



Institute
and Faculty
of Actuaries

Welcome to the 5th event of the Bulk Annuities and Longevity Swaps Member Interest Group

“Pension scheme consolidation”

19 July 2018

AGENDA

Welcome: Costas Yiasoumi	5:15pm
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Presentations, Q&A, discussion and debate: Akash Rooprai, Ashok Gupta, Nick Johnson, Sarah Parkin, Tracy Blackwell	5:25pm
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Networking	7:00pm
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These events could not happen without your managing committee volunteers and the firms that offer their facilities to us

Objectives of the MIG	Your managing committee – now includes three volunteers* from legal community
<ol style="list-style-type: none">1. Education/CPD2. Share case studies/best practices3. Communication of new / developing ideas in the de-risking market4. Networking <p>May touch on related areas but these will not be a primary focus. Eg member option exercises, asset strategies and transition, benefit changes etc</p>	<ul style="list-style-type: none">▪ Akash Rooprai – Capita▪ Andrew Muddle – Munich Re▪ Costas Yiasoumi (Chair) – Legal & General▪ Dominic Moret – Legal & General▪ Frankie Borrell – Legal & General▪ Hannah Cook – Aon▪ Rachel Pinto* - Herbert Smith Freehills▪ Rebecca Zhang – JUST▪ Sebastian Reger* – Sackers▪ Steve Higginbottom – First Actuarial▪ Thibault Jeakings* – CMS▪ Vacancy – name TBC

400 members  **Some 200 here tonight!**

Work and Pensions Committee

Oral evidence, 6 June 2018

- **Steve McCabe:** You will have heard that I asked about the superfund model earlier, and I want to come back to that. Why should a scheme like the pension superfund be eligible for PPF protection and why should the PPF and people paying the levy be effectively underwriting what is a commercial profitmaking venture?
- ***Oliver Morley:*** That is a good question.

The evidence sessions are enlightening ...

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- *Oliver Morley:* That is a good question.
- **Steve McCabe:** Give us a good answer.

... for their wit! ...

Written evidence from the Pension Protection Fund (BPW0029)

... and their content ...

- “As the PPF is itself a form of consolidation vehicle, we well recognise the potential benefits of consolidation. Consolidation offers opportunities to drive greater efficiency from scheme assets, reduce costs and improve governance.
- Given the highly fragmented nature of the universe of DB schemes, consolidation could play an important role in the long term.”

Written evidence from Association of British Insurers (BPW0030)

... but as ever there are many facets to any debate

- “Securing policyholder pension benefits must be at the heart of any new framework. It is then unclear why we would move to a system that means there may still be a 1-in-10 chance of members not receiving their full benefits. In contrast, insurance firms offer virtual certainty of payment because capital rules mean firms must be able to survive a 1-in-200 year event over a one-year time.”

Today's event

- Is all about bringing out the concepts and issues through an interactive format so that we can all leave tonight's event more informed and intrigued than when we arrived!
- It is not about consolidation vs no consolidation, or bulk annuities vs consolidation vehicles ...
- ... and we shall not be taking a show of hands at the end!

Introducing your presenters today



Akash
Rooprai

Capita



Sarah
Parkin

Linklaters



Tracy
Blackwell

Pension
Insurance
Corporation



Nick
Johnson

Clara
Pensions



Ashok
Gupta

Various