

MEETING	PENSIONS COMMITTEE
DATE	16 DECEMBER 2009
TITLE	CLUB VITA
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- 1 Some time ago we received a package from Club Vita, a limited liability partnership which was originally set up by Hymans Robertson to operate on a subscription basis for pension funds with over 1,000 members with the aim of improving longevity information in order to allow pension funds to better manage their longevity risk.
- 2 I had largely set the package to one side as it was my view that as our Actuary was already making assumptions on longevity when conducting the actuarial valuation, it would not be an appropriate use of the Pension Fund's resources to duplicate that work.
- 3 The Committee's officers recently held a video conference with Douglas Anderson, a Longevity Consultant with Club Vita and John Wright, our actuary at Hymans Robertson to hear the benefits which Club Vita could provide.
- 4 Essentially, our actuary drew our attention to limitations of the information base available to the actuarial profession and its consequent effect upon valuation assumptions.
- 5 Club Vita takes the actual Gwynedd Pension Fund longevity experience along with the pooled data from other subscribers other and on the basis of a detailed analysis, endeavours to tailor longevity assumptions particular to the Gwynedd scheme.
- 6 The longevity assumptions are more sophisticated and relate to the individual characteristics of people in the fund.
- 7 Naturally, there is a cost to this service but experience suggests that a more detailed analysis can also lead to reduced assumptions in respect of longevity at the valuation which can feed through into lower employer contribution rates.
- 8 Details of the cost and possible savings will be reported orally to the Committee.
- 9 The Committee is asked to consider whether it wishes to subscribe to this service.