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**LOCAL GOVERNMENT PENSION SCHEME FUNDS WALES
2007-08**

Local Government Pension Scheme Funds Wales 2007-08

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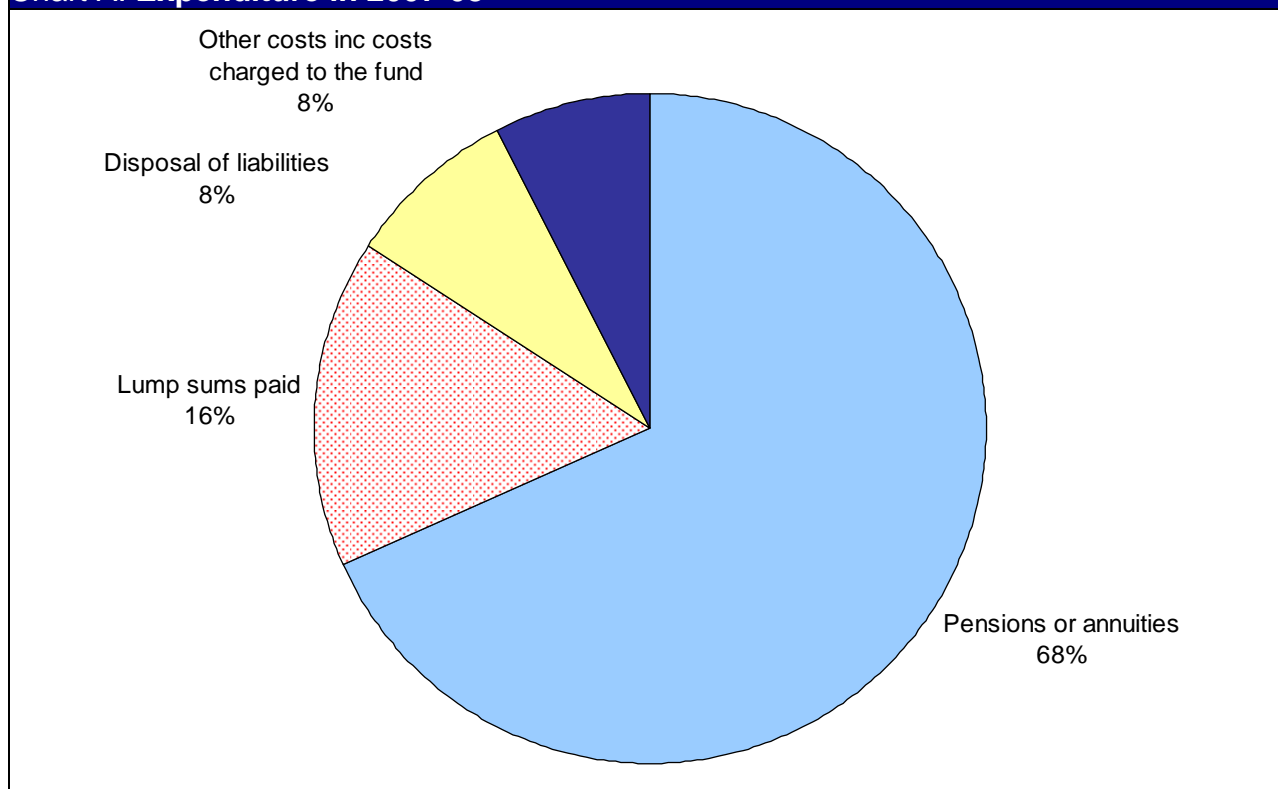
Local Government Pension Scheme Funds Wales 2007-08

Expenditure: 2003-04 to 2007-08

1. **Table 1** and **Chart A** provide figures for Local Government Pension Scheme expenditure from 2003-04 to 2007-08.

Table 1: Local Government Pension Scheme expenditure 2003-04 to 2007-08					
	2003-04	2004-05	2005-06	2006-07	£ million 2007-08
Total expenditure on benefits	260	275	288	327	345
<i>of which:</i>					
<i>Pensions or annuities</i>	228	238	250	264	280
<i>Lump sums paid on retirement</i>	28	33	33	58	60
<i>Lump sums paid on death</i>	5	4	4	5	5
<i>Other benefits</i>	0	0	0	0	0
Disposal of Liabilities	42	38	49	46	33
<i>of which:</i>					
<i>Transfer Values</i>	40	36	49	45	33
<i>Pensions Act premiums</i>	0	1	0	0	0
<i>Refunds of contributions</i>	2	2	1	0	0
Costs charged to the funds	17	18	21	24	31
<i>of which:</i>					
<i>Fund Management costs</i>	11	12	14	17	23
<i>Administration costs</i>	6	6	7	7	8
Other expenditure	0	0	0	0	0
Total expenditure	319	332	358	397	409

Chart A: Expenditure in 2007-08

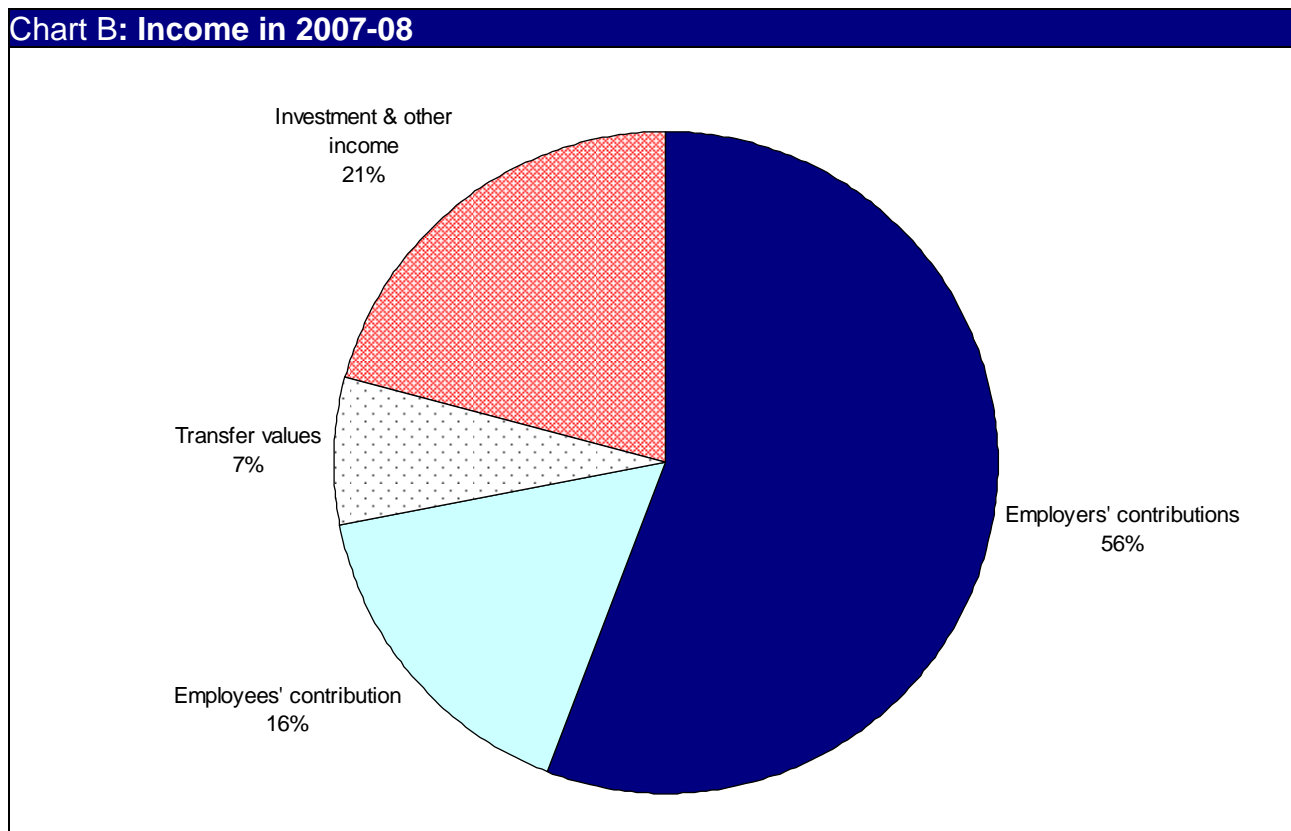


Income: 2003-04 to 2007-08

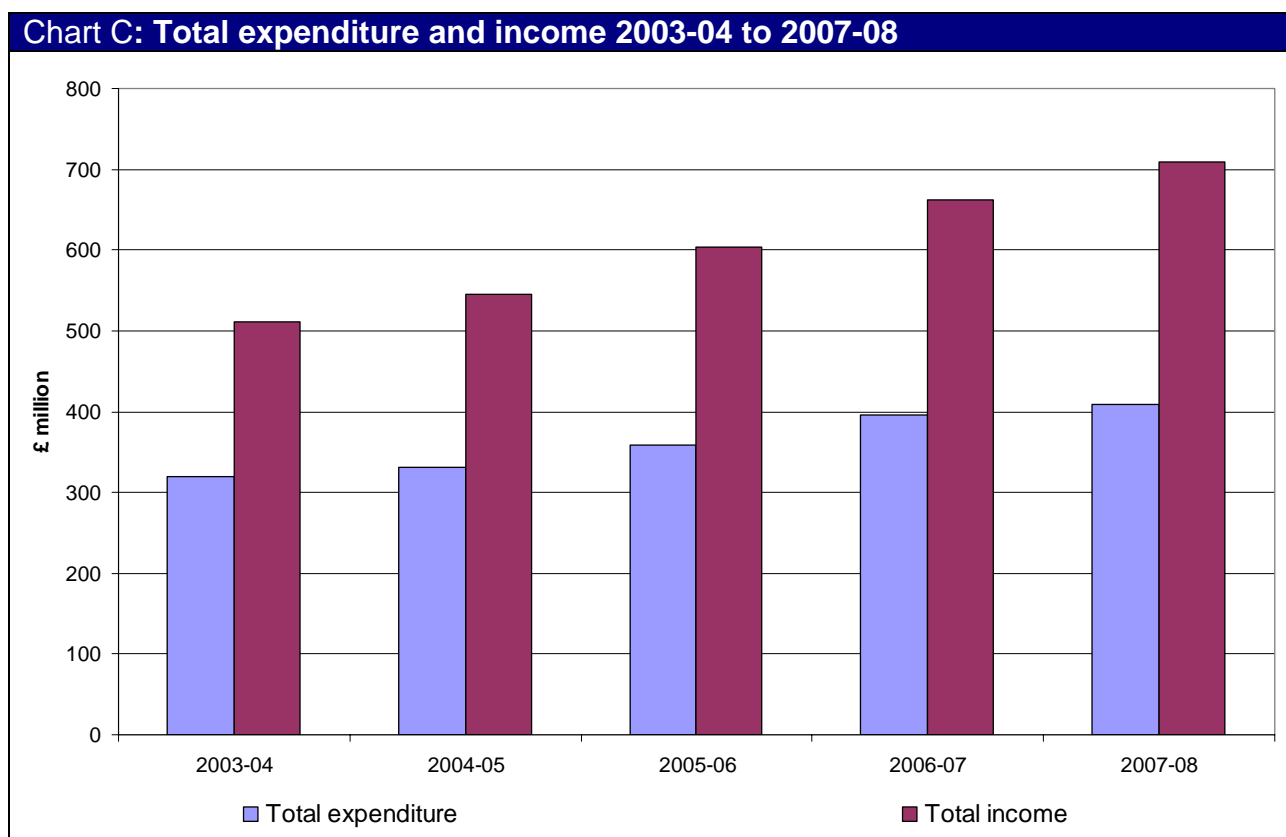
2. **Table 2** and **Chart B** provide figures for Local Government Pension Scheme income from 2003-04 to 2007-08.

Table 2: Local Government Pension Scheme income 2003-04 to 2007-08					
	2003-04	2004-05	2005-06	2006-07	£ million 2007-08
Contributions (including those from admitted authorities)					
Employees	91	98	104	111	115
Employers ^(a)	260	283	317	360	396
Investment income (gross)	106	109	114	128	136
Transfer values	52	52	60	54	51
Other income	2	3	9	9	12
Total income	512	546	604	662	710

(a) Includes employers secondary contributions



3. **Chart C** provides a comparison of total Local Government Pension Scheme expenditure and income from 2003-04 to 2007-08.



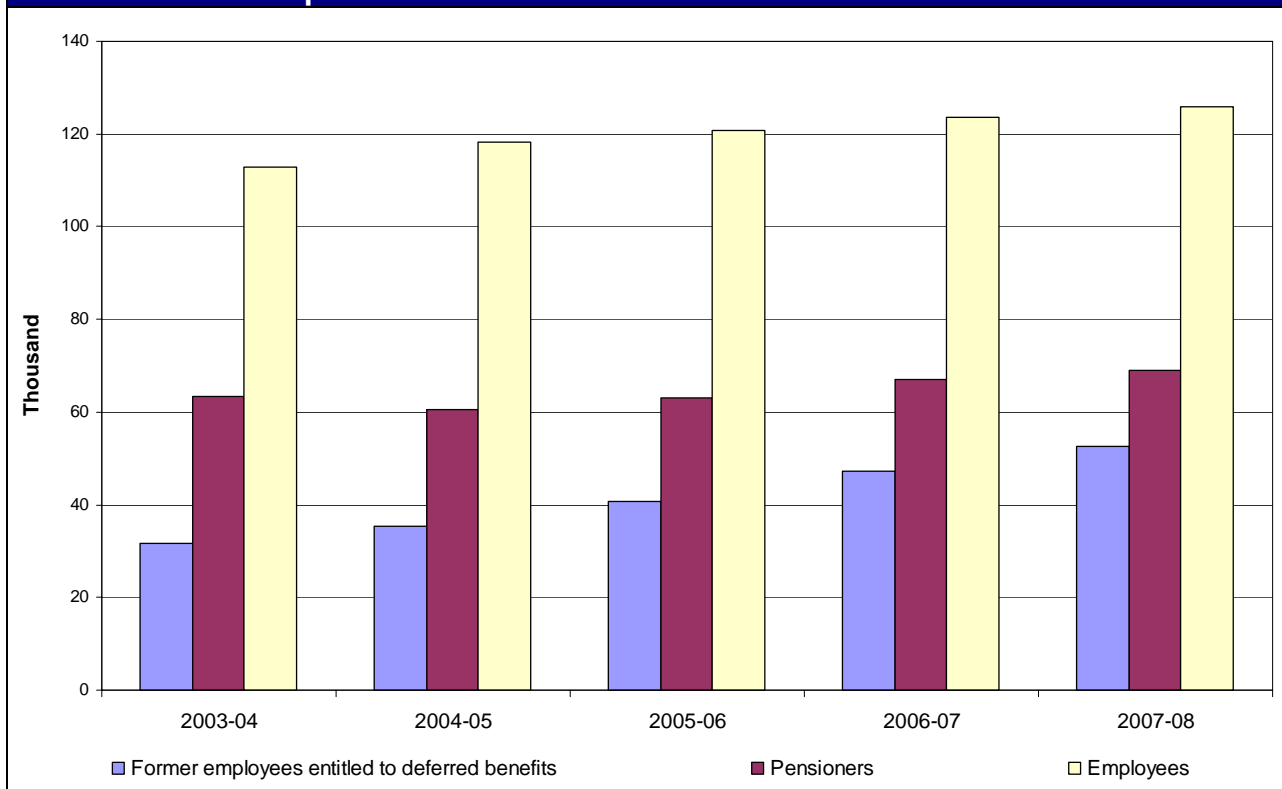
Membership and market value: 2003-04 to 2007-08

4. **Table 3** and **Chart D** provide figures of the membership and the market value of the Local Government Pension Scheme from 2003-04 to 2007-08.

Table 3: Number of Local Government Pension Scheme members and market value of funds at the end of each year 2003-04 to 2007-08

	2003-04	2004-05	2005-06	2006-07	Thousand 2007-08
Number of scheme members					
Employees	113	118	121	124	126
Pensioners	63	61	63	67	69
Former employees entitled to deferred benefits	32	35	41	47	53
Market value of funds at end of year	4,744	5,389	6,876	7,478	£ million 7,505

Chart D: Membership of the Local Government Pension Scheme 2003-04 to 2007-08



Terminology used in this release

A list of terms relating to local government finance is given in the glossary at *Annex G to Local Government Financial Statistics England No. 18 2008*. This is accessible at www.local.communities.gov.uk/finance/stats/lgfs/2008/lgfs18/annexG.pdf. The most relevant terms for this release are explained below.

Administering authority

A body responsible for administering a Local Government Pension Scheme fund on behalf of its members who may be drawn from a number of local authorities

Admitted bodies

Administering authorities may admit employees of non-scheme employers to the scheme under an admission agreement.

Former employees entitled to deferred benefits

Members who leave the scheme having completed the minimum period of service but who are not entitled to the immediate payment of a pension benefit, are awarded a deferred benefit which, under normal circumstances, becomes payable when the person reaches their normal retirement age.

Local Government Pension Scheme

The pension funds in the Local Government Pension Scheme operate under regulations made under the Superannuation Act 1972. Schedules to the regulations list the scheme employers, most of these are local authorities. In England there are 81 pension funds in the Local Government Pension Scheme, each administered by an administering authority.

The assets of the pension funds are for meeting the future pension liabilities of the funds, and are part of the financial corporations sector in the National Accounts, not part of the local government sector. Pensions paid out under the scheme are therefore part of the expenditure of the pension funds, not of the local authorities that administer them. Employers' and employees' contributions, part of the income of the funds, are recorded as expenditure by local authorities in their revenue accounts, either directly or indirectly under employees' expenses.

Pension arrangements for fire fighters, police and teachers

Separate arrangements apply for the pensions of the police, fire fighters and teachers. The police and fire fighters' pensions are provided through unfunded schemes administered locally, and the cost of police and fire fighters' pensions are therefore included in local authority expenditure. Teachers' pensions are provided through a notionally funded scheme administered by the Department for Children, Schools & Families (DCSF). There is no fund of assets, and teachers' pensions are paid by the DCSF. Employers' and employees' contributions are paid by local authorities to the DCSF and are recorded as expenditure in their revenue accounts.

It should be noted that non-operational staff in the police, fire and rescue service support staff and non-teaching staff in the education sector are covered by the Local Government Pension Scheme.

Refunds of contributions

Contributions refunded when a person leaves a pension scheme before completing a minimum period of service.

Transfer Values

A cash value assigned to a person's pension pot that is transferred with them when they move from one pension fund to another.

Data quality

The information in this publication is based on data returned to Communities and Local Government by the 8 administering authorities in Wales on Local Government Pension Funds and associated information for the financial year 2007-08 (SF3) forms.

Figures are subjected to rigorous pre-defined validation tests both within the form itself, while the form is being completed by the authority and also in Communities and Local Government as the data are received and stored.

Finally, the release document, once prepared, is also subject to intensive peer review before being cleared as fit for the purposes of publication.

Uses made of the data

The data in this publication are essential for a number of different purposes. A central and immediate purpose is to provide Ministers with information about the Local Government Pension Scheme. The data are also used by local authorities, their associations and regional bodies.

In addition, the data are important sources this survey provides a benchmark on the administration and fund management of the Local Government Pension Scheme. The data are also used in compiling the National Accounts and to show the role of pension funds in the economy.

Background Notes

1. This publication has been produced to the high professional standards set out in the National Statistics Code of Practice. They undergo regular quality assurance reviews to ensure they meet customer demands.
2. The information for 2007-08 in this publication is derived from Local Government Pension Scheme Fund (SF3) forms submitted by the 8 Administering Authorities in Wales only.
3. The pension funds in the Local Government Pension Scheme provide pensions for most local authority employees. In England and Wales there are 89 pension funds in the Local Government Pension Scheme. The assets of the pension funds are for meeting the future pension liabilities of the funds, and are part of the financial corporations sector in the National Accounts, not part of the local government sector. Pensions paid out under the scheme are therefore part of the expenditure of the pension funds, not of the local authorities that administer them. Separate arrangements apply for the pensions of the police, fire fighters and teachers.
4. For enquiries about this publication please contact John Farrar on 020 7944 4158 or email sf3.statistics@communities.gsi.gov.uk.
5. A Statistical Release giving details for Local Government Pension Schemes in England can be found at the following web address:
<http://www.local.communities.gov.uk/finance/stats/pensions078.pdf>
6. For a fuller picture of recent trends in local government finance in England, readers are directed to *Local Government Financial Statistics England No. 18 2008* which is available in hard copy from Wetherby Publications Centre at communities@twoten.com (Tel. 0870 1226 236) and electronically from the Communities and Local Government website <http://www.local.communities.gov.uk/finance/stats/lgfs/2008/lgfs18/> .
7. The Scottish Government also collect local government pension fund data. Their information can be found at the following website:
<http://www.scotland.gov.uk/Publications/2008/01/23112333/15>

Symbols and convention used in this publication

...	=	not available
—	=	not relevant
-	=	negative
0	=	zero or negligible

Rounding

Where figures have been rounded, there may be a slight discrepancy between the total and the sum of constituent items