

Mr D Jackson
Chief Executive
Causeway Coast & Glens Borough Council
Cloovanin
66 Portstewart Road
Coleraine
BT52 1EY

Our Reference: 378
10 November 2025

Dear Mr Jackson,

Employers' Contribution Rates for 2026/27, 2027/28 and 2028/29

The actuarial valuation of the Local Government Pension Scheme (NI) ('the Scheme') is currently taking place with an effective date of 31 March 2025. This valuation is carried out every three years by the Scheme's actuary. The valuation determines how well funded the Scheme is, and in turn, the actuary then certifies the employers' contribution rates to the Scheme that are required for each of the next three years.

NILGOSC has now been provided with the preliminary results and employer contribution rates for the new valuation. This letter sets out the employer contribution rates for employers in the Scheme's Main Employer Group. Most employers participate in the Main Group and have the same employers' contribution rate. These contribution rates will take effect from 1 April 2026 to 31 March 2029.

In line with the Funding Strategy Statement the employers' contribution rates are normally composed of two elements:

- a future service rate, and
- deficit recovery contributions with the deficit payable over the average working lifetime of the active members.

As the Scheme currently has a surplus, employers in the Main Group will have **no** deficit recovery contributions.

As explained during the employer seminar held in October, the actuary has calculated the Group future service cost as 17.1% of pay. As the Scheme is in surplus at 31 March 2025, this overall cost can be marginally offset using part of this surplus. The proposed reduction reflects a desire for stability in employer rates and the need for prudence. As you may be aware, the funding of the Scheme, and the resulting employer contribution rates, are highly dependent on market driven assumptions and are very

sensitive to volatility in these. Although the prudence reserve may allow for some degree of protection against future negative funding events, there remains a possibility that employer contribution rates may increase at the next valuation, toward the level of the Group future service cost at that point.

The employer contribution rates proposed by the actuary for the next three years for Causeway Coast & Glens Borough Council on the Main Group rate will be as follows:

	1 April 2026 – 31 March 2027	1 April 2027 – 31 March 2028	1 April 2028 – 31 March 2029
Employer Contribution rate (% p.a.)	15.5%	15.5%	15.5%
Recovery Period	20 years		

I have enclosed a separate indicative results schedule, provided by the Scheme's actuary, that sets out the proposed contributions, financial assumptions and summary of membership used in the valuation. In addition, the actuary has provided the estimated funding shortfall or surplus (Exit position) should Causeway Coast & Glens Borough Council have ceased to participate in the Scheme at 31 March 2025. This estimated figure is provided for information purposes only and does not include any professional fees associated with exit. Changes in market conditions since the valuation date may mean that a higher/lower exit payment would be due if the employer exited the Scheme at any date following the valuation.

We hope that this early indication of your proposed individual contribution rates is of some assistance to your budgetary planning. The actuary must issue a Rates and Adjustments Certificate confirming the contribution rates before 31 March 2026. From 1 April 2026 the percentage employer contribution rates and employees' contributions (which are unchanged) should continue to be paid over to NILGOSC each month as normal.

We will provide a final copy of the Rates and Adjustments Certificate once it is certified. This is expected to be in the last week of March 2026. In the meantime, please contact us if you have any queries regarding the above contribution rates.

Yours sincerely,



Sinead Heath
Chief Pensions Officer

Encls. Individual Employer Draft Results Schedule
Explanatory Notes to accompany 2025 valuation employer results schedules

Cc Mr D Wright, Ms S McQuillan, Ms D McIlwaine

Northern Ireland Local Government Officers' Pension Fund

Actuarial valuation of the Fund as at 31 March 2025

Individual Employer Results

Indicative Results as at 22 October 2025

Employer information	
Employer	Causeway Coast and Glens District Council Group
Funding Target	Main Employer Group
Open or closed to new entrants	Open
<i>The Main Employer Group funding target applies to secure employers who are considered by NILGOSC to qualify for membership of the Main Employer Group and Admission Bodies with a subsumption commitment from such an employer. The discount rate (investment return assumption) assumes indefinite investment in a broad range of assets of higher risk than risk free assets.</i>	
<i>A subsumption commitment refers to an agreement from a Main Employer Group to subsume the Admission Body's assets and liabilities on exit.</i>	

Current employer contributions 2025/2026 (p.a.)	
Current contributions 2025/2026 (based on 2022 valuation)	19.0% of pensionable pay

Key parameters from the 2025 valuation (applies to whole group)	
Group Funding Level	119.1%
Group future service contribution rate from 1 April 2026 (% pay)	17.1% p.a.
Surplus buffer	115%
Recovery period (years from 1 April 2026)	20 years

Future service rate: The cost to the Group (as a % of pay) of benefits employee members will earn in future based on the funding assumptions. It allows for expenses and expected member contributions.

Surplus buffer: Only the surplus above the surplus buffer will be used to reduce contributions, with the surplus below the surplus buffer being retained as a cushion against potential future adverse experience.

Recovery Period: The period over which any surplus or deficit in the Group's funding level is spread. This has been retained at 20 years.

Proposed employer contribution schedule 2026 - 2029 (p.a.)	
Contribution rate 2026/2027	15.5% of pensionable pay
Contribution rate 2027/2028	15.5% of pensionable pay
Contribution rate 2028/2029	15.5% of pensionable pay

Balance sheet at 2025 valuation (£Ms)	Surplus / (Shortfall)
Exit position as at 31 March 2025 (gilts basis, actives as deferreds)	18.090

The exit position is indicative only, illustrating the funding position of the Employer had it exited on the valuation date. It assumes that all active members became deferred on the valuation date, and excludes any professional fees associated with exit. Changes in market conditions since the valuation date could mean that a higher/lower exit payment would be due if the Employer exited the Fund at any date following the valuation date.

Financial assumptions for Main Employer Group (% pa)	Discount rate - in service	Discount rate - left service	Salary increases	Pension increases / revaluation of pension
Last valuation (2022)	4.20%	4.20%	3.80%	2.30%
Main Employer Group Funding Target (2025)	4.70%	4.70%	3.60%	2.10%
Exit basis (actives as deferreds) (2025)	5.00%	5.00%	n/a	2.95%

Discount rate: The rate of interest used to place a present value on a future benefit payment. At the 2025 valuation this has been set such that there is a 82.5% chance of the Fund's assets delivering returns at or above the discount rate. The exit basis discount rate is derived from the yield on gilts at the valuation date.

At the 2022 valuation we included a loading of 10% to the liabilities to allow for the impact of expected short term high inflation. This is not included in the financial assumptions in the 2025 valuation.

Summary of membership data as at 31 March 2025	Actives	Deferreds (inc. undecideds)	Pensioners (inc. dependants)	Total
Number	726	291	696	1,713
Average age (unweighted)	49.7	49.6	71.4	
Total salary roll (2015 scheme definition)	25,073,971	n/a	n/a	25,073,971
Total pension	5,556,774	890,217	5,919,305	12,366,296

Salary : Pensionable Pay over the year 1 April 2024 to 31 March 2025, as defined in the LGPS (NI) Regulations in relation to post-2015 membership. Regulations: The Local Government Pension Scheme Regulations (Northern Ireland) 2014 (as amended)

Additional information

This Individual Employer Results Schedule should be read in conjunction with the covering report entitled "Explanatory notes to accompany 2025 valuation employer results schedule' dated 22 October 2025.

Disclaimer

This Individual Employer Results Schedule has been released to the Employer for information only. It should not be used or relied upon by any person other than our client, NILGOSC, nor used for any other purpose. There is no duty of care established toward, and Aon disclaims any responsibility or liability arising from, any person having access to this document either directly from the Employer, indirectly from a third party or through any other means. No recipients of the information are permitted to reproduce, distribute or communicate any part of this supplement to any other party or advisor.

We neither warrant nor represent (either expressly or by implication) to any third party who receives this document that the information included is fair, accurate or complete, whether at the date of its preparation or at any other time. All third parties are hereby notified the supplement shall not be used as a substitute for any enquiries, procedures or advice which ought to be undertaken or sought by them. We do not accept any responsibility for any consequences arising from any third party seeking to rely on this.

This is not formal actuarial advice, and is not covered by the scope of actuarial guidance TAS 100 and 300. The Employer can contact us if it wants actuarial advice on funding its liabilities, although such advice would not be provided by the NILGOSC advisory team and would need to adhere to our conflict of interest policy.