

The CIPFA Pensions Network Workshops

Risk Management in the LGPS

Risk management is the key objective and there are range of risks which Pension Funds are exposed to. These workshops will provide an opportunity to look at how investment strategies can developed to address these risks both in terms of equity exposure and the potential mismatch with the funds liabilities.

2019 is also a Valuation year and this exercise seeks to set new contribution rates based upon the Funding Strategy Statement. This statement sets out how the Fund will manage liability risks such as longevity, inflation and interest rates. In addition, the accuracy of the Funds data will be crucial when assessing the liabilities. We will look at these areas and also consider how to address the growing focus on responsible investing. Finally, we will discuss governance issues and contribute to the SAB Good Governance project to highlight areas of risk and good practice.

These workshops will seek to identify good practice in risk management and help Funds identify the current issues which should be considered in Risk Registers. We will hear from the Scheme Advisory Board and investment, data and actuarial experts who will share their knowledge and also learn from a practitioner how they are addressing responsible investment requirements.

This event is aimed at both Investment, Finance and Governance Officers involved in the LGPS and we will use the experiences of Network colleagues to share good practice.

Sponsored by Insight Investment

London 6th June | Manchester 12th June 2019

09.30 – 10.00	Coffee and registration
10.00 – 10.05	Chairman's Introductions
10.05 – 10.40	The LGPS Regulatory situation –Bob Holloway, LGA This session will provide an in depth insight into a range of pensions issues affecting the LGPS and will provide perspectives from the Scheme Advisory Board and wider political agendas. There will also be an update on the Good Governance Project and Tier 3/Academies projects.
10.40 – 11.20	Investment tools to manage risk within LGPS – Paul Richmond, Insight Investment There are a range of techniques to manage pension fund risks and this session will cover a broader view encompassing equity protection using options, inflation hedging markets with an update on the government's review of RPI, and touching on the potential for hedging longevity.
11.20 – 11.40	Break

11.40 – 12.20	<p>Funding risks and an introduction to Cyber Risk – Alison Murray, AON</p> <p>The 2019 valuations will require administering authorities and their actuaries to reflect on all the usual funding risks and grapple with various additional uncertainties relating to the cost cap process, McCloud judgement and GMP equalisation, not to mention Brexit. The majority of this session will consider where administering authorities should focus their efforts and how their funding strategy could or should evolve to ensure an appropriate, local solution is found to addressing funding risks. The remainder of the session will cover some of the key areas administering authorities need to consider when evaluating the risk of cyber-attack and the activities funds should be carrying out to address risks in this area.</p>
12.20 – 13.00	<p>Data Quality Update – Virginia Burke, ITM</p> <p>ITM will provide an update on data hot topics including:</p> <ul style="list-style-type: none"> - Data Improvement Plans - GMP reconciliation – the latest from HMRC and what schemes should be doing <p>The session will look at examples of data improvement activities such as member tracing, payroll reconciliation and backlog clearance.”</p>
13.00 – 14.00	<p>Lunch</p>
14.00 – 14.40	<p>Approaching Responsible Investing – Tom Powdrill, PIRC</p> <p>Tom will respond to the current ESG themes and in particular the recent SAB Responsible Investment Guidance and the increasing external scrutiny of Fund’s investment strategies. The session will look out what Funds can do now to adapt their strategies to incorporate these issues as well as considering where this agenda will move next and how Funds can ensure they respond accordingly.</p>
14.40 – 15.10	<p>Good Governance Project – Ian Colvin, Hymans Robertson</p> <p>The Scheme Advisory Board appointed Hymans Roberson to carry out this review which will consider how best to accommodate LGPS functions within the local authority framework in a way that ensures that conflicts of interest are addressed and managed appropriately and that the LGPS remains appropriately resourced and able to deliver its statutory functions. Ian will set out the work done to date and how Funds can help shape the final report.</p>
15.10 – 15.40	<p>Group discussion on Good Governance</p> <p>To conclude the day we will consider the issues arising from the Good Governance review and attempt to share local good practice and highlight areas where further guidance would be helpful</p>
15.40 – 15.45	<p>Chairman’s summing up and close</p>
15.45 – 16.30	<p>Drinks & Networking</p>

The facilitator for these events will be Neil Sellstrom

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

