financial transactions during the inter-valuation period have been obtained from the audited accounts for the Fund.

## Appendix D

# Benefit Summary

The benefits valued within our calculations are those in force at the effective date of the valuation. Full details of these can be found in the Local Government Pension Scheme Regulations 2013 (as amended). The principal details are as follows:

### Scheme Regulations

The Local Government Pension Scheme Regulations 2013 (<http://www.legislation.gov.uk/ukxi/2013/2356/contents/made>).

The Local Government Pension Scheme (Transitional Provisions, Savings and Amendment) Regulations 2014 (<http://www.legislation.gov.uk/ukxi/2014/525/contents/made>).

### GMP Equalisation/Indexation

UK and European law requires pension schemes to provide equal benefits to men and women in respect of service after 17 May 1990 (the date of the “Barber” Judgment) and this includes providing equal benefits accrued from that date to reflect the differences in GMPs. Following the Lloyds Bank case in 2018, Treasury issued a consultation on the equalising and indexation of GMPs in all the public service pension schemes, including the LGPS and this was concluded on 23 March 2021 ([23.03.2021 Response to GMP consultation final\\_002 .pdf \(publishing.service.gov.uk\)](https://assets.publishing.service.gov.uk/government/uploads/system/uploads/attachment_data/file/761639/Treasury_Response_to_GMP_consultation_final_002.pdf)).

The outcome is that all members whose State Pension Age is after 5 April 2016 will receive full CPI indexation on the GMP elements of their benefits resulting in their total pension increasing in line with CPI inflation which will address the equalisation issues identified in the view of the Government.

Directions made by the Treasury under Section 59A of the Social Security Pensions Act 1975 ([https://assets.publishing.service.gov.uk/government/uploads/system/uploads/attachment\\_data/file/761639/Treasury\\_Direction\\_under\\_section\\_59A\\_Social\\_Security\\_Pensions\\_Act\\_1975.pdf](https://assets.publishing.service.gov.uk/government/uploads/system/uploads/attachment_data/file/761639/Treasury_Direction_under_section_59A_Social_Security_Pensions_Act_1975.pdf)).

This has been fully allowed for in this valuation when assessing the liabilities. When compared to the 2019 valuation outcomes, we have made allowance for the directions being extended to require the LGPS to now be responsible for increases to GMPs for members reaching State Pension Age after 5 April 2021.

Consideration is being given to whether any adjustment needs to be made in relation to a small number of exceptional cases (as set out in the consultation response) along with historic transfer payments made to members leaving the Fund and all parties are awaiting further guidance from the Government. No explicit allowance has been made in this valuation for these potential liabilities and this will be considered once the guidance and data is available. We would not expect it to be material in the context of the total Fund liabilities but this can only be considered once the full details are available.

### Compensatory Added Years (CAY)

The Fund is also responsible for paying and, where appropriate, recharging to employers the benefits arising from the award of compensatory added years (CAY) of service on premature retirement. Unless these CAY benefits have been converted into “funded” benefits, they are normally recharged to the relevant employer (together with associated pension increases), and so are excluded from the valuation.

## Additional Voluntary Contributions (AVCs)

The benefits that will emerge from money purchase AVCs paid by members, and SCAVCs paid by employers, and the corresponding invested assets in respect of these AVCs and SCAVCs, have been excluded from the valuation.

## The McCloud Judgment

The McCloud Judgment in the LGPS refers to the legal decisions (initially by the Employment Appeal Tribunal and then ratified by the Court of Appeal) in the Sargeant/McCloud cases for the Fire and Judiciary pension arrangements. The Court ruled that transitional protections afforded to older members when these schemes were amended constituted unlawful age discrimination. Remedial action, in the form of benefit changes for these schemes, is therefore required as announced by the Government.

Although the above cases did not relate directly to the LGPS, the LGPS also put in place protections for older members as part of the reforms which came into effect from 2014. For the LGPS these took the form of an underpin, where older members would get the better of the benefits payable under the new and old schemes.

The Government published a consultation in July 2020 including a proposed remedy for the LGPS. This is likely to result in increased costs for some employers. We are expecting remedial regulations to take effect from October 2023, with a retrospective effect back to April 2014 in England and Wales and a remedy end date of 31 March 2022.

Following discussions with the Administering Authority, in order to consider a reasonable provision for the potential costs in employer contributions we have assumed that the eventual remedy will be that the underpin which applies to older members will also be extended to apply to younger members who joined the Fund before 1 April 2012 (the cut-off date for the protections to apply). More specifically we have agreed with the Administering Authority to:

- Estimate the underpin benefits for active members for service after 31 March 2014 (when the new scheme took effect) up to 31 March 2022.
- Compare this to the actual post 31 March 2014 benefits accrued up to 31 March 2022.
- Calculate the cost for each member as the value of the underpin benefits less the value of the actual benefits (ignoring members where the value of the actual benefits is higher).
- Sum these costs across all active members to give the impact of the underpin for each employer.

We have calculated this cost across all benefits (including deferred benefits for active members who are assumed to leave the scheme before retirement in the future).

At this stage, as the data was not readily available for the valuation we have not calculated any costs for members who had already left service or retired as at 31 March 2022. Given the nature of the underpin we expect any costs for this group of members to be immaterial at whole Fund level. We also believe the approach applied to active members and the assumptions underlying the actuarial valuation contain prudent margins which are sufficient to cover the vast majority of such costs for the affected employers.

As the regulations have not yet been laid we cannot be certain that the allowance made is reflective of the final underpin agreed. However, we are content that the approach above represents a reasonable allowance for the expected remedy. The position will be reassessed at the 2025 valuation (or earlier contribution review for some employers) when we expect all relevant data to be available and the final remedy will be known.

## Appendix E

# Analysis of membership experience

The analysis below compares the actual experience over the 3 year period with the assumptions used for the 2022 valuation.

	Actual	Expected	%
<b>III Health Retirements</b>	389	476	82%
<b>Withdrawals</b>	17,400	9,595	181%
<b>Pensioner Deaths</b>	4,666	3,130	149%

Note that actual withdrawals can include members moving to another LGPS Fund, bulk transfers and also transfers under the special transfer club terms.

## Appendix F

# Valuation Dashboard as agreed by Scheme Advisory Board

2022 Past service funding position - local funding basis	
Funding level (assets/liabilities)	115%
Funding level (change since last valuation)	+15%
Asset value used at the valuation (£m)	10,712
Value of liabilities (£m)	9,317
Surplus (deficit) (£m)	1,395
Discount rate – past service	4.5 % p.a.
Discount rate – future service	5.0% p.a.
Assumed pension increases (CPI)	3.1% p.a.
Method of derivation of discount rate, plus any changes since previous valuation	See Appendix A
Assumed life expectancies at age 65	
Average life expectancy for current pensioners - men currently age 65	21.6
Average life expectancy for current pensioners - women currently age 65	23.9
Average life expectancy for future pensioners - men currently age 45	23.1
Average life expectancy for future pensioners - women currently age 45	26.0

The basis for the purposes of the LGPS Scheme Advisory Board funding position (the “SAB basis”) is a set of assumptions determined by the SAB. Its purposes are to set out the funding position on a standardised approach so that comparisons can be made with other LGPS Funds, and to assist with the “Section 13 review” as carried out by the Government Actuary’s Department. We are happy to supply further details of the SAB basis as requested.

Past service funding position - SAB basis (for comparison purposes only)		
Market value of assets	10,712	
Value of liabilities	8,118	
Funding level on SAB basis (assets/liabilities)	132%	
Funding level on SAB basis (change since last valuation)	+10%	
Contribution rates payable		
Primary contribution rate	19.2%	
Secondary contributions:		
Secondary contributions 2023/24 (£m)	-26.8	
Secondary contributions 2024/25 (£m)	-27.0	
Secondary contributions 2025/26 (£m)	-27.2	
Giving total expected contributions:		
Total expected contributions 2023/24 (£m figure based on assumed payroll)	199.0	
Total expected contributions 2024/25 (£m figure based on assumed payroll)	209.2	
Total expected contributions 2025/26 (£m figure based on assumed payroll)	220.0	
Assumed payroll (cash amounts in each year)		
Total assumed payroll - 2023/24 (£m)	1,176	
Total assumed payroll - 2024/25 (£m)	1,230	
Total assumed payroll - 2025/26 (£m)	1,287	
Average employee contribution rate (% of pay)	6.4%	
Employee contributions (£m based on assumed payroll of £1,176m)	75	
Deficit recovery and surplus spreading plan:	2022 valuation	2019 valuation
Latest deficit recovery period end date	2040	2036

<b>Earliest surplus spreading period end date</b>	<b>2024</b>	<b>2033</b>
<b>The time horizon end date (where this methodology is used by the fund's actuarial advisor)</b>	n/a	n/a
<b>The funding plan's likelihood of success (where this methodology is used by the fund's actuarial advisor)</b>	n/a	n/a
<b>Percentage of liabilities relating to employers with deficit recovery periods of longer than 20 years</b>	0%	0%
<b>Additional information</b>		
<b>Percentage of total liabilities that are in respect of Tier 3 employers</b>	16%	
<b>Included climate change analysis/comments in the 2022 valuation report</b>	Yes	
<b>Value of McCloud liability in the 2022 valuation report (on local funding basis)</b>	£107m	

## Appendix G

# Rates and Adjustments Certificate issued in accordance with Regulation 62

Name of fund	Lancashire County Pension Fund
--------------	--------------------------------

### Primary Contribution Rate

I hereby certify that, in my opinion, the primary rate of the employers' contribution for the whole Fund for each of the three years beginning 1 April 2023 is 19.2% of pensionable pay. The primary rate of contribution for each employer for the three year period beginning 1 April 2023 is set out in the attached schedule.

### Secondary Contribution Rate

I hereby certify that, in my opinion, the secondary rate of the employer's contribution for the whole Fund for each of the three years beginning 1 April 2023 is an **addition** of the following:

2023/24 £2.3 million less 2.5% of pensionable pay

2024/25 £2.4 million less 2.4% of pensionable pay

2025/26 £2.5 million less 2.3% of pensionable pay

The secondary rate of contribution for each employer for each of the three years beginning 1 April 2023 is set out in the attached schedule. The above secondary rates, and the secondary rates for each employer, where appropriate include a provision for the costs of the McCloud Judgment as set out in the notes to Appendix H.

### Contribution amounts payable

The total contribution payable for each employer is the total of the primary and secondary rates as detailed in the attached schedule. Contributions will be paid monthly in arrears with each payment normally being due by the 19th of the following month (or the 22nd if paid electronically or at intervals agreed with the Administering Authority) unless otherwise noted in the schedule.

### Further adjustments

A further individual adjustment shall be applied in respect of each non-ill health early retirement occurring in the period of three years covered by this certificate. This further individual adjustment will be calculated in accordance with methods agreed from time to time between the Fund's Actuary and the Administering Authority.

The contributions set out in the attached schedule represent the minimum contribution which may be paid by each employer in total over the three years covered by the certificate. Additional contributions or a different pattern of contributions may be paid if requested by the employer concerned at the sole

discretion of the Administering Authority as agreed with the Actuary. The total contributions payable by each employer will be subject to a minimum of £nil.

The individual employer contributions may be varied as agreed by the Actuary and Administering Authority to reflect any changes in contribution requirements as a result of the McCloud Judgment remedy as set out in this report and/or any benefit costs being insured with a third party or parties including where the third party or parties participate in the Fund.

In cases where an element of an existing Scheme employer's surplus or deficit is transferred to a new employer on its inception, the Scheme employer's secondary contributions, as shown on the schedule to this Certificate in Appendix H, may be reallocated between the Scheme employer and the new employer to reflect this, on the advice of the Actuary and as agreed with the Administering Authority so that the total payments remain the same overall.

The Administering Authority and employer with advice from the Fund's Actuary can agree that contributions payable under this certificate can be sourced under an alternative financing arrangement which provides the Fund with equivalent cash contributions.

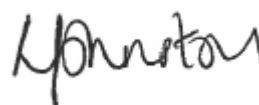
## Regulation 62(8)

In accordance with Regulation 62(8) of the regulations, we have calculated the contributions that should be paid into the fund over the period 1 April 2023 to 31 March 2026 in order to maintain the solvency of the Fund.

The assumptions underpinning the calculation of the contribution rates included in this certificate are set out in the Funding Strategy Statement and summarised in Appendix A of the Fund Actuary's report on the 31 March 2022 Actuarial Valuation. These assumptions determine our estimate of the number of members (and associated pensions and liabilities) who will become entitled to a pension under the provisions on the LGPS.

No allowance for non-ill health early retirements has been made in determining the results of the valuation, on the basis that the costs arising will be met by additional contributions. Allowance for ill health retirements has been included in each employer's contribution rate, on the basis of the method and assumptions set out in the report.

**Signature:**

<b>Name:</b>	Mark Wilson	Leanne Johnston
<b>Qualification:</b>	Fellow of the Institute and Faculty of Actuaries	Fellow of the Institute and Faculty of Actuaries
<b>Date of signing:</b>	30 March 2023	

## Appendix H

# Schedule to the Rates and Adjustments Certificate dated 30 March 2023

	Employer	Notes	Primary rate 2023/24 to 2025/26	Secondary rates			Total Contribution rates		
				2023/24	2024/25	2025/26	2023/24	2024/25	2025/26
Major Authorities									
2	Blackburn with Darwen Borough Council		18.8%	-1.1%	-1.1%	-1.1%	17.7%	17.7%	17.7%
3	Blackpool Borough Council		18.8%	-2.2%	-2.2%	-2.2%	16.6%	16.6%	16.6%
7	Burnley Borough Council		19.4%	-4.8%	-4.8%	-4.8%	14.6%	14.6%	14.6%
12	Chorley Borough Council		18.3%	Nil	Nil	Nil	18.3%	18.3%	18.3%
14	Fylde Borough Council		19.2%	-4.0%	-4.0%	-4.0%	15.2%	15.2%	15.2%
15	Hyndburn Borough Council		20.5%	-6.9%	-6.9%	-6.9%	13.6%	13.6%	13.6%

	Employer	Notes	Primary rate 2023/24 to 2025/26	Secondary rates			Total Contribution rates		
				2023/24	2024/25	2025/26	2023/24	2024/25	2025/26
17	Lancashire County Council		19.4%	-3.1%	-3.1%	-3.1%	16.3%	16.3%	16.3%
18	Lancaster City Council		18.8%	-2.5%	-2.5%	-2.5%	16.3%	16.3%	16.3%
30	Pendle Borough Council		20.0%	Nil	Nil	Nil	20.0%	20.0%	20.0%
32	Preston City Council		20.1%	-7.3%	-7.3%	-7.3%	12.8%	12.8%	12.8%
33	Ribble Valley Borough Council		20.0%	-5.3%	-5.3%	-5.3%	14.7%	14.7%	14.7%
34	Rossendale Borough Council		18.7%	-4.1%	-4.1%	-4.1%	14.6%	14.6%	14.6%
36	South Ribble Borough Council		18.7%	-0.8%	-0.8%	-0.8%	17.9%	17.9%	17.9%
38	West Lancashire District Council		20.4%	-3.7%	-3.7%	-3.7%	16.7%	16.7%	16.7%
41	Wyre Borough Council		20.0%	-6.5%	-6.5%	-6.5%	13.5%	13.5%	13.5%
362	Lancashire Chief Constable		17.9%	-2.6%	-2.6%	-2.6%	15.3%	15.3%	15.3%

	Employer	Notes	Primary rate 2023/24 to 2025/26	Secondary rates			Total Contribution rates		
				2023/24	2024/25	2025/26	2023/24	2024/25	2025/26
318	Police & Crime Commissioner		17.0%	-5.0%	-5.0%	-5.0%	12.0%	12.0%	12.0%
124	Lancashire Fire & Rescue Service		18.6%	-15.7%	-15.7%	-15.7%	2.9%	2.9%	2.9%
<b>Other Scheduled Employers</b>									
88	Blackburn College		20.7%	-4.5%	-3.8%	-3.0%	16.2%	16.9%	17.7%
85	Blackpool & The Fylde College		20.6%	-2.7%	-1.3%	Nil	17.9%	19.3%	20.6%
163	Blackpool Coastal Housing		18.9%	-4.3%	-4.3%	-4.3%	14.6%	14.6%	14.6%
386	Blackpool Housing Company Ltd		16.3%	Nil	Nil	Nil	16.3%	16.3%	16.3%
94	Blackpool Sixth Form College		18.2%	-1.7%	-0.8%	Nil	16.5%	17.4%	18.2%
90	Burnley College		17.9%	Nil	Nil	Nil	17.9%	17.9%	17.9%
95	Cardinal Newman College		18.6%	-0.7%	-0.3%	Nil	17.9%	18.3%	18.6%

	Employer	Notes	Primary rate 2023/24 to 2025/26	Secondary rates			Total Contribution rates		
				2023/24	2024/25	2025/26	2023/24	2024/25	2025/26
66	Edge Hill University		17.8%	Nil	Nil	Nil	17.8%	17.8%	17.8%
84	Lancaster & Morecambe College		21.1%	-1.6%	-0.7%	Nil	19.5%	20.4%	21.1%
20	Lancaster University		19.2%	-2.5%	-1.2%	Nil	16.7%	18.0%	19.2%
92	Myerscough College		20.8%	-1.3%	-0.6%	Nil	19.5%	20.2%	20.8%
91	Nelson and Colne College		20.7%	-1.4%	-0.6%	Nil	19.3%	20.1%	20.7%
86	Preston College		20.2%	-2.2%	-1.0%	Nil	18.0%	19.2%	20.2%
87	Runshaw College		20.4%	-1.7%	-0.8%	Nil	18.7%	19.6%	20.4%
67	University of Central Lancashire		20.4%	Nil	Nil	Nil	20.4%	20.4%	20.4%
37	University of Cumbria		20.8%	Nil	Nil	Nil	20.8%	20.8%	20.8%

	Employer	Notes	Primary rate 2023/24 to 2025/26	Secondary rates			Total Contribution rates		
				2023/24	2024/25	2025/26	2023/24	2024/25	2025/26
Academies									
265	Academy @ Worden		19.5%	Nil	Nil	Nil	19.5%	19.5%	19.5%
235	Accrington St Christopher's CE HS (Academy)		20.5%	£154,100	£161,200	£168,600	20.5% plus £154,100	20.5% plus £161,200	20.5% plus £168,600
256	Albany Learning Trust		19.3%	£17,200	£18,000	£18,800	19.3% plus £17,200	19.3% plus £18,000	19.3% plus £18,800
187	Aldridge Education - Darwen Aldridge Community Academy		16.9%	-1.4%	-1.4%	-1.4%	15.5%	15.5%	15.5%
356	Aldridge Education - Darwen Vale HS (Academy)		19.5%	£78,000	£81,600	£85,300	19.5% plus £78,000	19.5% plus £81,600	19.5% plus £85,300
383	Aldridge Education - Sudell PS (Academy)		21.3%	£16,000	£16,700	£17,500	21.3% plus £16,000	21.3% plus £16,700	21.3% plus £17,500
245	All Saints CE Primary School (Academy)		19.5%	£25,700	£26,900	£28,100	19.5% plus £25,700	19.5% plus £26,900	19.5% plus £28,100
230	ATCT (Bowland High Academy)		20.7%	£9,500	£9,900	£10,400	20.7% plus £9,500	20.7% plus £9,900	20.7% plus £10,400
278	ATCT (Roseacre Primary Academy)		18.3%	£12,500	£13,100	£13,700	18.3% plus £12,500	18.3% plus £13,100	18.3% plus £13,700

	Employer	Notes	Primary rate 2023/24 to 2025/26	Secondary rates			Total Contribution rates		
				2023/24	2024/25	2025/26	2023/24	2024/25	2025/26
280	ATCT (Thames Primary Academy)		19.6%	£7,800	£8,200	£8,500	19.6% plus £7,800	19.6% plus £8,200	19.6% plus £8,500
334	ATCT (Witton Park Academy)		17.6%	£29,200	£30,500	£31,900	17.6% plus £29,200	17.6% plus £30,500	17.6% plus £31,900
277	Bacup & Rawtenstall Grammar School (Academy)		19.9%	£3,100	£3,200	£3,400	19.9% plus £3,100	19.9% plus £3,200	19.9% plus £3,400
241	Belthorn Primary Academy		18.9%	-0.4%	-0.4%	-0.4%	18.5%	18.5%	18.5%
363	BFET (Marton Primary Academy)		19.7%	£31,500	£32,900	£34,500	19.7% plus £31,500	19.7% plus £32,900	19.7% plus £34,500
310	BFET (South Shore Academy)		18.8%	£56,600	£59,200	£61,900	18.8% plus £56,600	18.8% plus £59,200	18.8% plus £61,900
236	Bishop Rawstorne C of E High Academy		20.6%	£16,100	£16,800	£17,600	20.6% plus £16,100	20.6% plus £16,800	20.6% plus £17,600
349	Blessed Edward Bamber (Christ the King Catholic Academy)		18.8%	£12,300	£12,900	£13,500	18.8% plus £12,300	18.8% plus £12,900	18.8% plus £13,500
347	Blessed Edward Bamber (St Cuthbert's Catholic Academy)		17.8%	£31,000	£32,400	£33,900	17.8% plus £31,000	17.8% plus £32,400	17.8% plus £33,900
346	Blessed Edward Bamber (St Mary's Catholic Academy)		19.3%	£52,700	£55,100	£57,700	19.3% plus £52,700	19.3% plus £55,100	19.3% plus £57,700

	Employer	Notes	Primary rate 2023/24 to 2025/26	Secondary rates			Total Contribution rates		
				2023/24	2024/25	2025/26	2023/24	2024/25	2025/26
425	Blessed Edward MAT (The Trust)		19.3%	Nil	Nil	Nil	19.3%	19.3%	19.3%
530	Champion Education Trust (Blackburn Central High School)		18.8%	£10,200	£10,700	£11,200	18.8% plus £10,200	18.8% plus £10,700	18.8% plus £11,200
531	Champion Education Trust (Crosshill School)		19.1%	£7,000	£7,300	£7,700	19.1% plus £7,000	19.1% plus £7,300	19.1% plus £7,700
549	Champion Education Trust (Lotus School)		17.7%	Nil	Nil	Nil	17.7%	17.7%	17.7%
372	Cidari Education Ltd (Baines Endowed)		19.7%	£63,600	£66,500	£69,600	19.7% plus £63,600	19.7% plus £66,500	19.7% plus £69,600
342	Cidari Education Ltd (Darwen St James)		19.4%	£27,500	£28,800	£30,100	19.4% plus £27,500	19.4% plus £28,800	19.4% plus £30,100
379	Cidari Education Ltd (Great Marsden St Johns PS)		18.8%	£4,100	£4,300	£4,500	18.8% plus £4,100	18.8% plus £4,300	18.8% plus £4,500
459	Cidari Education Ltd (Newchurch PSM)		16.7%	Nil	Nil	Nil	16.7%	16.7%	16.7%
344	Cidari Education Ltd (St Aidans)		19.8%	£24,300	£25,400	£26,600	19.8% plus £24,300	19.8% plus £25,400	19.8% plus £26,600
343	Cidari Education Ltd (St Barnabas)		18.5%	£24,400	£25,500	£26,700	18.5% plus £24,400	18.5% plus £25,500	18.5% plus £26,700

	Employer	Notes	Primary rate 2023/24 to 2025/26	Secondary rates			Total Contribution rates		
				2023/24	2024/25	2025/26	2023/24	2024/25	2025/26
327	Cidari Education Ltd (St Georges)		18.2%	£45,100	£47,200	£49,300	18.2% plus £45,100	18.2% plus £47,200	18.2% plus £49,300
335	Cidari Education Ltd (St Lukes & St Phillips)		20.3%	£35,500	£37,100	£38,800	20.3% plus £35,500	20.3% plus £37,100	20.3% plus £38,800
581	Cidari Education Ltd (St Matthew's C of E Primary School)		18.3%	Nil	Nil	Nil	18.3%	18.3%	18.3%
551	Cidari Education Ltd (St Pauls CE PS)		20.2%	Nil	Nil	Nil	20.2%	20.2%	20.2%
509	Cidari Education Ltd (St Silas CE PS)		22.1%	Nil	Nil	Nil	22.1%	22.1%	22.1%
369	Cidari Education Ltd (Trust)		16.5%	£25,600	£26,800	£28,000	16.5% plus £25,600	16.5% plus £26,800	16.5% plus £28,000
225	Clitheroe Royal Grammar School (Academy)		20.5%	£33,900	£35,500	£37,100	20.5% plus £33,900	20.5% plus £35,500	20.5% plus £37,100
211	Dunstone Education Trust (Fulwood Academy)		18.7%	-8.2%	-8.2%	-8.2%	10.5%	10.5%	10.5%
304	Education Partnership Trust (Blackburn FS)		17.1%	£30,200	£31,600	£33,000	17.1% plus £30,200	17.1% plus £31,600	17.1% plus £33,000
364	Education Partnership Trust (Burnley High Free School)		15.1%	-0.6%	-0.6%	-0.6%	14.5%	14.5%	14.5%

	Employer	Notes	Primary rate 2023/24 to 2025/26	Secondary rates			Total Contribution rates		
				2023/24	2024/25	2025/26	2023/24	2024/25	2025/26
388	Education Partnership Trust (Coal Clough)		17.8%	Nil	Nil	Nil	17.8%	17.8%	17.8%
395	Education Partnership Trust (Eden School)		15.9%	£6,200	£6,500	£6,800	15.9% plus £6,200	15.9% plus £6,500	15.9% plus £6,800
408	Education Partnership Trust (Pleckgate HS)		20.2%	£93,900	£98,200	£102,700	20.2% plus £93,900	20.2% plus £98,200	20.2% plus £102,700
527	Education Partnership Trust (Burnley The Heights)FS)		16.9%	£2,700	£2,800	£3,000	16.9% plus £2,700	16.9% plus £2,800	16.9% plus £3,000
421	Education Partnership Trust		15.6%	£67,400	£70,500	£73,700	15.6% plus £67,400	15.6% plus £70,500	15.6% plus £73,700
496	Endeavour Learning Trust (Burscough Priory Academy)		18.7%	Nil	Nil	Nil	18.7%	18.7%	18.7%
560	Endeavour Learning Trust (Central Team)		16.2%	£800	£800	£900	16.2% plus £800	16.2% plus £800	16.2% plus £900
546	Endeavour Learning Trust (Northbrook PS)		19.1%	-1.3%	-0.6%	Nil	17.8%	18.5%	19.1%
247	Endeavour Learning Trust (Tarleton Academy)		19.1%	£55,500	£64,700	£73,700	19.1% plus £55,500	19.1% plus £64,700	19.1% plus £73,700
493	FCAT (Armfield Academy)		17.8%	£3,400	£3,600	£3,700	17.8% plus £3,400	17.8% plus £3,600	17.8% plus £3,700

	Employer	Notes	Primary rate 2023/24 to 2025/26	Secondary rates			Total Contribution rates		
				2023/24	2024/25	2025/26	2023/24	2024/25	2025/26
348	FCAT (Aspire Academy)		22.9%	£32,500	£34,000	£35,600	22.9% plus £32,500	22.9% plus £34,000	22.9% plus £35,600
392	FCAT (Blackpool Gateway Academy)		18.2%	£9,500	£9,900	£10,400	18.2% plus £9,500	18.2% plus £9,900	18.2% plus £10,400
242	FCAT (Garstang Community Academy)		21.5%	£5,000	£5,200	£5,500	21.5% plus £5,000	21.5% plus £5,200	21.5% plus £5,500
227	FCAT (Hambleton Primary Academy)		18.7%	£8,100	£8,500	£8,900	18.7% plus £8,100	18.7% plus £8,500	18.7% plus £8,900
447	FCAT (Mereside Primary Academy)		18.5%	£21,200	£22,200	£23,200	18.5% plus £21,200	18.5% plus £22,200	18.5% plus £23,200
250	FCAT (Montgomery HS Academy)		18.2%	£50,900	£53,200	£55,700	18.2% plus £50,900	18.2% plus £53,200	18.2% plus £55,700
299	FCAT (Unity Academy)		17.6%	£110,000	£115,100	£120,400	17.6% plus £110,000	17.6% plus £115,100	17.6% plus £120,400
244	FCAT (Westcliff Prim Acad)		18.3%	£13,300	£13,900	£14,600	18.3% plus £13,300	18.3% plus £13,900	18.3% plus £14,600
463	FCAT (Westminster Primary Academy)		20.7%	-0.3%	-0.3%	-0.3%	20.4%	20.4%	20.4%
561	Forward as One CE AT (St John with St Michael)		20.2%	Nil	Nil	Nil	20.2%	20.2%	20.2%

	Employer	Notes	Primary rate 2023/24 to 2025/26	Secondary rates			Total Contribution rates		
				2023/24	2024/25	2025/26	2023/24	2024/25	2025/26
287	Fylde Coast Academy Trust		16.9%	£9,900	£10,400	£10,800	16.9% plus £9,900	16.9% plus £10,400	16.9% plus £10,800
259	Hawes Side Primary Academy		19.2%	Nil	Nil	Nil	19.2%	19.2%	19.2%
226	Hodgson Academy		21.0%	£25,400	£26,600	£27,800	21.0% plus £25,400	21.0% plus £26,600	21.0% plus £27,800
223	Lancaster Girls Grammar School (Academy)		20.3%	£14,400	£15,100	£15,800	20.3% plus £14,400	20.3% plus £15,100	20.3% plus £15,800
224	Lancaster Royal Grammar School (Academy)		20.2%	£36,900	£38,600	£40,400	20.2% plus £36,900	20.2% plus £38,600	20.2% plus £40,400
301	Langdale Free School		17.9%	£300	£300	£300	17.9% plus £300	17.9% plus £300	17.9% plus £300
507	Learning Together Trust (St Pauls Academy)		17.2%	£2,500	£2,600	£2,700	17.2% plus £2,500	17.2% plus £2,600	17.2% plus £2,700
565	LET Education Trust		16.8%	Nil	Nil	Nil	16.8%	16.8%	16.8%
584	LET Education Trust (Accrington Huncoat)		20.5%	Nil	Nil	Nil	20.5%	20.5%	20.5%
583	LET Education Trust (Oswaldtwistle West End)		20.9%	Nil	Nil	Nil	20.9%	20.9%	20.9%

	Employer	Notes	Primary rate 2023/24 to 2025/26	Secondary rates			Total Contribution rates		
				2023/24	2024/25	2025/26	2023/24	2024/25	2025/26
580	LET Education Trust (The Hollins)		20.3%	Nil	Nil	Nil	20.3%	20.3%	20.3%
234	Lostock Hall Academy Trust		19.7%	£3,700	£3,900	£4,000	19.7% plus £3,700	19.7% plus £3,900	19.7% plus £4,000
281	Maharishi School (Free School)		20.7%	Nil	Nil	Nil	20.7%	20.7%	20.7%
562	Mater Christi Multi Academy Trust (St Joseph's Primary)		19.1%	Nil	Nil	Nil	19.1%	19.1%	19.1%
286	Moorside Community PS Academy		18.3%	£5,800	£6,100	£6,300	18.3% plus £5,800	18.3% plus £6,100	18.3% plus £6,300
453	Mosaic Academy Trust (Southlands High School)		18.0%	Nil	Nil	Nil	18.0%	18.0%	18.0%
257	Mulberry Multi Academy Trust (Norbreck Primary Academy)		20.7%	£18,900	£19,800	£20,700	20.7% plus £18,900	20.7% plus £19,800	20.7% plus £20,700
243	Parbold Douglas CE Academy		22.3%	£4,500	£4,700	£4,900	22.3% plus £4,500	22.3% plus £4,700	22.3% plus £4,900
254	Parklands High School (Academy)		18.6%	£29,900	£31,300	£32,700	18.6% plus £29,900	18.6% plus £31,300	18.6% plus £32,700
420	Pendle Education Trust		16.2%	-1.3%	-1.3%	-1.3%	14.9%	14.9%	14.9%

	Employer	Notes	Primary rate 2023/24 to 2025/26	Secondary rates			Total Contribution rates		
				2023/24	2024/25	2025/26	2023/24	2024/25	2025/26
485	Pendle Education Trust (Casterton Primary Academy)		18.9%	£1,900	£2,000	£2,100	18.9% plus £1,900	18.9% plus £2,000	18.9% plus £2,100
282	Pendle Education Trust (Colne Primet)		19.6%	Nil	Nil	Nil	19.6%	19.6%	19.6%
387	Pendle Education Trust (Nelson Castercliff)		19.2%	£400	£400	£400	19.2% plus £400	19.2% plus £400	19.2% plus £400
283	Pendle Education Trust (Walter Street Primary School)		18.6%	Nil	Nil	Nil	18.6%	18.6%	18.6%
413	Pendle Education Trust (West Craven)		19.7%	Nil	Nil	Nil	19.7%	19.7%	19.7%
255	Penwortham Priory Academy		18.4%	Nil	Nil	Nil	18.4%	18.4%	18.4%
117	Queen Elizabeth's Grammar School Blackburn Academy Trust (Free School)		19.6%	-1.8%	-1.8%	-1.8%	17.8%	17.8%	17.8%
539	Romero CAT (All Saints CHS)		19.7%	-1.7%	-0.8%	Nil	18.0%	18.9%	19.7%
537	Romero CAT (Blessed TRC)		19.6%	-1.6%	-0.8%	Nil	18.0%	18.8%	19.6%
538	Romero CAT (St Augustines)		20.2%	-2.0%	-0.9%	Nil	18.2%	19.3%	20.2%

	Employer	Notes	Primary rate 2023/24 to 2025/26	Secondary rates			Total Contribution rates		
				2023/24	2024/25	2025/26	2023/24	2024/25	2025/26
533	Romero CAT (St John the Baptist RC PS)		17.9%	-0.9%	-0.9%	-0.9%	17.0%	17.0%	17.0%
532	Romero CAT (St Mary's RC PS)		19.1%	-1.3%	-0.6%	Nil	17.8%	18.5%	19.1%
558	Rowan Learning Trust (Farington Primary School)		19.0%	-2.0%	-2.0%	-2.0%	17.0%	17.0%	17.0%
229	St Michael's CE High (Academy)		19.1%	Nil	Nil	Nil	19.1%	19.1%	19.1%
232	St Wilfrid's CE Academy		18.7%	£53,100	£55,500	£58,100	18.7% plus £53,100	18.7% plus £55,500	18.7% plus £58,100
276	Star Academies		15.7%	£134,500	£140,700	£147,200	15.7% plus £134,500	15.7% plus £140,700	15.7% plus £147,200
492	Star Academies (Bay Leadership Academy)		19.8%	Nil	Nil	Nil	19.8%	19.8%	19.8%
465	Star Academies (Eden Boys LA Manchester)		16.1%	£3,500	£3,700	£3,800	16.1% plus £3,500	16.1% plus £3,700	16.1% plus £3,800
526	Star Academies (Eden Boys Leadership Academy Bradford)		17.2%	£2,800	£2,900	£3,100	17.2% plus £2,800	17.2% plus £2,900	17.2% plus £3,100
495	Star Academies (Eden Boys School LA Birmingham East)		15.5%	Nil	Nil	Nil	15.5%	15.5%	15.5%

	Employer	Notes	Primary rate 2023/24 to 2025/26	Secondary rates			Total Contribution rates		
				2023/24	2024/25	2025/26	2023/24	2024/25	2025/26
391	Star Academies (Eden BS Birmingham)		18.6%	£12,400	£13,000	£13,600	18.6% plus £12,400	18.6% plus £13,000	18.6% plus £13,600
389	Star Academies (Eden BS Preston)		16.7%	£4,300	£4,500	£4,700	16.7% plus £4,300	16.7% plus £4,500	16.7% plus £4,700
464	Star Academies (Eden Girls LA Manchester)		14.7%	£1,900	£2,000	£2,100	14.7% plus £1,900	14.7% plus £2,000	14.7% plus £2,100
525	Star Academies (Eden Girls Leadership Academy Birmingham)		14.7%	£2,200	£2,300	£2,400	14.7% plus £2,200	14.7% plus £2,300	14.7% plus £2,400
390	Star Academies (Eden GS Slough)		17.9%	£15,400	£16,100	£16,800	17.9% plus £15,400	17.9% plus £16,100	17.9% plus £16,800
415	Star Academies (Highfield)		18.7%	Nil	Nil	Nil	18.7%	18.7%	18.7%
302	Star Academies (Olive Blackburn)		15.2%	£7,500	£7,800	£8,200	15.2% plus £7,500	15.2% plus £7,800	15.2% plus £8,200
303	Star Academies (Olive London)		14.8%	£6,600	£6,900	£7,200	14.8% plus £6,600	14.8% plus £6,900	14.8% plus £7,200
430	Star Academies (Olive School Birmingham)		16.4%	£5,500	£5,800	£6,000	16.4% plus £5,500	16.4% plus £5,800	16.4% plus £6,000
428	Star Academies (Olive School Bolton)		15.8%	£3,200	£3,300	£3,500	15.8% plus £3,200	15.8% plus £3,300	15.8% plus £3,500

	Employer	Notes	Primary rate 2023/24 to 2025/26	Secondary rates			Total Contribution rates		
				2023/24	2024/25	2025/26	2023/24	2024/25	2025/26
429	Star Academies (Olive School Preston)		16.8%	£2,300	£2,400	£2,500	16.8% plus £2,300	16.8% plus £2,400	16.8% plus £2,500
515	Star Academies (Valley Leadership Academy)		18.5%	-1.5%	-1.5%	-1.5%	17.0%	17.0%	17.0%
361	Star Academies Eden BS Bolton FS		19.6%	£10,900	£11,400	£11,900	19.6% plus £10,900	19.6% plus £11,400	19.6% plus £11,900
360	Star Academies Eden GS Coventry		18.2%	£14,700	£15,400	£16,100	18.2% plus £14,700	18.2% plus £15,400	18.2% plus £16,100
359	Star Academies Eden GS Waltham		16.5%	£5,000	£5,200	£5,500	16.5% plus £5,000	16.5% plus £5,200	16.5% plus £5,500
279	Star Academies Islam Boys High School (Free School)		16.2%	£4,300	£4,500	£4,700	16.2% plus £4,300	16.2% plus £4,500	16.2% plus £4,700
368	Star Academies Islam Girls HS		18.4%	£37,300	£39,000	£40,800	18.4% plus £37,300	18.4% plus £39,000	18.4% plus £40,800
490	The Bay Learning Trust (Carnforth Academy)		19.8%	£7,300	£7,600	£8,000	19.8% plus £7,300	19.8% plus £7,600	19.8% plus £8,000
529	The Bay Learning Trust (Central Lancaster HS)		19.3%	Nil	Nil	Nil	19.3%	19.3%	19.3%
506	The Bay Learning Trust (Morecambe Bay Academy)		21.0%	Nil	Nil	Nil	21.0%	21.0%	21.0%

	Employer	Notes	Primary rate 2023/24 to 2025/26	Secondary rates			Total Contribution rates		
				2023/24	2024/25	2025/26	2023/24	2024/25	2025/26
228	The Bay Learning Trust (Ripley St Thomas CE Academy)		19.3%	£18,700	£19,600	£20,500	19.3% plus £18,700	19.3% plus £19,600	19.3% plus £20,500
481	The Pennine Trust (Blacko)		17.7%	£3,100	£3,200	£3,400	17.7% plus £3,100	17.7% plus £3,200	17.7% plus £3,400
483	The Pennine Trust (Laneshaw Bridge)		19.0%	£8,400	£8,800	£9,200	19.0% plus £8,400	19.0% plus £8,800	19.0% plus £9,200
482	The Pennine Trust (Lord St)		19.0%	£17,200	£18,000	£18,800	19.0% plus £17,200	19.0% plus £18,000	19.0% plus £18,800
484	The Pennine Trust (Park High )		19.7%	£22,200	£23,200	£24,300	19.7% plus £22,200	19.7% plus £23,200	19.7% plus £24,300
298	The Sea View Trust (Anchorholme Academy)		19.4%	£37,800	£39,500	£41,400	19.4% plus £37,800	19.4% plus £39,500	19.4% plus £41,400
296	The Sea View Trust (Devonshire Primary Academy)		19.4%	£35,000	£36,600	£38,300	19.4% plus £35,000	19.4% plus £36,600	19.4% plus £38,300
297	The Sea View Trust (Park Community Academy)		15.6%	£69,400	£72,600	£75,900	15.6% plus £69,400	15.6% plus £72,600	15.6% plus £75,900
320	The Sea View Trust (Revoe Learning Academy)		17.0%	£52,000	£54,400	£56,900	17.0% plus £52,000	17.0% plus £54,400	17.0% plus £56,900
448	The Sea View Trust (Tor View School)		16.9%	£72,600	£75,900	£79,400	16.9% plus £72,600	16.9% plus £75,900	16.9% plus £79,400

	Employer	Notes	Primary rate 2023/24 to 2025/26	Secondary rates			Total Contribution rates		
				2023/24	2024/25	2025/26	2023/24	2024/25	2025/26
177	United Learning (Accrington Academy)		18.5%	-3.4%	-3.4%	-3.4%	15.1%	15.1%	15.1%
475	United Learning (The Hyndburn Academy)		17.3%	-0.2%	-0.2%	-0.2%	17.1%	17.1%	17.1%
557	United Learning Trust (Marsden Heights Community College)		21.4%	-0.8%	-0.8%	-0.8%	20.6%	20.6%	20.6%
272	Wensley Fold CE Primary Academy		18.8%	£50,800	£53,100	£55,600	18.8% plus £50,800	18.8% plus £53,100	18.8% plus £55,600
258	Zest Academy Trust (Waterloo Primary Academy)		18.3%	Nil	Nil	Nil	18.3%	18.3%	18.3%
<b>Designated / Resolution Employers</b>									
219	Active Lancashire Limited		15.2%	0.8%	0.8%	0.8%	16.0%	16.0%	16.0%
512	Blackpool Waste Services		19.7%	-2.0%	-2.0%	-2.0%	17.7%	17.7%	17.7%
172	Catterall Parish Council		27.5%	Nil	Nil	Nil	27.5%	27.5%	27.5%
563	Chorley Leisure Ltd		12.6%	£1,600	£1,700	£1,800	12.6% plus £1,600	12.6% plus £1,700	12.6% plus £1,800

	Employer	Notes	Primary rate 2023/24 to 2025/26	Secondary rates			Total Contribution rates		
				2023/24	2024/25	2025/26	2023/24	2024/25	2025/26
442	Clayton Le Woods Parish Council		26.7%	Nil	Nil	Nil	26.7%	26.7%	26.7%
367	Cliviger Parish Council		27.2%	£100	£100	£100	27.2% plus £100	27.2% plus £100	27.2% plus £100
456	Cockerham Parish Council		25.7%	Nil	Nil	Nil	25.7%	25.7%	25.7%
312	Darwen Town Council		27.2%	£200	£200	£200	27.2% plus £200	27.2% plus £200	27.2% plus £200
569	Farington Parish Council		26.2%	Nil	Nil	Nil	26.2%	26.2%	26.2%
412	Freckleton Parish Council		27.5%	Nil	Nil	Nil	27.5%	27.5%	27.5%
173	Garstang Town Council		25.5%	Nil	Nil	Nil	25.5%	25.5%	25.5%
313	Habergham Eaves Parish Council		27.2%	£100	£100	£100	27.2% plus £100	27.2% plus £100	27.2% plus £100
147	Marketing Lancashire Ltd		16.2%	-8.7%	-8.7%	-8.7%	7.5%	7.5%	7.5%
251	Morecambe Town Council		19.9%	Nil	Nil	Nil	19.9%	19.9%	19.9%

	Employer	Notes	Primary rate 2023/24 to 2025/26	Secondary rates			Total Contribution rates		
				2023/24	2024/25	2025/26	2023/24	2024/25	2025/26
524	Nelson Town Council		21.6%	£1,000	£1,000	£1,100	21.6% plus £1,000	21.6% plus £1,000	21.6% plus £1,100
457	Nether Wyresdale Parish Council		25.7%	Nil	Nil	Nil	25.7%	25.7%	25.7%
314	Old Laund Booth Parish Council		27.2%	£100	£100	£100	27.2% plus £100	27.2% plus £100	27.2% plus £100
145	Penwortham Town Council		22.7%	Nil	Nil	Nil	22.7%	22.7%	22.7%
170	Pilling Parish Council		27.8%	Nil	Nil	Nil	27.8%	27.8%	27.8%
305	Preesall Town Council		27.2%	Nil	Nil	Nil	27.2%	27.2%	27.2%
564	South Ribble Leisure Ltd		16.8%	Nil	Nil	Nil	16.8%	16.8%	16.8%
218	St Annes on Sea Town Council		24.2%	£2,200	£2,300	£2,400	24.2% plus £2,200	24.2% plus £2,300	24.2% plus £2,400
264	The Lancashire Colleges Ltd		18.7%	Nil	Nil	Nil	18.7%	18.7%	18.7%
398	Whittle-le-woods Parish Council		26.5%	Nil	Nil	Nil	26.5%	26.5%	26.5%

	Employer	Notes	Primary rate 2023/24 to 2025/26	Secondary rates			Total Contribution rates		
				2023/24	2024/25	2025/26	2023/24	2024/25	2025/26
39	Whitworth Town Council		22.8%	Nil	Nil	Nil	22.8%	22.8%	22.8%
<b>Admitted Bodies (Community Admissions)</b>									
141	Adventure Hyndburn Ltd		19.6%	Nil	Nil	Nil	19.6%	19.6%	19.6%
365	Blackpool, Fylde and Wyre Credit Union		25.7%	Nil	Nil	Nil	25.7%	25.7%	25.7%
48	Caritas Care Limited		23.1%	Nil	Nil	Nil	23.1%	23.1%	23.1%
197	Community and Business Partners CIC		17.5%	Nil	Nil	Nil	17.5%	17.5%	17.5%
61	Community Council of Lancashire		24.5%	Nil	Nil	Nil	24.5%	24.5%	24.5%
155	Community Gateway Association Ltd		19.8%	Nil	Nil	Nil	19.8%	19.8%	19.8%
382	County Councils Network		12.6%	£23,400	£24,500	£25,600	12.6% plus £23,400	12.6% plus £24,500	12.6% plus £25,600
136	Hyndburn Leisure		16.7%	-0.6%	-0.6%	-0.6%	16.1%	16.1%	16.1%

	Employer	Notes	Primary rate 2023/24 to 2025/26	Secondary rates			Total Contribution rates		
				2023/24	2024/25	2025/26	2023/24	2024/25	2025/26
165	Jigsaw Homes Group Limited (Previously Chorley Community Housing)		22.3%	Nil	Nil	Nil	22.3%	22.3%	22.3%
44	Kirkham Grammar School (Independent)		24.6%	Nil	Nil	Nil	24.6%	24.6%	24.6%
21	Lancashire County Branch Unison		17.2%	Nil	Nil	Nil	17.2%	17.2%	17.2%
25	NW Inshore Fisheries & Conservation Authority		19.2%	Nil	Nil	Nil	19.2%	19.2%	19.2%
129	Pendle Leisure Trust		16.2%	-2.1%	-2.1%	-2.1%	14.1%	14.1%	14.1%
185	Progress Housing Association		23.0%	Nil	Nil	Nil	23.0%	23.0%	23.0%
107	Progress Housing Group Ltd		22.8%	Nil	Nil	Nil	22.8%	22.8%	22.8%
146	Rossendale Leisure Trust		15.4%	-15.4%	-15.4%	-15.4%	Nil	Nil	Nil
132	Together Housing Association Ltd.		20.1%	-1.6%	-1.6%	-1.6%	18.5%	18.5%	18.5%
1	UCST (AKS Arnold Schools )		22.0%	Nil	Nil	Nil	22.0%	22.0%	22.0%

	Employer	Notes	Primary rate 2023/24 to 2025/26	Secondary rates			Total Contribution rates		
				2023/24	2024/25	2025/26	2023/24	2024/25	2025/26
26	UCST (Lytham Schools)		21.4%	Nil	Nil	Nil	21.4%	21.4%	21.4%
<b>Admitted Bodies (Transferee Admissions)</b>									
183	Alternative Futures Group Ltd		24.9%	-24.9%	-24.9%	-24.9%	Nil	Nil	Nil
468	Andron (Cidari St Georges)		24.1%	-1.4%	-1.4%	-1.4%	22.7%	22.7%	22.7%
246	Andron (Formerly Solar)		24.7%	-24.7%	-24.7%	-24.7%	Nil	Nil	Nil
142	Blackpool Zoo (Grant Leisure)		21.9%	-21.9%	-21.9%	-21.9%	Nil	Nil	Nil
431	Bullough Contract Services Limited (Marton Academy)		29.1%	-13.1%	Nil	Nil	16.0%	29.1%	29.1%
317	Burnley Leisure		16.4%	-1.3%	-1.3%	-1.3%	15.1%	15.1%	15.1%
174	Capita (Rossendale BC Transfer)		24.1%	-24.1%	-24.1%	-24.1%	Nil	Nil	Nil
535	Cater Link Ltd. (Hyndburn & Accrington Academy)		22.6%	£3,000	£3,100	£3,300	22.6% plus £3,000	22.6% plus £3,100	22.6% plus £3,300

	Employer	Notes	Primary rate 2023/24 to 2025/26	Secondary rates			Total Contribution rates		
				2023/24	2024/25	2025/26	2023/24	2024/25	2025/26
325	CG Cleaning (Kennington Rd)		26.1%	-13.3%	-13.3%	-13.3%	12.8%	12.8%	12.8%
461	Clarets in the Community		23.9%	-1.0%	-1.0%	-1.0%	22.9%	22.9%	22.9%
469	Compass Contract Services (Hodgson Academy)		19.3%	-1.5%	-1.5%	-1.5%	17.8%	17.8%	17.8%
337	Compass Contract Services (UK) Ltd (LRGS)		26.8%	-3.4%	-3.4%	-3.4%	23.4%	23.4%	23.4%
231	Creative Support Limited (Midway Mental health)		23.7%	-23.7%	-23.7%	-23.7%	Nil	Nil	Nil
184	Creative Support Ltd		24.0%	-24.0%	-24.0%	-24.0%	Nil	Nil	Nil
267	Elite Cleaning & Environmental Services Ltd		21.8%	Nil	Nil	Nil	21.8%	21.8%	21.8%
423	Elite Cleaning & Environmental Services Ltd (Hambleton Primary Academy)		25.4%	Nil	Nil	Nil	25.4%	25.4%	25.4%
400	Elite Cleaning & Environmental Services Ltd (Moor Nook PS)		25.8%	-1.0%	-1.0%	-1.0%	24.8%	24.8%	24.8%
208	Equans (Lend Lease)		27.0%	-27.0%	-27.0%	-27.0%	Nil	Nil	Nil

	Employer	Notes	Primary rate 2023/24 to 2025/26	Secondary rates			Total Contribution rates		
				2023/24	2024/25	2025/26	2023/24	2024/25	2025/26
262	Equans (Pleckgate)		23.1%	-18.3%	-18.3%	-18.3%	4.8%	4.8%	4.8%
268	Eric Wright Facilities Management Ltd (Highfield HC) Site Supervisors		23.9%	-14.5%	-14.5%	-14.5%	9.4%	9.4%	9.4%
559	Floorbrite (LRGS)		21.7%	Nil	Nil	Nil	21.7%	21.7%	21.7%
204	Fylde Coast YMCA (Fylde TUPE)		19.5%	-19.5%	-19.5%	-19.5%	Nil	Nil	Nil
455	Greenwich Leisure Ltd (Preston City Council)		22.1%	-22.1%	-22.1%	-22.1%	Nil	Nil	Nil
199	I CARE (GB) Limited		27.4%	-27.4%	-27.4%	-27.4%	Nil	Nil	Nil
396	Independent Living Fund (Blackpool BC)		25.6%	-2.5%	-2.5%	-2.5%	23.1%	23.1%	23.1%
309	Lancashire Care Foundation Trust		25.8%	-25.8%	-25.8%	-25.8%	Nil	Nil	Nil
511	Lancashire Care Foundation Trust (EIS)		25.9%	-6.6%	-6.6%	-6.6%	19.3%	19.3%	19.3%
263	Liberata UK Ltd (Burnley)		22.1%	-11.5%	-11.5%	-11.5%	10.6%	10.6%	10.6%

	Employer	Notes	Primary rate 2023/24 to 2025/26	Secondary rates			Total Contribution rates		
				2023/24	2024/25	2025/26	2023/24	2024/25	2025/26
150	Liberata UK Ltd (Pendle)		22.4%	-22.4%	-22.4%	-22.4%	Nil	Nil	Nil
514	LPPI Ltd		15.4%	£41,200	£43,100	£45,100	15.4% plus £41,200	15.4% plus £43,100	15.4% plus £45,100
550	LPPA Ltd		16.3%	-0.9%	-0.9%	-0.9%	15.4%	15.4%	15.4%
237	Mellors (Bishop Rawstorne)		25.0%	-2.1%	-2.1%	-2.1%	22.9%	22.9%	22.9%
460	Mellors (St Michaels CE Academy)		21.7%	-0.4%	-0.4%	-0.4%	21.3%	21.3%	21.3%
522	Midshire Signature Services Ltd ( Southlands High School)		24.9%	-2.1%	-2.1%	-2.1%	22.8%	22.8%	22.8%
377	Service Alliance (Whalley PS)		26.4%	-1.9%	-1.9%	-1.9%	24.5%	24.5%	24.5%
572	Taylor Shaw (Pendle Education Trust)		27.1%	Nil	Nil	Nil	27.1%	27.1%	27.1%
385	Urbaser Ltd (Burnley BC)		26.7%	-1.3%	-1.3%	-1.3%	25.4%	25.4%	25.4%
544	Veolia ES (UK) (Wyre BC)		25.7%	Nil	Nil	Nil	25.7%	25.7%	25.7%

	Employer	Notes	Primary rate 2023/24 to 2025/26	Secondary rates			Total Contribution rates		
				2023/24	2024/25	2025/26	2023/24	2024/25	2025/26
Grouped / Pooled Employers									
273	Mellors (Little Hoole)		19.4%	Nil	Nil	Nil	19.4%	19.4%	19.4%
274	Mellors (Holy Cross)		19.4%	Nil	Nil	Nil	19.4%	19.4%	19.4%
355	Service Alliance (Longridge St Wilfrid)		19.4%	Nil	Nil	Nil	19.4%	19.4%	19.4%
393	Service Alliance (Clitheroe Pendle PS)		19.4%	Nil	Nil	Nil	19.4%	19.4%	19.4%
394	I CARE Ltd (Ind Support) (Blackburn BC)		18.8%	Nil	Nil	Nil	18.8%	18.8%	18.8%
401	Elite Cleaning & Environmental Services Ltd (Carr Hill)		19.4%	Nil	Nil	Nil	19.4%	19.4%	19.4%
417	5AM Contract Cleaners Ltd (Blackpool Coastal Housing)		18.9%	Nil	Nil	Nil	18.9%	18.9%	18.9%
419	RCCN (Burscough Priory School)		19.4%	Nil	Nil	Nil	19.4%	19.4%	19.4%
424	Elite Cleaning & Environmental Services Ltd (St Annes Catholic PS)		19.4%	Nil	Nil	Nil	19.4%	19.4%	19.4%

	Employer	Notes	Primary rate 2023/24 to 2025/26	Secondary rates			Total Contribution rates		
				2023/24	2024/25	2025/26	2023/24	2024/25	2025/26
433	Mellors (Delph Side PS)		19.4%	Nil	Nil	Nil	19.4%	19.4%	19.4%
449	WSP (REAL ESTATE AND INFRASTRUCTURE) Ltd		18.8%	Nil	Nil	Nil	18.8%	18.8%	18.8%
450	Maxim FM (St Georges CE PS)		19.4%	Nil	Nil	Nil	19.4%	19.4%	19.4%
479	Wolseley UK (Together Housing)		20.1%	Nil	Nil	Nil	20.1%	20.1%	20.1%
486	Maxim FM ((St Augustines RC HS)		19.4%	Nil	Nil	Nil	19.4%	19.4%	19.4%
505	Orian Solutions Ltd (Layton PS )		18.8%	Nil	Nil	Nil	18.8%	18.8%	18.8%
513	CG Cleaning Ltd (Moorside PS Lancaster)		19.4%	Nil	Nil	Nil	19.4%	19.4%	19.4%
516	CG Cleaning Ltd (St Wulstans & St Edmunds PS)		19.4%	Nil	Nil	Nil	19.4%	19.4%	19.4%
517	CG Cleaning Ltd (Burnley St Peters PS)		19.4%	Nil	Nil	Nil	19.4%	19.4%	19.4%
518	Bullough Contract Services Limited (Balshaw HS)		19.4%	Nil	Nil	Nil	19.4%	19.4%	19.4%

	Employer	Notes	Primary rate 2023/24 to 2025/26	Secondary rates			Total Contribution rates		
				2023/24	2024/25	2025/26	2023/24	2024/25	2025/26
519	Aspens Services Ltd (A E - Sudell PS (Academy))		21.3%	Nil	Nil	Nil	21.3%	21.3%	21.3%
520	Aspens Services Ltd (AE - Darwen Vale HS (Academy))		19.5%	Nil	Nil	Nil	19.5%	19.5%	19.5%
521	Safenet Domestic Abuse and Support Services		19.4%	Nil	Nil	Nil	19.4%	19.4%	19.4%
523	Bullough Contract Services Limited (AE - Sudell PS (Academy))		21.3%	Nil	Nil	Nil	21.3%	21.3%	21.3%
528	Maxim FM (St James Clitheroe)		19.4%	Nil	Nil	Nil	19.4%	19.4%	19.4%
536	Aspens Services Ltd - (AE - DACA/DAES)		16.9%	Nil	Nil	Nil	16.9%	16.9%	16.9%
543	Tenon FM Ltd (Clayton Brook PS)		19.4%	Nil	Nil	Nil	19.4%	19.4%	19.4%
545	Tenon FM UK (Morecambe Bay PS)		19.4%	Nil	Nil	Nil	19.4%	19.4%	19.4%
547	Maxim FM (Deepdale PS)		19.4%	Nil	Nil	Nil	19.4%	19.4%	19.4%
548	Orian Solutions Ltd (Broughton Primary School)		19.4%	Nil	Nil	Nil	19.4%	19.4%	19.4%

	Employer	Notes	Primary rate 2023/24 to 2025/26	Secondary rates			Total Contribution rates		
				2023/24	2024/25	2025/26	2023/24	2024/25	2025/26
552	5AM Contract Cleaners Ltd (Roseacre Primary Academy)		18.3%	Nil	Nil	Nil	18.3%	18.3%	18.3%
556	The MCL Group (Int) Ltd (Edge Hill University)		17.8%	Nil	Nil	Nil	17.8%	17.8%	17.8%
566	Orian Solutions Ltd (St Peter's, Fulwood)		19.4%	Nil	Nil	Nil	19.4%	19.4%	19.4%
567	Orian Solutions Ltd (Tarleton Community Primary)		19.4%	Nil	Nil	Nil	19.4%	19.4%	19.4%
568	Orian Solutions Ltd (Banks Methodist School)		19.4%	Nil	Nil	Nil	19.4%	19.4%	19.4%
570	Riverside Truck Rental Limited		20.4%	Nil	Nil	Nil	20.4%	20.4%	20.4%
574	Andron (Frenchwood Primary School)		19.4%	Nil	Nil	Nil	19.4%	19.4%	19.4%
576	Tenon FM (Westcliff)		18.3%	Nil	Nil	Nil	18.3%	18.3%	18.3%
<b>Other employers requiring figures</b>									
553	Endeavour Learning Trust (Ormskirk School)		21.1%	-3.1%	-3.1%	-3.1%	18.0%	18.0%	18.0%

	Employer	Notes	Primary rate 2023/24 to 2025/26	Secondary rates			Total Contribution rates		
				2023/24	2024/25	2025/26	2023/24	2024/25	2025/26
555	Bullough Contract Services Limited (Blessed Edward Bamber Catholic MAT)		TBC	TBC	TBC	TBC	TBC	TBC	TBC
582	Mellors (Moorside Academy)		23.9%	Nil	Nil	Nil	23.9%	23.9%	23.9%
585	LET Education Trust (Rhyddings)		17.5%	-3.1%	-3.1%	-3.1%	14.4%	14.4%	14.4%
588	Romero CAT (St Mary Magdalene)		16.6%	-3.1%	-3.1%	-3.1%	13.5%	13.5%	13.5%
592	Cidari Education Ltd (Castle View)		20.9%	-3.1%	-3.1%	-3.1%	17.8%	17.8%	17.8%
593	Blessed Edward MAT (Sacred Heart)		20.6%	-3.1%	-3.1%	-3.1%	17.5%	17.5%	17.5%
594	Blessed Edward MAT (St Marys)		TBC	TBC	TBC	TBC	TBC	TBC	TBC
595	Blessed Edward MAT (St Wulstans & St Edmunds)		TBC	TBC	TBC	TBC	TBC	TBC	TBC
596	Blessed Edward MAT (St Kentigerns)		17.9%	-2.2%	-2.2%	-2.2%	15.7%	15.7%	15.7%
597	Blessed Edward MAT (St Teresas)		17.9%	-2.2%	-2.2%	-2.2%	15.7%	15.7%	15.7%

	Employer	Notes	Primary rate 2023/24 to 2025/26	Secondary rates			Total Contribution rates		
				2023/24	2024/25	2025/26	2023/24	2024/25	2025/26
598	PPA Facilities CIC		24.5%	Nil	Nil	Nil	24.5%	24.5%	24.5%
599	Mater Ecclesiae Catholic Multi Academy Trust (St Augustine's)		TBC	TBC	TBC	TBC	TBC	TBC	TBC
600	Mater Ecclesiae Catholic Multi Academy Trust (St Clare's)		19.5%	-3.1%	-3.1%	-3.1%	16.4%	16.4%	16.4%
601	Mater Ecclesiae Catholic Multi Academy Trust (Blessed Sacrament)		19.0%	-3.1%	-3.1%	-3.1%	15.9%	15.9%	15.9%
602	Mater Ecclesiae Catholic Multi Academy Trust (St Joseph's)		TBC	TBC	TBC	TBC	TBC	TBC	TBC
603	Mater Ecclesiae Catholic Multi Academy Trust (St Teresa's)		TBC	TBC	TBC	TBC	TBC	TBC	TBC
604	Mater Ecclesiae Catholic Multi Academy Trust (Our Lady and St Edward's)		18.2%	-3.1%	-3.1%	-3.1%	15.1%	15.1%	15.1%
605	Mater Ecclesiae Catholic Multi Academy Trust (St Bernard's)		17.6%	-3.1%	-3.1%	-3.1%	14.5%	14.5%	14.5%

#### Other interested bodies with no pensionable employees

Employer	Proportion of Pension Increases to be Recharged %
<b>Blackpool &amp; Fylde Society for the Deaf</b>	100
<b>Burnley &amp; Pendle Development Association</b>	100
<b>Burton Manor Residential College</b>	100
<b>Ex Department of Transport</b>	100
<b>Ex National Health Service</b>	100
<b>Fylde Coast Development Association</b>	100
<b>Lancashire South East Probation Committee</b>	100
<b>Spastics Society</b>	100
<b>Blackpool &amp; Fylde Society for the Deaf</b>	100
<b>Burnley &amp; Pendle Development Association</b>	100
<b>Burton Manor Residential College</b>	100

The following employers exited the Fund during 2022/23. Termination assessments may be required and any additional contributions required will be notified separately:

	Employer
<b>151</b>	West Lancs Community Leisure
<b>159</b>	Bulloughs (Our Lady)
<b>180</b>	CSG Kitchen Ltd
<b>308</b>	Service Alliance (Altham)

	Employer
<b>381</b>	FCC Environment
<b>399</b>	Elite CES (Fulwood and Cadley)
<b>407</b>	Compass CS Ltd (Preston College)
<b>434</b>	Mellors (Lostock Hall Academy)
<b>437</b>	Maxim (LRGS)
<b>466</b>	Compass Contract Services (FCAT - Mereside/ Unity/Montgomery)
<b>469</b>	Compass (Hodgson Academy)
<b>471</b>	Mellors (Parklands)
<b>487</b>	Mellors (Cidari Edu Trust)
<b>510</b>	Mellors (Cidari St Silas)

#### Important notes to the Certificate:

1. The percentages shown are percentages of pensionable pay and apply in respect of all members, including those who are members under the 50:50 option under the LGPS.
2. With the agreement of the Administering Authority employers may opt to pay their % and / or lump sum employer contributions in advance instead of monthly amounts, with either all three years being paid in April 2023 or payment being made in the April of the year they are due. The cash amounts payable will be reduced in return for this early payment as follows:
  - Payments made annually in advance will be reduced by 2.18% (i.e. the above amounts will be multiplied by 0.9782)
  - 2024/25 payments made in April 2023 will be reduced by 6.39% (i.e. the above amounts will be multiplied by 0.9361)
  - 2025/26 payments made in April 2023 will be reduced by 10.42% (i.e. the above amounts will be multiplied by 0.8958)

3. Where % contributions are being paid in advance, for these cases the employer will need to estimate in advance the pensionable pay for the entire period (subject to an agreed adjustment with the Administering Authority) and **a balancing adjustment to reflect the actual pensionable pay over the period would be made at the end of the period** (by 30th April or another date specified by the Administering Authority as appropriate following the year-end). Further information on the policy for prepayments can be provided by the Fund upon request. It should be noted that only certain employers will be able to pay their primary rate in advance due to the operational complexity.
4. Employers will not be allowed to prepay any member contributions and these must be paid in line with the Regulations.
5. The above secondary contributions include provision for the estimated effect of the McCloud Judgment based on the proposed remedy. Whilst it is possible that the Fund may require additional contributions from employers at that point in time if the McCloud remedy is substantially different from that currently anticipated, based on the Administering Authority's current knowledge and understanding of the likely outcome it believes that requiring such additional contributions is an unlikely outcome. In the event that additional contributions are required, this certificate will then be updated to reflect these changes. Any contribution changes will take effect from a date to be determined by the Administering Authority.
6. The Fund has an internal captive insurance arrangement in place in order to pool the risks associated with ill health retirement costs. The captive has been designed for employers that could be materially affected by the ill health retirement of one or more of their members. New employers entering the Fund will normally also be included. For those employers in the ill health captive arrangement, allowance for ill health retirements has been included in each employer's contribution rate, on the basis of the method and assumptions set out in the report. Details of the arrangement are set out in the FSS. Although outside of the captive arrangement, the contribution rate for the remaining employers also include allowance for ill-health retirements.
7. The pension increase recharges in relation to former employers will continue at the current levels.

## Appendix I

# Glossary

**Actuarial Valuation:** an investigation by an actuary into the ability of the Fund to meet its liabilities. For the LGPS the Fund Actuary will assess the funding level of each participating employer and agree contribution rates with the administering authority to fund the cost of new benefits and make good any existing deficits as set out in the separate Funding Strategy Statement.

**Barber Judgment:** the ruling made in respect of the Barber case by the European Court of Justice in 1990, which addressed inequality between men and women with regard to pension benefits and the age which they come into payment (due to women typically being able to receive their pension at age 60, compared to age 65 for men). As a result of the ruling, pension schemes have to pay equal benefits to comparable men and women in relation to service from 17 May 1990.

**Best Estimate Assumption:** an assumption where the outcome has a 50/50 chance of being achieved.

**Bonds:** loans made to an issuer (often a government or a company) which undertakes to repay the loan at an agreed later date. The term refers generically to corporate bonds or government bonds (gilts).

**Career Average Revalued Earnings Scheme (CARE):** with effect from 1 April 2014, benefits accrued by members in the LGPS take the form of CARE benefits. Every year members will accrue a pension benefit equivalent to 1/49th of their pensionable pay in that year. Each annual pension accrued receives inflationary increases (in line with the annual change in the Consumer Prices Index) over the period to retirement.

**CMI:** the 'Continuous Mortality Investigation' carries out research in relation to mortality and morbidity experience, which can then be used by actuaries to assess the funding required by pension funds and other bodies.

**CPI:** acronym standing for "Consumer Prices Index". CPI is a measure of inflation with a basket of goods that is assessed on an annual basis. The reference goods and services differs from those of RPI. These goods are expected to provide lower, less volatile inflation increases. Pension increases in the LGPS are linked to the annual change in CPI.

**Deficit:** the extent to which the value of the Fund's past service liabilities exceeds the value of the Fund's assets.

**Discount Rate:** the rate of interest used to convert a cash amount e.g. future benefit payments occurring in the future to a present value.

**Employer Covenant:** the degree to which an employer participating in an occupational pension scheme is willing and able to meet the funding requirements of the scheme.

**Employer's Future Service Contribution Rate:** the contribution rate payable by an employer, expressed as a % of pensionable pay, as being sufficient to meet the cost of new benefits being accrued by active members in the future. The cost will be net of employee contributions and will include an allowance for the expected level of administrative expenses. It is normally the same as an employer's Primary Contribution Rate under the Regulations.

**Employer's Primary Contribution Rate:** the contribution rate required to meet the cost of the future accrual of benefits including ancillary, death in service and ill health benefits together with administration costs. It is expressed as a percentage of pensionable pay, ignoring any past service surplus or deficit, but allowing for any employer-specific circumstances, such as its membership profile, the funding strategy adopted for that employer, the actuarial method used and/or the employer's covenant. The Primary Contribution Rate for the whole Fund is the weighted average (by payroll) of the individual employers' Primary Contribution Rates.

**Employer's Secondary Contribution Rate:** an adjustment to the Primary Rate to reflect any past service deficit or surplus, to arrive at the rate each employer is required to pay. The Secondary Rate may be expressed as a percentage adjustment to the Primary Rate, and/or a cash adjustment in each of the three years beginning 1 April in the year following that in which the valuation date falls. The Secondary Rate is specified in the Rates and Adjustments Certificate. For any employer, the rate they are actually required to pay is the sum of the Primary and Secondary Rates. Secondary Rates for the whole fund in each of the three years shall also be disclosed. These will be calculated as the weighted average based on the whole fund payroll in respect of percentage rates and as a total amount in respect of cash adjustments.

**Equities:** shares in a company which are bought and sold on a stock exchange.

**Funding Strategy Statement (FSS):** this is a key governance document that outlines how the administering authority will manage employer's contributions to the Fund.

**Gilts:** loans made to a government, which undertakes to repay the loan/Government bond at an agreed later date. The coupon paid (e.g. the interest paid as part of the loan agreement) and the final settlement amount will be fixed and agreed at the outset of the loan.

**Government Actuary's Department (GAD):** GAD is responsible for providing actuarial advice to public sector clients. GAD is a non-ministerial department of HM Treasury.

**Guaranteed Minimum Pension (GMP):** this is part of a member's pension which was earned between 6 April 1978 and 5 April 1997 and which replaces part of that member's State Scheme benefits in respect of that period.

**Ill Health Captive:** this is a notional fund designed to protect certain employers against excessive ill health costs in return for an agreed insurance premium.

**Index-Linked Gilts:** loans made to a government, which undertakes to repay the loan/Government bond at an agreed later date. The coupon paid (e.g. the interest paid as part of the loan agreement) and the final settlement amount are adjusted in line with the movements in RPI inflation in order to retain their 'real' value over time and protect against the potential effects of inflation.

**Investment Strategy:** the long term distribution of assets among various asset classes that takes into account the Funds objectives and attitude to risk.

**Lloyds Bank case:** on 26 October 2018, the High Court handed down an important judgment on the equalisation of GMPs (in the Lloyds Banking Group Pensions Trustees Limited v Lloyds Bank plc and others). The judgment ruled that trustees of pension schemes have a legal duty to equalise the GMP benefits provided by the scheme, to remove the inequality in relation to GMPs between men and women.

**McCloud Judgment:** This refers to the linked legal cases of Sargeant and McCloud, and which found that the transitional protections (which were afforded to older members when the public service pension schemes were reformed in 2014/15) constituted unlawful age discrimination.

**Past Service Liabilities:** this is the present value of the benefits accrued by members up to the valuation date. It is assessed based on a set of assumptions agreed between the Administering Authority and the Actuary.

**Percentile:** a method of ranking a series of outcomes. For example, a 10<sup>th</sup> percentile outcome means that only 10% of results would be expected to be as good as or better than the 10<sup>th</sup> percentile and 90% of results would be expected to be worse.

**Prepayment:** the payment by employers of contributions to the Fund earlier than that certified by the Actuary. The amount paid will be reduced compared to the certified amount to reflect the early payment.

**Present Value:** the value of projected benefit payments, discounted back to the valuation date.

**Primary rate of the employers' contribution:** see definition of Employer's primary contribution rate.

**Prudent Assumption:** an assumption where the outcome has a greater than 50/50 chance of being achieved i.e. the outcome is more likely to be overstated than understated. Legislation and guidance requires the assumptions adopted for an actuarial valuation overall to be prudent.

**Real Return or Real Discount Rate:** a rate of return or discount rate net of CPI inflation.

**Recovery Plan:** If the funding level of an employer is above or below 100% at the valuation date (i.e. the assets of the employer are more or less than the liabilities), a recovery plan needs to be implemented such that the secondary contributions for each employer can be calculated. This recovery plan requires a period over which to recover the deficit or run off any surplus i.e. the recovery period ("the recovery period", as defined in the Funding Strategy Statement).

**SAB Funding Basis or SAB Basis:** a set of actuarial assumptions determined by the LGPS Scheme Advisory Board (SAB). Its purposes are to set out the funding position on a standardised approach so that comparisons can be made with other LGPS Funds, and to

assist with the “Section 13 review” as carried out by the Government Actuary’s Department. As an example, the real discount rate over and above CPI used in the SAB Basis as at 31 March 2019 was 2.4% p.a., so it can be substantially different from the actuarial assumptions used to calculate the Fund’s solvency funding position and contribution outcomes for employers.

**Solvency/Funding Level:** the ratio of the value of the Fund’s assets and the value of the Fund’s liabilities expressed as a percentage.

**Solvency Funding Target:** an assessment of the present value of benefits to be paid in the future. The desired funding target is to achieve a solvency level of a 100% i.e. assets equal to the past service liabilities assessed on the ongoing concern basis.

**Surplus Buffer:** the required part of the surplus to be held back to act as a cushion against future adverse experience (reflecting the current market uncertainty). Aids future contribution rate stability for long term employers.

**50/50 Scheme:** in the LGPS, active members are given the option of accruing a lower benefit in the 50/50 Scheme, in return for paying a lower level of contribution.



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