



Institute
and Faculty
of Actuaries

2017 General Election Manifesto Analysis

IFoA Policy team

Ageing
population

Evolving risks
and the future
of insurance

Resource and
environment

Investing for
sustainable
growth

Informing the debate

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Introduction

The UK stands at a crossroads, with June's General Election expected to set the tone for the manner in which the country exits the European Union, and define the policy agenda for the next five years.

With over 30,000 members the IFoA, as the chartered body responsible for the oversight of the actuarial profession in the UK, strives to always be relevant, professional and to promote actuarial science in the public interest.

This document sets out the IFoA's position on a number of topical policy matters, alongside what each of the main political parties is saying about these issues in their manifestos. The document details the IFoA's policy positions on the issues where we hope to engage with the incoming government, whichever party or parties are represented.

To enable us to drill down into these promises, we have broken out the parties' manifestos into issues that fit into our four Key Policy Priorities (KPPs). These are the key areas in which the IFoA informs the debate, by providing rigorous, independent analysis using actuarial science.

Our four KPPs are:

- **Ageing Population** – looking at the challenges associated with increases in life expectancy and the proportion of older people in the population
- **Evolving Risks and the Future of Insurance** – looking at new approaches to emerging risks and the potential impacts on the insurance industry
- **Investing for Sustainable Growth** – seeking long-term solutions to provide stability and sustainability
- **Resource and Environment** – examining the challenges of resource depletion and environmental change for governments, businesses and individuals

As a chartered body the IFoA provides an objective, fact-based and politically neutral view of the key issues facing the UK today. As an actuarial body, it's unsurprising that a key theme running through our policy positions is the belief that long-term problems need long-term solutions, to ensure the fairest or most effective policy solutions.

We have used the following parties' manifestos to complete this analysis:



At the time of compiling this analysis, some of the main Northern Irish parties' manifestos were not yet available. In the interest of balance, we have decided not to include Northern Irish manifestos in this analysis. If you wish to discuss the implications of any of the Northern Irish manifestos with one of our team please contact policy@actuaries.org.uk

For more information on the work of the IFoA to inform long-term policymaking, visit www.actuaries.org.uk or email policy@actuaries.org.uk

Ageing Population

Ageing
population

In the face of an ageing population policymakers face a number of challenges as they determine how best to respond to the changing societal dynamic caused by a growing proportion of older people.

In the UK, one-sixth of the population is over 65 and the number of people over 85 is projected to double in the next 20 years, meaning that understanding life expectancy and mitigating longevity risk are crucial to effective long-term policymaking. Additionally, the increased demand for long term care, questions of how to fund that care, and issues around adequacy of retirement savings mean it has never been more important to examine how improvements in longevity will continue to affect the UK.

Social care funding

The population is ageing, meaning that people are living longer, but also that more people are living with social care needs. Changes in life expectancy and healthy life expectancy are already affecting public and private care services.

IFoA position: Healthy life expectancy is not keeping pace with increases in life expectancy, so how long a person can expect to live with health or social care needs is continuing to rise. The Government needs to take these changing demographics into account and make sure services are adapted accordingly.

[Read more](#)

Social care is funded separately from NHS services in the UK, and we have encouraged the Government to raise awareness of these differences so that people realise they may have and can then plan for costs for social care.

IFoA position: We recommend a Government-led awareness raising campaign to help people understand the potential care costs they might face so they can take on the responsibility of saving towards these costs.

[Read more](#)

In 2011, the Commission on Funding of Care and Support (the Dilnot Commission), set up by the coalition Government delivered a number of recommendations on funding social care. The report recommended a £35,000 'care cap' on the amount individuals should pay towards their social care costs, with the Government effectively insuring the tail risk of those facing 'catastrophic' costs. It was anticipated that this limitation of

an individual's liability would encourage the development of a market for financial products to insure people against the cost of care.

The 2014 Care Act proposed a care cap of £72,000 but the Government delayed the implementation date to 2020.

IFoA position: The £72,000 cap was introduced by the Government to prevent people from facing what they refer to as 'catastrophic care costs'. However, the cap excludes daily living costs and other extras and only covers the amount that the local authority would pay for. Research by the Institute and Faculty of Actuaries found that just 10% of those who are aged 85 today would be likely to reach the cap at all, and they were likely to spend £140,000 on average before reaching it. The decision to delay to 2020 provides policy makers with an opportunity to look at the care cost figures in a more holistic manner to ensure that the policy delivers on its objectives and ensures a fair system for all.

[Read more](#)

Government funding of social care has received huge amounts of media attention in recent months, with talk of a 'crisis' common amongst local authorities and health and older people's charities. In January **the IFoA co-signed an open letter to the Prime Minister** ([read more](#)), coordinated by Independent Age, calling for "a cross-party process to find a long-term solution to the current crisis in health and social care funding".

Unsurprisingly, all the major parties have made social care a key focus in their manifestos with a number of proposed policy solutions to this 'crisis':

Conservatives

We will align the future basis for means-testing for domiciliary care with that for residential care, meaning that the value of the family home will be taken into account along with other assets and income, whether care is provided at home, or in a residential or nursing care home. We will introduce a single capital floor, set at £100,000, to ensure that people will always retain at least £100,000 of their savings and assets, including value in the family home. We will extend the current freedom to defer payments for residential care to those receiving care at home.

Labour

We will increase the social care budgets by a further £8 billion over the lifetime of the next Parliament for social care. In our first term, Labour will lay the foundations of a National Care Service for England, rooted in the traditions of our National Health Service. In its first years, our service will require an additional £3 billion of public funds every year, enough to place a maximum limit on personal contributions to care costs, raise the asset threshold below which people are entitled to state support, and provide free end of life care.

Liberal Democrats

We will finish the job of implementing a cap on the cost of social care.



We will introduce a social care rescue plan which will help people to live independently and increase the role of community hospitals.

Green Party

Major investment in social care for the elderly and all those who need it.



UKIP will put back money the Conservatives have removed, investing up to £2 billion every year into social care. UKIP will establish a Department for Health and Care, and create a sustainably funded social care system assimilated into the NHS.

The Conservative proposals were perhaps the most high profile announcement on social care throughout the General Election campaign, in particular their proposal to change the means-testing thresholds for social care self-funders (what they call a “a single capital floor”), from a lower limit of £14,250 and an upper limit of £23,250, to £100,000.

The IFoA commented on the social means-testing thresholds in its 2015 paper **‘How financial products can work alongside the Care Act 2014 to help people pay for care’** ([read more](#)), in which we found that, under the current system, moderate savers (those with assets between £20k and £40k) lose at least 80p in means tested benefits for every £1 saved.

IFoA Position: The current means test rules act as a barrier to saving for long term care.

[Read more](#)

Whatever the outcome of the election, the IFoA Policy team will be working with our members to complete further analysis

of any proposed changes to the social care funding system. This will include further analysis of any proposed changes to the means-testing thresholds, or any proposed ‘care cap’, and the potential effect this could have on costs facing the growing proportion of older people with social care needs.

The NHS and healthcare spending

There has been significant public and media pressure for additional spending on the NHS and social care in recent months and much talk of the interlinked nature of the pressure on health and social care systems.

IFoA position: There is a gap in the social care system which is creating an additional burden on the NHS. Tackling the crisis in social care will help in securing the sustainability of the NHS.

[Read more](#)

This is something that has been recognised by all the major parties, with various figures proposed to fill a funding gap.

Conservatives

We will increase NHS spending by a minimum of £8 billion in real terms over the next five years.

Labour

An extra £7.4bn annually for the NHS, funded by increasing income tax for the highest 5% of earners and increasing tax on private medical insurance.

SNP

To meet the challenge of an ageing population an additional £1.7 billion will be invested in Scotland’s health and social care partnerships over this term of the Scottish Parliament.

Liberal Democrats

Introduce a 1% raise in income tax, generating £6bn a year ring-fenced for NHS and social care.



We will hold the Leave campaign to account and push for our share of the £350 million promised to the NHS after leaving the European Union.



UKIP will provide NHS England with an additional £9 billion a year by 2021/22. We will save this money by cutting the foreign aid budget.

The State Pension ‘triple lock’

The ‘triple lock’, introduced by the coalition government, is a commitment that the level of State Pension benefits will increase each year in line with inflation, earnings, or with 2.5%, whichever is highest.

IFoA position: The pensions triple lock is not a long-term solution and may no longer be needed – the State Pension triple lock is unnecessary if the level of the new State Pension has been properly set and could place an unfair burden on future working generations.

[Read more](#)

The vast majority of parties have pledged to keep the triple lock with the Conservatives the only party to propose an alternative solution.

Conservatives

We will keep our promise to maintain the Triple Lock until 2020, and when it expires we will introduce a new Double Lock, meaning that pensions will rise in line with the earnings that pay for them, or in line with inflation – whichever is highest.

Labour

Labour will guarantee the state pension ‘triple lock’ throughout the next Parliament.

SNP

We will vote to protect the Triple Lock, ensuring that pensions continue to rise by inflation, earnings or 2.5 per cent - whatever is the highest.

Liberal Democrats

We will maintain the ‘triple lock’ of increasing the state pension each year by the highest of earnings growth, prices growth or 2.5% for the next parliament.

Plaid Cymru

We will fight to guarantee the Triple Lock.



We will maintain the ‘triple lock’ on the state pension.

State Pension age

Legislation requires the Government to periodically review the appropriateness of the State Pension age, based on a number of factors including life expectancy, and produce a report explaining any possible changes. State Pension age is designed to ensure that we spend roughly one third of our lives in

retirement. In 2016, the Government asked John Cridland, former Director General of the CBI, to lead an independent review of State Pension age; his report ‘Smoothing the Transition’ was released in March 2017. The review recommended a timetable for increasing State Pension age to 68, and that this rise should be supported by a framework of ensuring affordability, intergenerational fairness and supporting fuller working lives.

The Government was due to issue a formal response to the report by early May, but the dissolution of Parliament has meant this decision has been pushed back to the next Parliament, leaving fertile ground for the parties to have their say on how they would interpret Cridland’s recommendations, and to comment on broader issue surrounding the State Pension.

IFoA position: Some individuals below State Pension age are less able to work than many who are over State Pension age, and the benefit system should address this fairly to ensure those who are unable to work receive the necessary National Insurance Credits to claim State Pension when they reach State Pension age. Additional complexity should be avoided when setting the State Pension age, as attempts to provide fairness in some areas will often introduce some element of perceived unfairness in others.

[Read more](#)

Conservatives

We will ensure that the State Pension age reflects increases in life expectancy, while protecting each generation fairly.

Labour

We will commission a new SPa review, specifically focussed on developing flexible retirement policy reflecting variations in life expectancy and the nature of working lives. We will legislate so that accrued rights to the basic State Pension cannot be change, but future benefits can.

SNP

SNP MPs will oppose plans to increase the State Pension Age beyond 66. We will support the establishment of an Independent Savings and Pension Commission, to ensure pensions and savings policies are fit for purpose.

Plaid Cymru

We will continue to oppose increases in the state pension retirement age and ensure a Living Pension for all.

Green Party

Redress pension injustice, with a pensions system for everyone and action to enable older people to continue to be active members of society.



UKIP's policy is to introduce a flexible state pension window, so everyone can opt to retire earlier, for a slightly lower state pension, or work longer for a slightly higher pension, as is the case at the moment.

Intergenerational fairness

The IFoA is currently completing a series of **three thought leadership bulletins on intergenerational fairness** ([read more](#)), convening voices from across the policy landscape to debate the best ways to ensure we can meet the needs of all generations through pensions, investment, health and environmental policy.

IFoA Position: The pensions system needs to be affordable in the long-term and it's important that no-one is left in poverty now and in the future. The current older generation is the wealthiest the UK has seen in retirement and projections show that the younger generation is unlikely to receive the same generous benefits. This is particularly the case as the status quo in occupational pensions shifts from defined benefit to less generous defined contribution schemes.

[Read more](#)

There are clear indications that UK politics is beginning to take issues of intergenerational fairness much more seriously, evidenced by the prominence of the intergenerational considerations in the party manifestos.

Conservatives

We will restore the contract between the generations, providing older people with security against ill health while ensuring we maintain the promise of opportunity and prosperity for younger generations. We need to respond to the reality of an ageing society, giving people security in old age and caring for those with long-term health conditions, whilst making sure we are fair to younger generations.

Liberal Democrats

We will conduct a full-scale review into the burden of taxation and spending between generations to ensure that government policy promotes fairness between generations.



We will secure a fair and prosperous country for our young people and future generations based on fairness and equal opportunity.

Green Party

We want to build a better, more positive future for everyone and in particular for young people. We want that future to be safer, happier, more equal and more secure.



Only by backing enterprise, rewarding success and tackling waste in the public sector can we hope to improve the economic legacy we pass on to future generations.

Other areas

There were a number of other notable manifesto pledges which fit under the Ageing Population policy priority and are likely to be of interest to the actuarial profession. The IFoA will continue to monitor the progress of these policy pledges, and look for ways where actuarial science can add to the debate, whatever the outcome of the election.

Labour

Enable the development of large efficient pension funds to provide lower costs for employers and more cash for scheme members.

Conservatives

Give the Pensions Regulator new powers to scrutinise takeovers or "unsustainable" dividend payments that threaten the solvency of a company pension scheme and to issue punitive fines for those found to have wilfully left a pension scheme under-resourced.

SNP

The SNP will call for the UK government to take steps to extend auto-enrolment, so that more low paid, and self-employed, workers can benefit from regular pension savings.

Labour

Give members of the Local Government Pension Scheme full trustee status to help control investments and reduce fees and charges.

Conservatives

Continue to extend auto-enrolment to small employers and make it available to the self-employed.

Liberal Democrats

Establish a review to consider the case for, and practical implications of, introducing a single rate of tax relief for pensions, which would be designed to be simpler and fairer and would be set more generously than the current 20% basic rate relief.

Conservatives

Promote long-term savings and pensions products, including the Lifetime ISA, to encourage and incentivise more people to make provision for long-term needs.



Call for an independent review into the Mineworkers' Pension Scheme surplus so that future sums are more fairly split between scheme members and the UK Government.

SNP

We believe that saving for a pension is the best route to a stable retirement. The SNP will seek to ensure that regular, simple, and affordable saving schemes are offered to provide for a secure income in retirement. SNP MPs will call for an end to Tory gimmicks like the Lifetime ISA, which can disincentivise other forms of retirement savings that offer a greater return.

Evolving Risks and the Future of Insurance



As the world changes at a faster pace than ever experienced, traditional risk areas are evolving and developing at a considerable rate, and actuaries can provide valuable insights in these areas by applying their expertise and encouraging appropriate adaptations in the insurance sector and beyond.

New societal, technological, economic, environmental and political challenges caused by the rapid pace of change need to be addressed, and understanding the uncertainties caused by these transformations requires new means of identifying, measuring and managing risks, and greater innovation to mitigate them.

The long-term policy issues underpinning our work are diverse, and include the effects of everything from changes in demographics, advances in data science, cyber risk, adverse weather events and natural disasters, low interest rates, the effect of Brexit and much more.

Flood

Climate change, population growth and inadequate investment in flood defences have all exacerbated the UK's flooding problem in recent years, and the household insurance industry has experienced an affordability crisis with respect to flood cover. The Flood Re scheme, introduced in 2016, has gone some way to remedying this problem, but in our **recent policy summary on UK flood policy** ([read more](#)), we argued that these problems are far from being solved.

IFoA Position: More needs to be done to strengthen flood defences. The Government should create a workable, proactive, long-term strategy for dealing with flood risk which deals with root causes and remember that Flood Re is only a temporary solution.

[Read more](#)

We have also encouraged the Government to think about potential future flooding when investing in the undeniably important building of new housing stock.

IFoA Position: The IFoA recognises the need to build more housing stock in the UK. However, we would encourage government, national and local, to accept the need to build only where there is limited future risk of flooding or to only build in these areas where the new building stock has the necessary level of flood resilience.

[Read more](#)

The issue has been picked up by the majority of parties in their manifestos.

Conservatives

We will deliver on our commitment to improve natural flood management, such as improving the quality of water courses to protect against soil erosion and damage to vulnerable habitats and communities. We will continue our £2.5 billion flood defence programme that will put in place protection for 300,000 existing homes by 2021.

Labour

Only a Labour government will prioritise a sustainable, long-term future for our farming, fishing and food industries, fund robust flood resilience, invest in rural and coastal communities, and guarantee the protection and advancement of environmental quality standards.

Liberal Democrats

We will establish a £2bn flood prevention fund focusing on community and council-led schemes, to reduce upstream flooding and the knock-on effects in downstream and coastal areas, improving flood defences, and introducing high standards for flood resilience for buildings and infrastructure in flood risk areas.

Green Party

A commitment to invest in flood defences and natural flood management to make every community safer.



The Water Framework Directive led to serious flooding in many parts of the country by preventing river dredging. Repealing this directive will spare homeowners the misery of flooding and exorbitant insurance premiums.

Autonomous Vehicles

The technology used to create autonomous vehicles (or driverless cars) has expanded rapidly over the past few years, raising questions around the associated risks, and how best to insure them. These new vehicles will also require layers of additional infrastructure to ensure they work as helpfully and efficiently as possible, and cause the minimum level of danger or disruption.

IFoA Position: Driverless cars will create new opportunities for those unable to drive themselves. However there is an urgent need to put the necessary infrastructure into place to enable the market to develop.

[Read more](#)

Two of the main parties picked up on this challenge in their manifestos.

Conservatives

We are leading the world in preparing for autonomous vehicles and will press ahead with our plans to use digital technology to improve our railways, so that our roads and tracks can carry more people, faster, more safely and more efficiently.

Liberal Democrats

A pledge to encourage the swift take-up of electric and driverless vehicles as part of a broader transport infrastructure programme.

Other areas

There were a number of other notable manifesto pledges which fit under the Evolving Risks and the Future of Insurance policy priority and are likely to be of interest to the actuarial profession. The IFoA will continue to monitor the progress of these policy pledges, and look for ways where actuarial science can add to the debate, whatever the outcome of the election.

Conservatives

We will reduce insurance costs for ordinary motorists by cracking down on exaggerated and fraudulent whiplash claims.

Liberal Democrats

Implement the recommendations of the O'Neill report on antimicrobial resistance to ensure responsible prescribing and investment in diagnostics and innovation.



We will freeze Insurance Premium Tax.

Conservatives

We will continue to regulate more efficiently, saving £9 billion through the Red Tape Challenge and the One-In-Two-Out Rule.

Labour

Increasing tax on private medical insurance to help fund free parking in NHS England.



Anti-Microbial Resistance is a problem for society as a whole. UKIP will consider transferring some support to those livestock producers who commit to farming without antibiotics.

SNP

SNP MPs will call for a freeze in further Insurance Premium Tax hikes.

Resource and Environment



Actuaries work with governments, regulators and businesses to understand issues around resource constraint and environmental change.

By applying a risk management approach actuaries can aid understanding of the potential range of outcomes from environmental risks such as climate change, and the subsequent need for mitigation or adaptation. These global risks have the potential to severely affect billions of people, and take no account of borders. Insufficient understanding of these risks, and short-term thinking, puts current and future generations at risk from climate change, economic unsustainability and future resource shortages.

Climate change

The IFoA has identified climate change as a key risk to global financial stability and we have been keen to promote the value of adopting a risk management approach to understanding the long-term consequences, and potential worst case scenarios.

IFoA Position: Climate change is one of the most important challenges of the 21st century. There is a clear risk that climate change could push large parts of the world backwards economically.

[Read more](#)

Accepting the threat that climate change poses to societies all over the world, the IFoA in 2016 signed the Overseas Development Institutes Statement urging the G20 Governments to honour their long-standing commitment to phase out Fossil Fuel Subsidies.

IFoA Position: Fossil fuel subsidies act as a barrier to investment in renewables on the scale needed to deliver greenhouse gas reduction commitments made at COP21.

[Read more](#)

The importance of a timely transition to a low-carbon economy was cemented by the UK's signing of the Paris Climate Agreement in 2016, and as such features in the manifestos alongside more general commitments on climate change.

Conservatives

We will continue to take a lead in global action against climate change, as the government demonstrated by ratifying the Paris Agreement. We will develop the shale industry in Britain. Because shale is cleaner than coal, it can help reduce carbon emissions.

Labour

Tackling climate change is non-negotiable put us back on track to meet targets set out in the Climate Change Act and Paris Agreement. Labour are committed to renewable energy projects, including tidal lagoons, and would ban fracking for shale gas.

SNP

SNP – Renewable energy is a Scottish success story. We are determined to build on that success. Scotland has already exceeded a world-leading target to reduce emissions by 42 per cent by 2020. The Scottish Government has now produced a draft Climate Change Plan, with tougher targets for future years, ensuring Scotland continues to set an example for other countries to follow.

Liberal Democrats

We will pass a Zero-Carbon Britain Act to set new legally binding targets to reduce net greenhouse gas emissions by 80% by 2040 and to zero by 2050 and provide additional funding to bring more private investment into renewable energy, aiming to generate 60% of electricity from renewables by 2030.

Plaid Cymru

Plaid Cymru will introduce a new Climate Change Act, adopting ambitious but achievable greenhouse gas and pollution reduction targets for 2030 and 2050. Plaid Cymru will increase energy generation from renewables including delivering tidal lagoons in Swansea Bay, Cardiff and Colwyn Bay.



We will strengthen the global deal on climate change, including by delivering climate justice and promoting ecologically sustainable development so that poorer countries can cope with the impacts of climate change. Introduce an Environmental Protection Act to safeguard and restore our environment. Replacing fracking, coal power stations, subsidies to fossil fuels and nuclear with the clean, green, efficient, renewable energy of the future, and investing in community owned energy.



UKIP will repeal the 2008 Climate Change Act and support a diverse energy market based on coal, nuclear, shale gas, conventional gas, oil, solar and hydro, as well as other renewables when they can be delivered at competitive prices. We will also withdraw from the Paris climate agreement and the EU Emissions Trading Scheme, to enhance our industrial competitiveness.

Intergenerational fairness

The IFoA argues that climate change is a key intergenerational fairness issue, and should not be forgotten about as part of the broader debate around financial and social security. Our first Intergenerational Fairness Bulletin on climate change brought together a range of thought leaders to discuss the long-term implications of this policy challenge.

IFoA Position: Societies across the world face many complex challenges such as ageing populations, reducing poverty and responding to catastrophic weather events. Intergenerational fairness needs to be considered as a priority for policymakers if we are going to meet today's needs without putting younger or future generations at a disadvantage.

[Read more](#)

All the major political parties cover climate change issues as part of their manifestos, with a number making express reference to the impact of climate change on future generations.



In relation to green energy initiatives, Labour agree that building a clean economy of the future is the most important thing we must do for our children and grandchildren.



Scotland is a world leader in tackling climate change – and the SNP Scottish Government is taking important steps to protect our natural environment for generations to come.



We have a duty to future generations to protect our environment and tackle climate change.



A thriving environment means a healthy future for you, your children and generations to come.



UKIP will promote evidence-based environmental schemes, and safeguard protection for Britain's wildlife, nature reserves, areas of outstanding natural beauty, countryside, and coastlines in a new Environmental Protection Act, prioritising policies to protect our precious countryside for future generations.

Investing for Sustainable Growth



Many actuaries are involved in investment across different practice areas, advising on the longer-term characteristics and implications of different investment strategies, as well as the day to day activity of capital markets

Short-termism often prevails over long-term strategies in financial markets, which can undermine long-term investments such as new business ventures, infrastructure and retirement income for consumers. Other challenges in this area include how to communicate complex investment information to consumers, how to measure non-financial investment returns, and engaging with stewardship and fiduciary issues. Although highly technical, these issues are vital to ensuring the health and stability of large parts of the UK economy, with lessons to be learned that resonate far beyond the financial sector.

Infrastructure

How best to expand the UK's vital infrastructure has been another hot topic throughout the campaign with rail, energy and digital infrastructure all receiving attention over the past few months. The issue was clearly high on the previous government's agenda and the IFoA praised the establishment of the National Infrastructure Commission in 2015.

IFoA Position: The Government should develop a sustainable pipeline of infrastructure projects that fit into a coherent, long term strategy. The National Infrastructure Commission represents a major opportunity to reverse decades of underinvestment.

[Read more](#)

Conservatives

We will deliver the infrastructure – the road, rail, airports and broadband – that businesses need. We will create a number of UK sovereign wealth funds, known as Future Britain funds, which will hold in trust the investments of the British people, backing British infrastructure and the British economy. We will encourage pension funds with an interest in joining Future Britain funds to do so.

Labour

We will take advantage of near-record low interest rates to create a National Transformation Fund that will invest £250 billion over ten years in upgrading our economy.

SNP

SNP – In government, the SNP has prioritised investment in infrastructure to improve public services, enhance connectivity, create jobs and grow our economy.

Liberal Democrats

Liberal Democrats will commit to a responsible and realistic £100 billion package of additional infrastructure investment.

Plaid Cymru

We will introduce a £7.5 billion investment programme to fund vital infrastructure projects throughout Wales. We will press for our fair share of UK infrastructure spend and upgrade rail and road links, build 10,000 extra affordable homes, and new schools and hospitals.

Green Party

The Green Party will work to increase public investment in the railways, trams, ferries and buses. A major programme to build affordable, zero carbon homes. Invest in regional rail links and electrification of existing rail lines, especially in the South West and North of England, rather than wasting money on HS2 and the national major roads programme.

Economic short-termism

There are many economic trends where short-termism can lead to sub-optimum decision making in terms of the longer-term health of the economy. Actuaries are experts in thinking about the long term implications of investment decisions made today and the IFoA has identified procyclical behaviour as a key area for research over the coming year.

IFoA Position: There are systemic issues currently contributing toward a procyclical trend amongst the behaviour of Pension Funds and Life Companies. If left untackled, these could have major implications for consumers, institutional investors and the whole of the financial sector.

[Read more](#)

Politics is of course notorious for its short-termism and policies can become short-sighted when politicians' time horizons fail to extend beyond the electoral cycle. In spite of this, a number of parties have looked to tackle this issue in their manifestos.

Conservatives

Our United Kingdom can seize enormous opportunities but only if we make decisions for the long term.

Labour

We will tackle short-termism in our business culture to ensure that businesses are run for the long-term benefit of the many rather than short-term benefit of the few.

Liberal Democrats

We will work to support growth now and put in place a sustainable economy that will create growth for the future – an economy that works for the long term: prosperous, green, open and fair.



The five -year political cycle encourages short-termism that is unhelpful to the NHS. For it to be fit for purpose for another fifty years, we need honest, open debate, and viable solutions to the NHS funding crisis that are free from political interference.

Other areas

There were a number of other notable manifesto pledges which fit under the Investing for Sustainable Growth policy priority and are likely to be of interest to the actuarial profession. The IFoA will continue to monitor the progress of these policy pledges, and look for ways where actuarial science can add to the debate, whatever the outcome of the election.

Liberal Democrats

Reform fiduciary duty and company purpose rules to ensure that other considerations, such as employee welfare, environmental standards, community benefit and ethical practice, can be fully included in decisions made by directors and fund managers

Liberal Democrats

Take forward the recommendations of the House of Lords Select Committee on Financial Exclusion, in particular by expanding the Financial Conduct Authority's remit to include a statutory duty to promote financial inclusion as one of its key objectives.



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