CIPFA performance in public services

The CIPFA LGPS Actuarial Summit 2014

HSBC Offices, 8 Canada Sq, Canary Wharf, London

14th January 2014

As we now digest the results of the 2013 Triennial Valuation in the context of implementing a new LGPS in 2014 this will be a key event in considering all of the key issues facing individual Funds as well as the LGPS as a whole. There are a number of emerging issues which will be linked to the new Scheme particularly maturity and employer issues. Given the cost cap(s) that will be in place for the new scheme how will the results of Funds and individual employers start to impact on the strategies that they will need to adopt? This event will be looking ahead over the next Valuation cycle to consider where we might be in 3 years' time. Following consultation with **all of the leading actuarial firms** we have produced a programme covering all of the major topics including the opportunity to raise questions with expert speakers.

09.30 – 10.00	**Coffee and registration**
10.00 – 10.05	Chairman's Introductions
10.05 – 10.40	**Asset Allocation in current Economic Conditions – Karen Ward, Senior Global Economist, HSBC** The opening session will examine the economic backdrop for 2014 from the pension fund perspective and highlight the risks and forecasts for the key drivers affecting actuarial assumptions. We will hear how alternative approaches to asset allocation can support the long term funding strategy.
10.40 – 11.20	**Actuarial Session 1: Longevity & Scheme Data – John Livesey, Mercer** An overview of the latest actuarial thinking on longevity including using the latest experiences and how this has fed through to the 2013 results for individual Funds and Employers. The session will also consider how the quality of data is impacting upon the reliability of results produced.
11.20 –11.40	**Break**
11.40 – 12.20	**Actuarial Session 2: Assumptions and Risks - Graeme Muir, Public Sector Consulting, Barnett Waddingham** The choice of discount rate is fundamental to the outcome of a valuation, and is particularly important where used as the primary determinant of risk in the funding strategy. This session will examine the assumptions used in the 2013 Valuation and what the major risks are for a negative outcome in 3 years' time.

12.20 – 13.00	**Actuarial Session 3: Employer Risks –** **Alison Murray, FFA, AON Hewitt** The risks posed by admitted bodies becoming unable to afford their commitments to the LGPS are becoming ever more visible. How will the new LGPS 2014 impact upon employers along with national initiatives such as auto-enrolment? This session looks at the risks being run by the employers and Funds, and practical ways the two can work together to manage the employer's financial commitments.
13.00 – 14.00	**Lunch**
14.00 – 14.40	**Actuarial Session 4: Managing your deficit –** **John Wright, Hymans Robertson** Whilst the Solvency figures arising from the latest Valuation appear largely stable the monetary value of the deficits has increased significantly. Also, some Funds and employers are maturing faster and those with a combination of poor funding levels, negative cash-flow and, in some cases, a shortening investment time horizon, may have particular challenges in making good their deficits. So what does this mean for funding plans? This session examines steps administering authorities can be taken to manage deficits at Fund and employer level.
14.40 – 15.30	**Panel Debate: Actuarial Methodology – All Speakers** We will conclude with a Panel debate and Q&A session to consider where the 2013 Valuation results leave the LGPS and how this key issue of 'affordability' will be addressed by the new LGPS 2014 in the face of continued economic uncertainty and particularly the on-going financial challenges being faced by the public sector.
15.30	**Chairman's Summing up and Close – Followed by Teas and Coffees**

We reserve the right to alter the timing or content of sessions where circumstances require.

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