



Government
Actuary's
Department

GAD

2025

Strategic plan 2020-2025



Foreword by the Government Actuary



The UK public sector manages over £800 billion of income and expenditure each year and is exposed to the widest range of risks. Prominent among them, at the introduction of this strategy, are risks associated with the 2020 COVID-19 pandemic and the global fiscal response to this crisis. For over 100 years, experts at the Government Actuary's Department (GAD) have applied their problem-solving skills to the management of risks to improve the stewardship of the public sector finances.

We are proud of our role and our many successes. We have helped the government to manage the financing of social security benefits and public service pensions for many years, and this continues to be a key area of our work. In recent years we have also applied our expertise to new areas including risk pooling arrangements, disaster risk financing and climate change modelling.

As we look ahead to the next five years, we have a number of strengths on which to build, including our:

- strong reputation as objective, professional actuarial experts within the public sector
- ability to navigate complex issues and apply our skills to novel situations
- consultancy-style client service discipline, placing our clients' needs at the centre of what we do
- attractiveness as an employer, offering fulfilling careers in a supportive environment

Our future success relies, in part, on continuing to do these things well – but that is not sufficient. The public sector is facing new and growing challenges which require greater actuarial support, including the COVID-19 pandemic, climate change risks, cyber risks, social care needs and a rapidly evolving economy. As well as continuing to deliver our current areas of work, we must have the flexibility to apply our actuarial skills in new areas.

New data and technologies are increasingly becoming available to address these challenges. In recent years we have fundamentally restructured our department with the establishment of our Actuarial Services Team to provide a centre of excellence for analysing large data sets, actuarial modelling and valuations. Central to our strategy is being a learning organisation, challenging ourselves to keep our skills up-to-date and to apply the full range of tools available to us, particularly in the field of data analytics.

Throughout everything we do, we are conscious of our wider responsibilities and impact on society. Our strategy includes items on our environmental impact, contributing to the development of the actuarial profession and the analysis function in government, and focusing on the wellbeing of all our people.

Our strategy sets out our approach to building on our current strengths while focusing on four key areas to ensure we are fit for the future. The potential benefits to us of all working together to achieve our vision are huge – acquiring new skills, solving new problems and using the latest technology. I see an exciting future for GAD, and I'm looking forward to playing my part in making it happen.

Martin

Martin Clarke
Government Actuary

“ Actuaries are problem solvers and strategic thinkers with a deep understanding of financial systems. ”

Institute and Faculty
of Actuaries



Our mission, vision and values

GAD

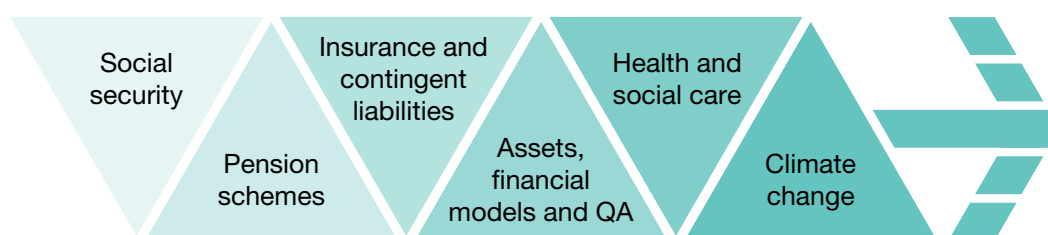
What is GAD?

We provide actuarial solutions including financial risk analysis, modelling and advice to support the UK public sector.

We apply the actuarial profession's technical skills, consultancy discipline, high standards of professionalism and industry sector knowledge to solve financial challenges faced by the UK public sector.

We are part of the analysis function in government.

Our areas of expertise continue to evolve and include:



Mission

Our mission is to:

Improve the stewardship of public sector finances by supporting effective decision-making and robust financial reporting through actuarial analysis, modelling and advice.

Vision

Our vision of GAD for 2025 is that:

We make a difference: our work improves outcomes for the public and helps the government achieve its objectives.

We partner effectively with our clients: we proactively help our clients where we can add value and deliver innovative, cost-effective solutions to a wide range of issues.

We are seen as a great place to work: we provide fulfilling careers for all our people.

Our value is recognised: we are widely recognised and respected throughout the public sector as trusted experts in the fields of financial risk analysis and modelling.

Values

Our values are the beliefs and behaviours which define us as an organisation:

Expert – we provide high quality, professional advice.

Collaborative – we partner effectively with our clients to understand and address their business needs.

Inclusive – we value and develop all our people.

Innovative – we are forward looking, continually developing and improving to meet evolving client needs.

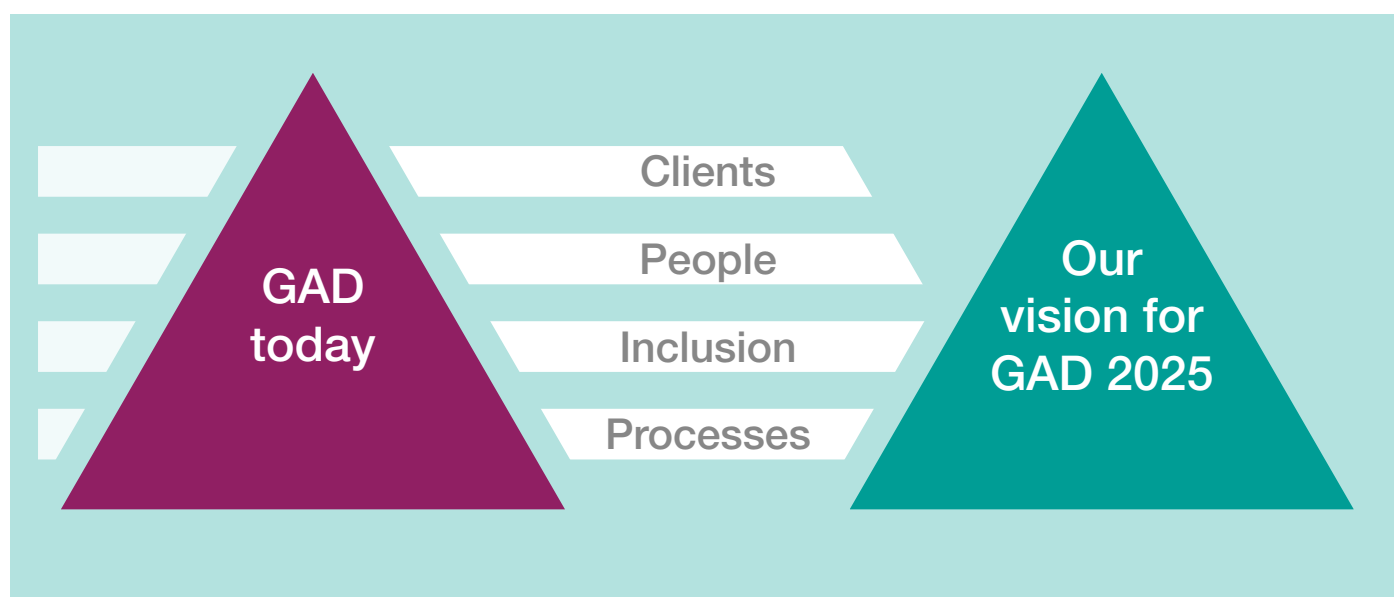
Strategic themes and priorities

Our strategy is to apply the actuarial profession's technical skills, consultancy discipline, high standards of professionalism and industry sector knowledge to solve financial challenges faced by the UK public sector.

Our strategy reflects the context described in the foreword. We have many strengths on which to build. But the environment in which we operate is changing fast. If we continue to do what we're doing now we will not achieve our mission and vision: continuous improvement is essential. Our strategy is therefore centred around ensuring that GAD

continues to learn, evolve and improve to ensure we are fit for the future.

This strategy sets out our approach to guide us over the next five years. We have identified four key strategic themes to focus on in order to achieve our mission and vision:



The following sections explain each of these themes, our key priorities in each area and, at a strategic level, how we will achieve those aims.

This strategy will be supported by more detailed thematic strategies (in particular GAD's People Strategy and our Diversity and Inclusion Plan) and clear, measurable action plans set out in our annual business plans.

Our business plans will be developed each year following a review of progress against our strategic priorities, with specific actions determined to continue our progress towards achieving our vision for 2025. With that in mind, we also set out strategy metrics that we will use to track our progress over the next five years so we can focus our efforts appropriately when developing annual action plans.

1. Clients

GAD aims to partner effectively with our clients to understand and address their changing business needs while raising our profile and developing new business to ensure we are helping the public sector wherever our actuarial skills can add value.

GAD's purpose is to meet the UK public sector's needs for actuarial advice. We have strong foundations to build on. As actuarial experts within the public sector, we have a unique appreciation of our clients' needs coupled with our actuarial professional training and experience. Over the last five years we have strengthened our position as the go-to actuarial advisers at the heart of government and expanded our activity across a full range of services. This growth – in new clients, in our services and in our rich network of contacts – is the basis for our confidence for the future. For the next five years, our ambition is to enlarge our footprint further to ensure we are adding value to the public sector wherever we can.

Our mission is not consistent with an explicit, quantitative growth target, but on a qualitative basis we recognise there are additional and emerging areas where we will look to apply our actuarial skills for the benefit of the public sector. Such growth in demand should be met largely within our existing staffing numbers but we would expect to grow our fee-earning workforce by around 10% over the course of the strategy.



Our key priorities on clients are:

Partnering with our clients and delivery of advice

We will continue to provide high quality, cost-effective advice to all our clients.

Our clients' needs are changing. All our client teams will be proactive, partnering effectively with our clients to understand their changing needs and anticipating how we can add value and provide actuarial support in new ways.

We will be flexible, offering our clients the best solution and delivery model for them, including onsite actuaries, secondments, interactive tools and quality assurance.

Business development and raising our profile

We will highlight our expertise and raise our profile, particularly among senior decision-makers, so those who might need our help know about us. In particular:

- continuing our recent progress in external communications, using a variety of communications channels to raise our profile within the public sector
- networking within professional and Civil Service networks including the analysis function
- hosting and speaking at events to share knowledge and highlight our expertise

We will continue to horizon scan and review the government's evolving priorities to identify where actuaries can add value. In particular:

- our research and development is focused at any one time on a portfolio of around 10 priority areas (current examples include climate change risk and social care but the portfolio changes over time)

In order to ensure we are adding value wherever we can we will continue to develop new areas of business for new clients, in particular:

- all client teams will identify and pursue relevant opportunities
- we will continue to operate organisational processes to facilitate this, including sharing case studies of new projects that might help other clients

2. People

GAD aims to have people with the right skills in the right place, driven by what our public sector clients need us to do.

GAD is a team of highly qualified, dedicated experts including qualified actuaries, those training towards the actuarial qualifications, analysts and other business professionals. Everyone in the department, whatever their role, contributes to our successes.

The ever-changing environment requires us all to embrace lifelong learning, continually developing our skills and learning from (and sharing) new experiences if we are to provide fulfilling careers and embrace new areas of actuarial work to meet our public sector clients' needs.

We aim to be seen as a great place to work, providing appropriate support to our colleagues while promoting individual responsibility – treating everyone as individuals and allowing people to flourish.



Our key priorities on people are:

Learning organisation

We will continue to be an employer that supports the acquisition and refreshment of professional and business skills. We will ensure that our overall training package (including training for analysts and other business professionals) meets the future needs of our clients and supports career development. In particular we will:

- continue to offer our comprehensive study package for actuarial trainees
- provide relevant CPD and business skills development for actuaries
- offer training and practical experience of data science and coding techniques to all our actuarial and analytical staff

Sharing experience of innovative projects and best practice improves versatility and raises standards. In particular we will:

- continue our regular internal knowledge sharing programme where colleagues exchange their insights and experiences
- collaborate with relevant groups to share knowledge, including the Forum for Public Actuaries and other analytical professions in government

We will encourage and facilitate professional development opportunities such as:

- our expanding secondment programme that provides new experiences and perspectives and helps individuals to grow their personal networks
- volunteering to support the work of the Institute and Faculty of Actuaries and other organisations

Planning for the future

In order to have people with the right skills in the right place to meet future needs, we will improve our workforce planning, in particular we will:

- continue recent moves towards a more integrated approach to resourcing that utilises our analysts and other business professionals fully
- anticipate expected growth and staff changes through a clearly defined resourcing and recruitment plan

We will support the increased use of analysts and other business professionals at GAD by developing career profiles and other programmes to support their careers in the Civil Service.

We will recognise our colleagues for their contributions through appropriate talent management and reward structures.

3. Inclusion

GAD aims to be a diverse, engaged team, all working together to achieve our shared aims.

GAD offers rewarding careers in a supportive environment. We are proud to rank highly in the latest Civil Service People Survey, where the feedback from our people through the overall engagement index, and specifically the rating for inclusion and fair treatment, placed us in the upper quartile of all participating organisations. Our wellbeing champions have led a number of successful recent initiatives to promote health and wellbeing, including social activities and a presentation to staff by the charity Mind.

We aim to be a workplace that champions diversity, inclusion and wellbeing in all of its forms across the department – to be a place for all, working together as one team to achieve our shared aims. We believe that everyone should be able to progress and reach their potential, and we want highly skilled leaders and managers who embrace inclusion and realise the potential of their teams.



Our key priorities on inclusion are:

Diversity, inclusion and wellbeing

We will encourage and act upon open conversations about everyone's working experiences in GAD, benchmarking our approach with others where possible.

We will increase the diversity of our leadership teams and our leaders will visibly champion diversity.

Our diversity and inclusion plans will set out specific actions each year, such as:

- regular production of diversity statistics and transparent progress reporting
- reviews of our recruitment, promotion and talent management processes
- mandatory inclusivity training and objectives for managers
- engaging expert help to inform our approach and challenge progress

Effective communication and engagement throughout GAD

To achieve our vision, everyone needs to be aligned with our organisational vision and values. In particular:

- objective-setting and communication will be consistent with our overall objectives at individual, team and department level
- leaders across the department will share their vision and the rationale behind strategic decisions in communications

We will promote open communication across the department. In particular we will:

- share knowledge and best practice across teams, with closer links between all teams at GAD
- encourage a culture where all can speak up and challenge things

All leaders across the department will demonstrate the **inspiring, confident and empowering** characteristics in the Civil Service Leadership Statement.

Drive forward change

The achievement of our strategy will require all of us to be engaged with, and supportive of, the need to continually modernise and develop the department.

We will continue to manage change initiatives with care. In particular:

- people at all levels and from a range of backgrounds will be included
- we will ensure good communication throughout, including promoting the vision and liaising with all relevant stakeholders at the planning stages
- change projects should be completed and embedded, including project close reviews, relevant system changes and celebrating successes

4. Processes

GAD aims to operate modern, innovative processes that support efficiency, quality and security.

The analysis of very large data sets is a key part of GAD's work given the nature and scale of the projects we advise on. In recent years, we have established our Actuarial Services Team as a centre of excellence for analysing such data with a step change in the tools and techniques used. With the continuing growth in the availability of data and the techniques available to analyse them, we aim to continue to apply such tools in our analysis and seek opportunities to apply our experience to benefit other public sector projects.

GAD's reputation depends on the quality of advice that we provide. We have been accredited under the Institute and Faculty of Actuaries' Quality Assurance Scheme for a

number of years and are proud that 99% of our clients said they would recommend our services to colleagues in our most recent published client survey. We will continue to promote the benefits of quality professional advice in an environment where the value of experts can be questioned, while continuing to deliver to the high standards that we set.

GAD's central support teams are critical to our successes. They provide the essential platforms and support to facilitate the actuarial solutions we provide to our clients. To achieve our objectives, we need to use our skills and teams across the department, maximising efficiency of repeatable processes in our actuarial teams and internal operations while supporting innovation.



Our key priorities on processes are:

Production of client advice

We will build on the success of our Actuarial Services Team as a centre of excellence for data analysis and calculation processes, in particular:

- applying data science analysis techniques to all relevant client projects
- continuing to develop standardised calculation tools and processes to maximise efficiency, consistency and quality for client work
- utilising innovative delivery mechanisms (including web-based content and interactive tools) to meet our clients' evolving needs

We will maintain the processes, systems and training we have in place to ensure the quality of our actuarial advice, in particular:

- continuing to operate our robust quality training and procedures
- learning from experience through project reviews and near-misses
- retaining our Quality Assurance Scheme accreditation

Internal operations

We will review our internal processes to identify potential system and efficiency gains. Outcomes will depend on the results of this review, but we would expect to:

- continue to invest in IT systems and software to support the business, including systems that support innovative analysis and flexible working
- increase the use of system tools for repeatable processes
- improve the co-ordination between the systems used in different teams
- continue to apply project management disciplines for client and internal projects and make greater use of management information in doing so

We will review our processes used to manage actuarial and operational risks.

We will ensure that our ways of working support the needs of our people and the business, working in accordance with government's 'Smart Working' initiative.

We will consider environmental impact when reviewing accommodation options and relevant policies. Overall, we aim to reduce our environmental impact over the next five years, consistent with wider government objectives.

Strategy metrics

We will use the following metrics to track our progress and to focus our efforts appropriately when developing annual business plans.

	2015-16	2016-17	2017-18	2018-19	2019-20	2020-21	2021-22	2022-23	2023-24	2024-25
Clients										
Average score for 'highly valued' ¹	8.7	8.8	8.5	8.5						
Value of new business wins (£m)		6.1	9.0	8.7						
Client fee income (£m) ²	17.4	17.5	19.5	19.1						
People										
Staff engagement index ³	65%	65%	55%	61%	68%					
Learning and development index ³	47%	51%	38%	48%	56%					
Training expenditure (£k) ²	274	224	229	247						
Annual staff turnover rate ²	12%	13%	17%	13%						
Inclusion										
Organisational objectives and purpose index ³	79%	78%	63%	76%	76%					
Leadership and managing change index ³	54%	53%	31%	42%	51%					
Inclusion and fair treatment index ³	82%	83%	70%	73%	82%					
Mean gender pay gap ^{2, 4}			11%	13%						
Processes										
%age increase in fee rates		-3%	+1%	+1%	+3%					
Average score for 'innovation' ¹	7.7	8.1	7.7	7.7						
Greenhouse gas emissions ^{2, 5}	235	202	202	199						


1 From annual GAD client survey, out of 10.

2 From published report and accounts.

3 From annual Civil Service People Survey.

4 In favour of males.

5 CO2e



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