

# To receive and note a report on the Local Government Pension Scheme

## Report to:

Personnel Committee

## Date of Report:

15 June 2026

## Officer Writing the Report:

Finance Officer

## Purpose of the report:

To inform the members of the recent Cornwall Pension Fund Scheme triennial pension valuation for 2026/27 to 2028/29 and results.

## Officer's Recommendations

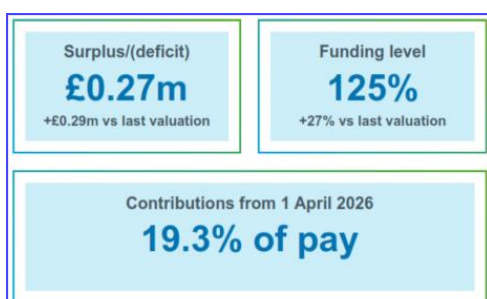
To note the report detailed below.

## Report Summary

The Local Government Pension Scheme (LGPS) carry out a triennial valuation on behalf of the Cornwall Pension Fund. This is for the 3 year period from April 2026 to March 2029. The process started in February 2025 by actuaries, Hymans Robertson. They use data as at 31 March 2025 and the process takes approximately 12 months with the results published in March 2026.

See **Appendix A** which provides the 2025 actuarial valuation results and key points as follows:

- A fund surplus of £0.27m / providing 125% funding level / overall employer contribution 19.3% from 1 April 2026 (reduced from 19.5% for previous 3 years)



- The following table provides the breakdown for Primary and Secondary employer contributions for previous 3 years to 31 March 2026 and next 3 years to 31 March 2029.
- Primary pension contributions are the ongoing regular contributions that the employer pays into the pension fund to cover the cost of benefits employees are building up for retirement.
- Secondary contributions are additional payments employers must make on top of primary contributions to cover any funding shortfalls or specific costs such as contributions following early retirement or one off costs.
- Primary contributions have increased from 19.5% to 20.4%. The secondary contributions have reduced from a one off cost of £500 to a % decrease of (1.1%).
- The overall Total employer contribution has decreased to 19.3%

Contribution rates						
The contribution rates for the three-year period from 1 April 2026 to 31 March 2029 are set out in the following table (alongside the current rate in payment).						
Employer contribution rates for year ending	Primary rate		Secondary contributions*		Total contributions*	
	% of pay		% of pay	£	% of pay	£
31 March 2026	19.5%		0.0%	£500	19.5%	£500
31 March 2027	20.4%		(1.1%)	-	19.3%	-
31 March 2028	20.4%		(1.1%)	-	19.3%	-
31 March 2029	20.4%		(1.1%)	-	19.3%	-

### How does this affect the employee pension contribution?

A small change in the employer contribution rate (e.g. from 19.5% to 19.3%) does not directly affect an individual employee's pension pot in the LGPS.

LGPS is a defined BENEFIT\_scheme and is not based on an individual investment "pot" like a defined contribution pension.

Instead, the employee pension is calculated using a formula:

- Pension earned each year =  $\frac{1}{49}$  of your pensionable pay

The employee pension benefits depend on the employee salary and length of service.

## How Does This Meet the Business Plan?

Enrolment in the Local Government Pension Scheme (LGPS) supports **Strategic Priority 1 – Boosting Jobs and Economic Prosperity** by strengthening the STC employment offer and helping attract and retain a skilled, stable workforce. Providing access to a secure, defined benefit pension enhances employee financial wellbeing and long-term security, contributing to a motivated and productive workforce.

## Budgets

### Budgets for 2026/27:

Library Staff - Employers Pension:	£169,564
Guildhall Staff - Employers Pension:	£531,901
Services Delivery Staff - Employers Pension:	£290,819
6652 ST PE Employers Pension - Monthly Fee:	£0

The 2026/27 precept budget sets employer pension contributions at 19.3%, based on 2025/26 NJC salary scales with a 5% contingency to allow for 2026/27 pay awards.

### Signature of Officer:

Finance Officer