

**CIVIL SERVICE PENSION
RESERVE FUND**

CIVIL SERVICE PENSION RESERVE FUND

Memorandum Note

On 25 January 1995, the Legislative Council established the Civil Service Pension Reserve Fund by Resolution to provide a reserve to meet payment of civil service pensions in the unlikely event that the Government cannot meet its liabilities for such payment from the General Revenue Account. The Resolution provides that—

- (a) the Fund shall be administered by the Financial Secretary who may delegate his power of administration to other public officers;
 - (b) there shall be credited to the Fund—
 - (i) such moneys as may be appropriated for the purpose, and
 - (ii) all sums received by way of interest or dividend on moneys invested under paragraph (e) below;
 - (c) the Financial Secretary may expend moneys from the Fund for the purpose of meeting the liabilities for payment of pensions, gratuities or other allowances under the Pensions Ordinance (Cap. 89), the Pension Benefits Ordinance (Cap. 99) or the Pension Benefits (Judicial Officers) Ordinance (Cap. 401) if, at the end of any month in a financial year, he believes that the balance in the General Revenue Account will be in deficit at the end of that financial year, having taken into account all anticipated receipts and payments;
 - (d) the Director of Accounting Services shall, under the authority of a funds warrant issued by the Financial Secretary, pay from the Fund such sums as may be required to meet expenditures from the Fund; and
 - (e) the Financial Secretary in his discretion may authorise the investment in such manner as he may determine of any moneys held in the Fund at any time.
- 2 On 17 February 1995, the Finance Committee approved an appropriation of \$7 billion for payment to the Fund.
- 3 No payments are expected to be made in 2025–26 and 2026–27.
- 4 Receipts for 2025–26 and 2026–27 are estimated at \$2,548,878,000 and \$2,903 million respectively.

**CIVIL SERVICE PENSION RESERVE FUND
(Receipts)**

	Actual receipts 2024-25	Revised estimate 2025-26	Estimate 2026-27
	\$'000	\$'000	\$'000
Investment income	2,072,360	2,548,878	2,903,000
Total (Receipts)	2,072,360	2,548,878	2,903,000

CIVIL SERVICE PENSION RESERVE FUND

Movement of the Account

	Actual				Revised Estimate	Estimate
	2021-22	2022-23	2023-24	2024-25	2025-26	2026-27
	\$m	\$m	\$m	\$m	\$m	\$m
Opening Balance	42,770	48,813	53,864	55,857	57,929	60,478
Revenue	3,022	5,051	1,993	2,072	2,549	2,903
Expenditure	—	—	—	—	—	—
Surplus before Transfer from GRA	3,022	5,051	1,993	2,072	2,549	2,903
Transfer from GRA	3,021	—	—	—	—	—
Surplus after Transfer from GRA	6,043	5,051	1,993	2,072	2,549	2,903
Closing Balance	48,813	53,864	55,857	57,929	60,478	63,381

Revenue Analysis

	Actual				Revised Estimate	Estimate
	2021-22	2022-23	2023-24	2024-25	2025-26	2026-27
	\$m	\$m	\$m	\$m	\$m	\$m
Investment Income	3,022*	5,051*	1,993	2,072	2,549	2,903
Total Revenue	3,022	5,051	1,993	2,072	2,549	2,903

* The amount has included the investment income brought back from the Housing Reserve.