Government
Actuary's
Department

The Government's Climate Challenge and How Risk Management Can Help

17-18 November 2020 – Day 2

Today’s agenda

Wednesday 18 November	
10am	**Future government challenges** • **Eileen Wang**, Head of Engagement, HM Treasury’s Net Zero Team • **Kathryn Brown** (Head of Adaption) and **David Style** (Senior Analyst) from the Climate Change Committee
11am	**Value for money and climate reporting** • **Simon Bittlestone**, an Audit Manager at the National Audit Office • **Sara Ronayne**, an actuary at GAD • **Andrew Blair**, a Policy Adviser at the Department for Work and Pensions • **Teresa Clay**, Head of the Pensions Team at MHCLG will join for the Q&A panel
12pm	**Financing climate disasters** • **Daniel Clarke**, Director of the Centre for Disaster Protection, and • **Ekhosuehi Iyahen**, Secretary General of the Insurance Development Forum

Government Actuary's Department

Future government challenges

Eileen Wang, HM Treasury - Net Zero Team
Kathryn Brown, Climate Change Committee
David Style, Climate Change Committee

House keeping

This session is being recorded

Ask questions via the **Q&A function**

HM Treasury

Net Zero Review

GAD presentation: climate challenge and risk management

- Introduction to the Net Zero Review
- Net Zero Review Interim Report - key messages/analysis

The CCC asked HMT to consider how the transition to net zero will be funded and assess options for where the costs will fall

OBJECTIVES

Analysing the range of choices for how households, businesses and the taxpayer could contribute towards different elements of the transition to net zero.	Identifying mechanisms to create an equitable balance of contributions.	Maximising opportunities for economic growth as we transition to a green economy.	Evaluating the trade-offs between cost, competitiveness, effects on consumers and impacts on the taxpayer.

KEY QS

What are the costs?	**Where might the costs fall?**	**What is the role of innovation and how could Government support it?**	**What are the trade-offs in allocating costs?**

SCOPE

IN – The review will consider the full range of Government levers, including tax.

OUT – It will **not** duplicate existing or ongoing work elsewhere, such as:

Detailed policy to decarbonise specific sectors	The costs of adapting to the impacts of climate change	The social and global co-benefits of decarbonisation

Interim Report outlines our approach and includes our analysis to date

Objectives

- Set out our approach and initial findings
- Help inform the external debate and the choices facing the government on how the transition is funded
- Provide clarity to external stakeholders on the scope of the review and our approach to guide their engagement with our work

Key messages

- The transition to net zero will lead to a **major restructuring of our economy**. This will entail costs but also new opportunities for growth
- **Innovation will be critical** in making the most of these opportunities
- Government will face **choices on how to ensure costs are shared across the country in a fair and coordinated way**: efficiency vs equity, current vs. future generations, polluter pays vs. general taxpayer, higher tax vs. lower spend
- Tax is an important lever, as is regulation and spend - will need **multiple policy instruments to address multiple market failures**
- **Final report** will set out 1) a framework to support private investment in innovation 2) how to decarbonise in a way that keeps costs down, while managing competitiveness and distributional impacts 3) how to embed these recommendations in fiscal event processes and Whitehall

Report outline

1. Scale of the challenge
2. Macroeconomic impacts of the transition and the structural changes it entails
3. Investment that will be required in order to deliver the transition, and how costs have fallen in the past
4. Role of technology and innovation in supporting growth and decarbonisation
5. Potential impacts on competitiveness and the potential for carbon leakage
6. How decarbonisation costs could feed through to households, and options for redistribution of costs
7. Market failures in each sector
8. Policy levers available to the government, and the trade-offs across competitiveness, distributional impacts on households and efficiency of these policy levers
9. Emerging conclusions and areas for further exploration in the final report

Headlines from our analysis so far

Macroeconomic impacts and costs/investment needed

- **Measures to decarbonise the economy could stimulate growth, though the size of this benefit is uncertain**: link between environmental policy and short run drag on productivity (long run less clear); challenges for carbon-intensive sectors and jobs **BUT** will have economic opportunities in new tech; comparative advantage in certain technologies; green employment opportunities. **Precise impact on the economy in 2050 is uncertain, but public policy will play an important role in shaping outcomes.**

- **Costs are uncertain:** CCC's £50bn estimate does not include fiscal impacts or policy costs. Costs will also vary by sector. Innovation and falling technology costs will play a key role. **But costs of inaction far greater than costs of action.**

- **During the transition to Net Zero, changes in the economy will lead to impacts on the public finances.** As some sectors grow and others shrink, the mix of tax revenues will change.

Headlines from our analysis so far

Innovation will be critical for the transition to net zero

- Technological path to net zero is uncertain. Innovation will unlock options; time period for transformation will be the same as digitisation since 1990-now
- Significant opportunity for investors, much of transition can be commercially led
- Technologies are at varying stages across innovation cycle and carry different risk. Uncertainty on pathways can deter investment.

1. **The government can help to reduce uncertainty**

   Signalling

   Stability – timetable

   Stability - regulatory and tax environment

2. **The government can manage and share risk**

   Primarily new and innovative technologies, examples including risk-sharing through government guarantees, direct loans and financing instruments

3. **The government could support some innovation directly**

Headlines from our analysis so far

If trading partners do not pursue similar climate policies, this could lead to carbon leakage

- When carbon mitigation obligations are not similar across countries, emissions shift to a region with lower carbon mitigation obligations, and production shifts to a firm with higher emissions intensity.
- **Net zero could affect some UK businesses' competitiveness: could be losses and new opportunities**. But will also depend on other factors like labour market, skills, capital, openness to trade, finance etc
- Options to mitigate carbon leakage include climate diplomacy, trade measures etc

Distribution of carbon consumption and carbon intensity in the labour market

- **Higher income, over-50s, and rural households consume the most carbon.** Government will need to think about the design of the transition carefully in order to avoid risks of adverse impacts on certain groups.

- **Carbon intensive industries employ a relatively low proportion of workers**; high carbon intensity occupations are skewed towards skilled trade and process plant and machine workers; people with low and middle levels of education and in lower-income deciles.

Policy levers and trade-offs

The 'polluter pays' and its transmission channels

- **There are a number of ways to ensure that the polluters pays, but there are also distributional challenges with this.** Should policy target the producer, this would pass through to households via prices, wages and profits.
- The policy lever used would affect which of the three channels would be most dominant, but there are **other factors – such as market competitiveness – which would also have an impact on this mechanism**.

Efficiency and equity

There is often a trade-off between decarbonising efficiently and managing impacts on households and businesses. This means that sometimes there will be a trade-off between efficiency and equity, and government will need to balance decarbonisation with management of the distributional, economic and competitiveness impacts that arise.

Policy levers that support decarbonisation can be broken down as follows:

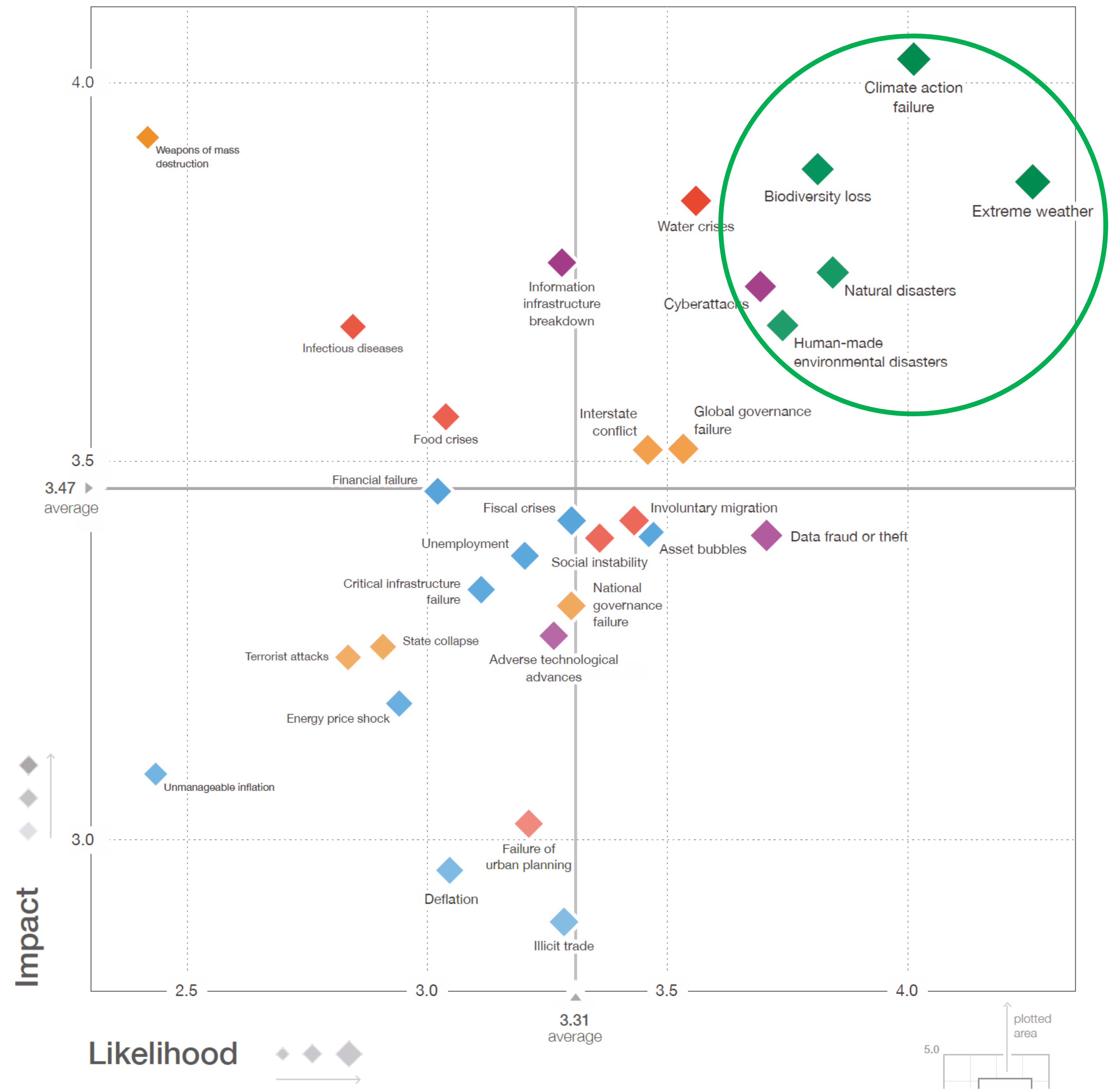
1. **Levers that affect or change the market price of emitting greenhouse gases relative to alternative practices:**
    a. Traditional carbon pricing that make polluters pay for their pollution, such as carbon taxes;
    b. Alternatively, emissions trading schemes;
    c. Subsidies that seek to lower the cost of adopting less polluting practices;
    d. Regulatory levers that compel certain behaviours, such as the adoption of certain technologies or practices, banning others or setting pollution limits; and
    e. Adjusting existing tax, regulation and subsidy policies to encourage behaviour consistent with net zero.
2. **Facilitative levers that change market institutions - or the rules of the game - so that private actors are best able to decarbonise.**
    a. Provide strong leadership from the government on the path to decarbonisation;
    b. Promote public awareness of how to decarbonise effectively;
    c. Increase capability of UK citizens to decarbonise in the future;
    d. Ensure property rights are orientated towards net zero; and
    e. Support financial institutions.

18th November 2020

Future Government Challenges:
The Climate Change Risk Assessment

Kathryn Brown and David Style

A greater global risk than pandemic, financial failure or cyber…



World Economic Forum Global Risks Landscape 2020

The UK Climate Change Act 2008

Mitigation:

- Legal target to reduce UK greenhouse gas emissions by 80% from 1990 levels by 2050
- Requires Government to set 5 year carbon budgets as a pathway to get to the 2050 target (five so far, up to 2032)

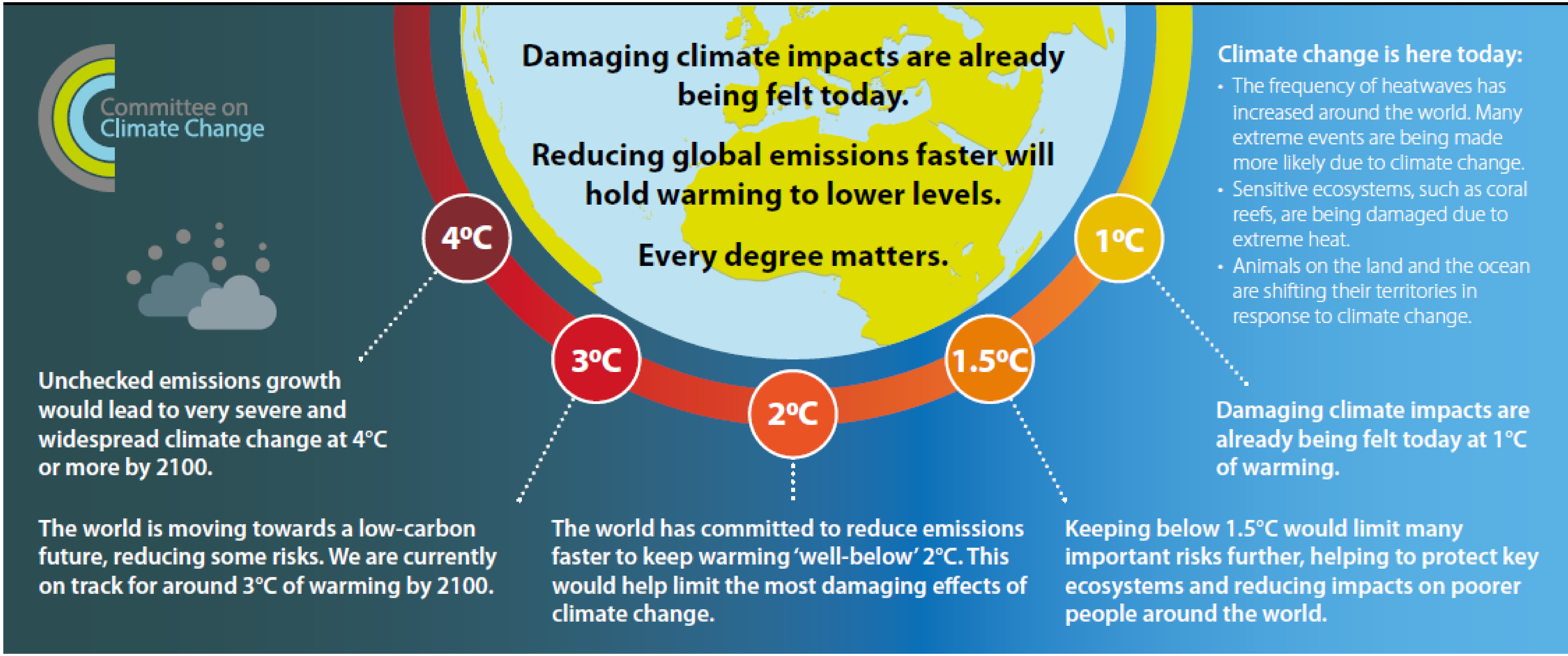
Adaptation:

- Requires Government to publish a UK climate change risk assessment (CCRA) every five years
- And then a National Adaptation Programme (NAP) to address the risks
- Establishes Adaptation Reporting Power (ARP)

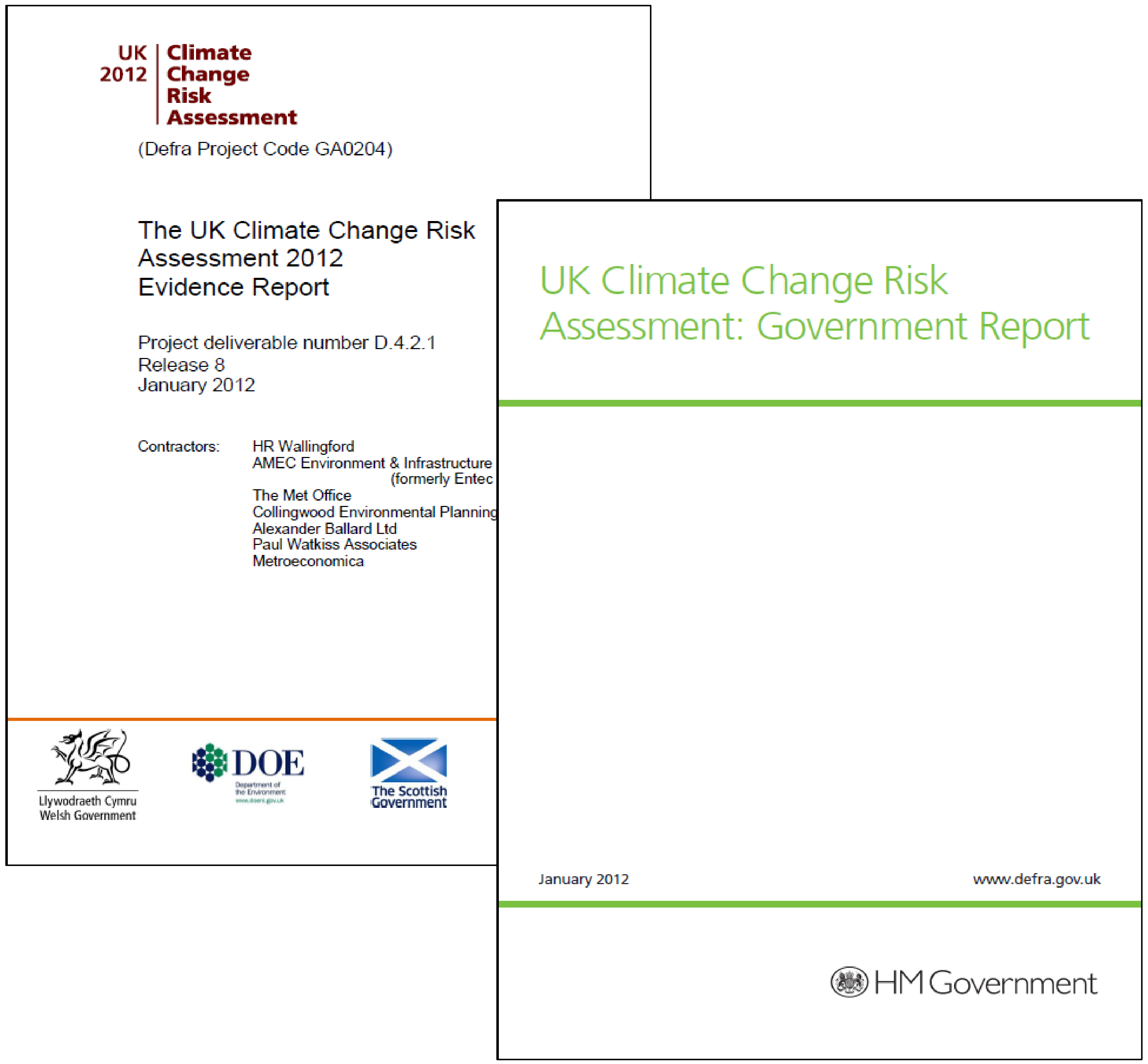
The Act sets up the Climate Change Committee and the Adaptation Committee

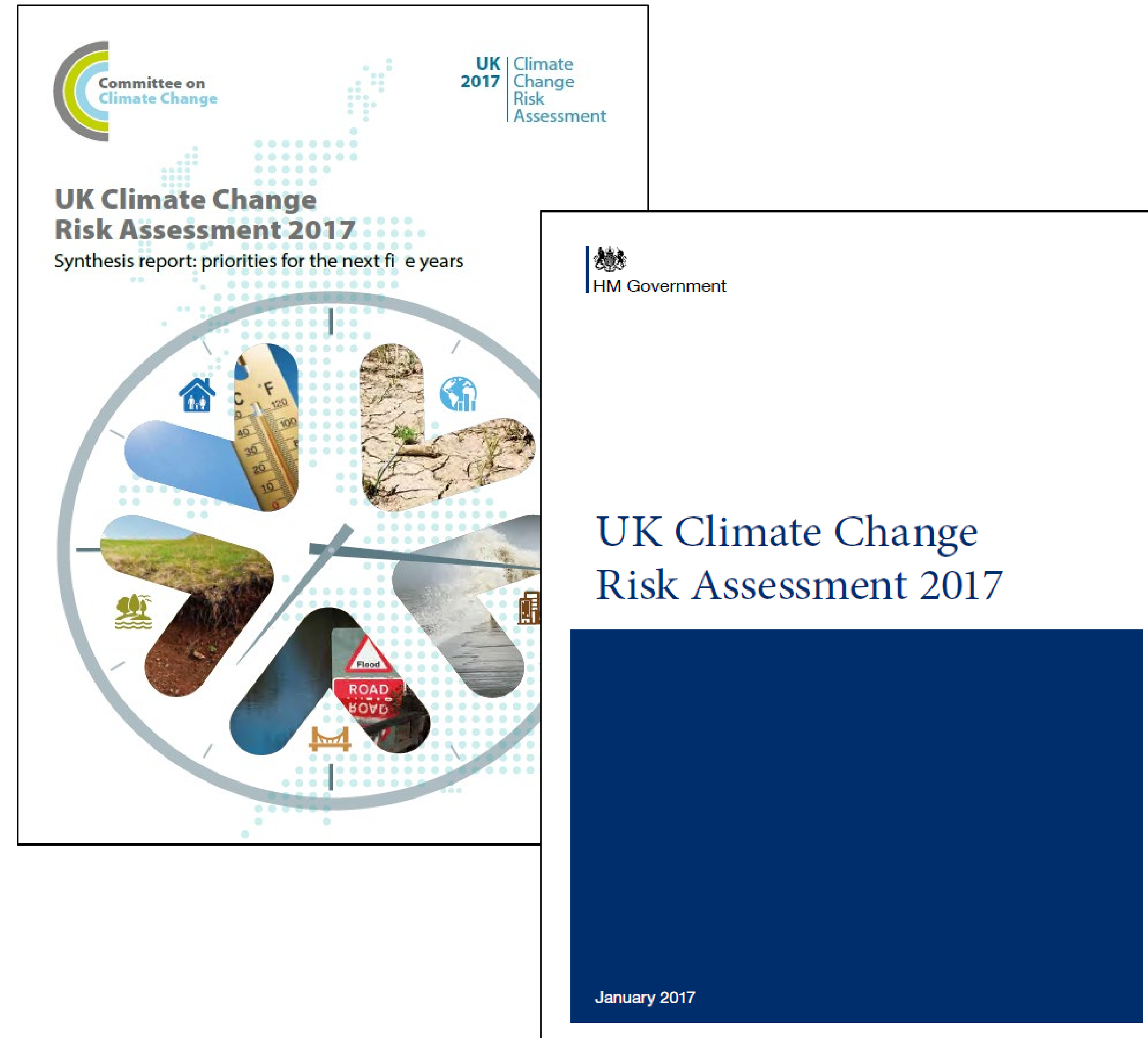
- **The CCC** advises Government on the level of carbon budgets, and scrutinises progress towards meeting the 2050 target
- **The AC** advises Government on the Climate Change Risk Assessment, and scrutinises progress in delivering the National Adaptation Programme

Adaptation and mitigation are needed together to respond to climate change



There have been two previous CCRA cycles (2012 and 2017)





https://www.gov.uk/government/publications/uk-climate-change-risk-assessment-government-report

https://www.gov.uk/government/publications/uk-climate-change-risk-assessment-2017

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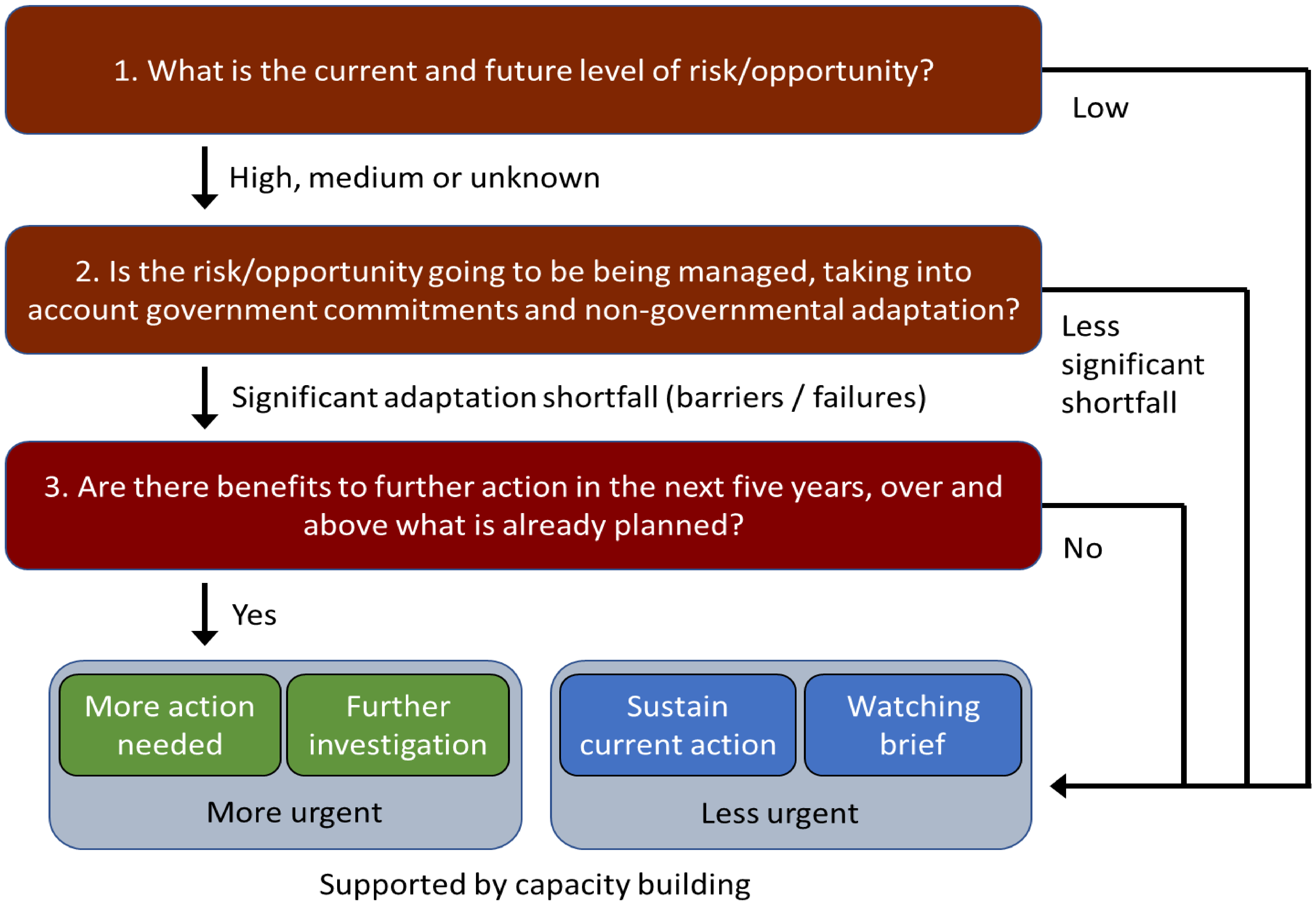
‘EXAM’ QUESTION FOR THE CCRA EVIDENCE REPORT :

“Based on our latest understanding of current, and future, climate risks/opportunities, vulnerability and adaptation, what should the priorities be for the next National Adaptation Programme and adaptation programmes of the devolved administrations?”

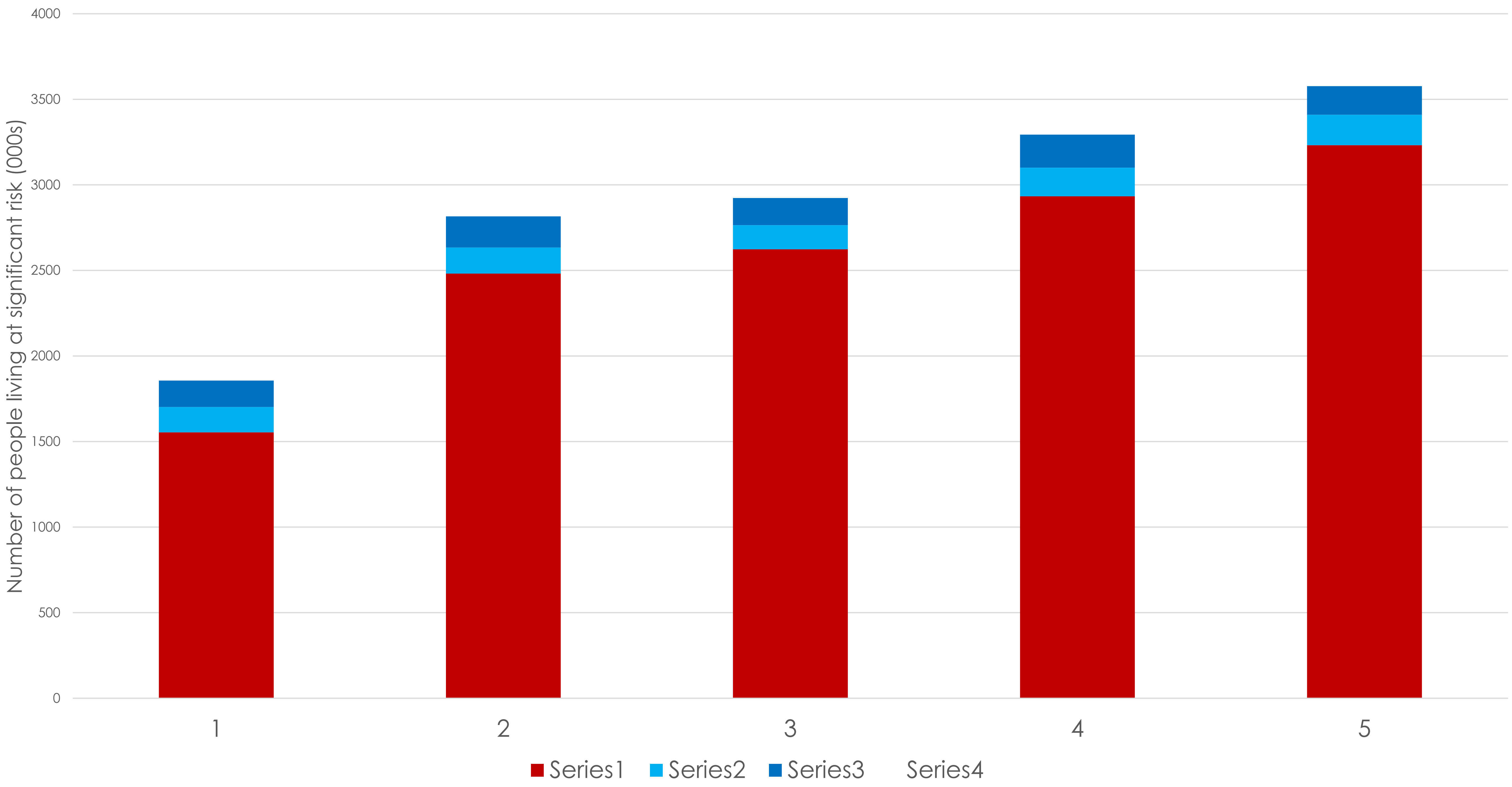
Over 130 organisations are contributing to the CCRA3 Evidence Report

- IEMA Transforming the world to sustainability
- AECOM
- Artesia Consulting
- BGS 1835
- British Geological Survey NATURAL ENVIRONMENT RESEARCH COUNCIL
- vivid economics
- Forest Research
- ADAS
- AHDB
- anglianwater
- Birkbeck UNIVERSITY OF LONDON
- Department for Infrastructure www.infrastructure-ni.gov.uk
- CONSUMER COUNCIL FOR Water
- CARDIFF UNIVERSITY PRIFYSGOL CAERDYDD
- Energy UK
- cambridge econometrics clarity from complexity
- UNIVERSITY OF BATH
- Department of Agriculture, Environment and Rural Affairs
- Centre for Ecology & Hydrology NATURAL ENVIRONMENT RESEARCH COUNCIL
- Llywodraeth Cymru Welsh Government
- GREATER LONDON AUTHORITY
- National Trust
- Climate Northern Ireland
- UNIVERSITY OF EXETER
- Climate Change Committee
- HR Wallingford Working with water
- Environment Agency
- EY Building a better working world
- frontier economics
- Department for Environment Food & Rural Affairs
- Met Office
- JBA consulting
- iied
- NATURAL ENGLAND
- LONDON SCHOOL of HYGIENE &TROPICAL MEDICINE
- wood.
- Department of Health An Roinn Sláinte Männystrie O Poustie
- Scottish Government Riaghaltas na h-Alba gov.scot
- UNIVERSITY OF LEEDS
- Ofwat
- highways england
- Paul Watkiss Associates
- SAYERS AND PARTNERS
- NetworkRail
- risksolutions leave nothing to chance
- NATIONAL INFRASTRUCTURE COMMISSION
- Cyfoeth Naturiol Cymru Natural Resources Wales
- Newcastle University
- UNIVERSITY OF CAMBRIDGE
- UEA University of East Anglia
- UNIVERSITY OF BIRMINGHAM
- MANCHESTER 1824 The University of Manchester
- UNIVERSITY OF OXFORD
- University of Reading
- wsp
- QUEEN'S UNIVERSITY BELFAST
- SEPA Scottish Environment Protection Agency Buidheann Dìon Àrainneachd na h-Alba
- Horritt Consulting
- sniffer knowledge brokers for a resilient Scotland
- sustainability west midlands
- The University of Nottingham
- waterwise
- YorkshireWater
- UCL
- University of BRISTOL

Each risk or opportunity in CCRA3 is assessed and given an urgency score



Levels of risk with and without action: Flooding

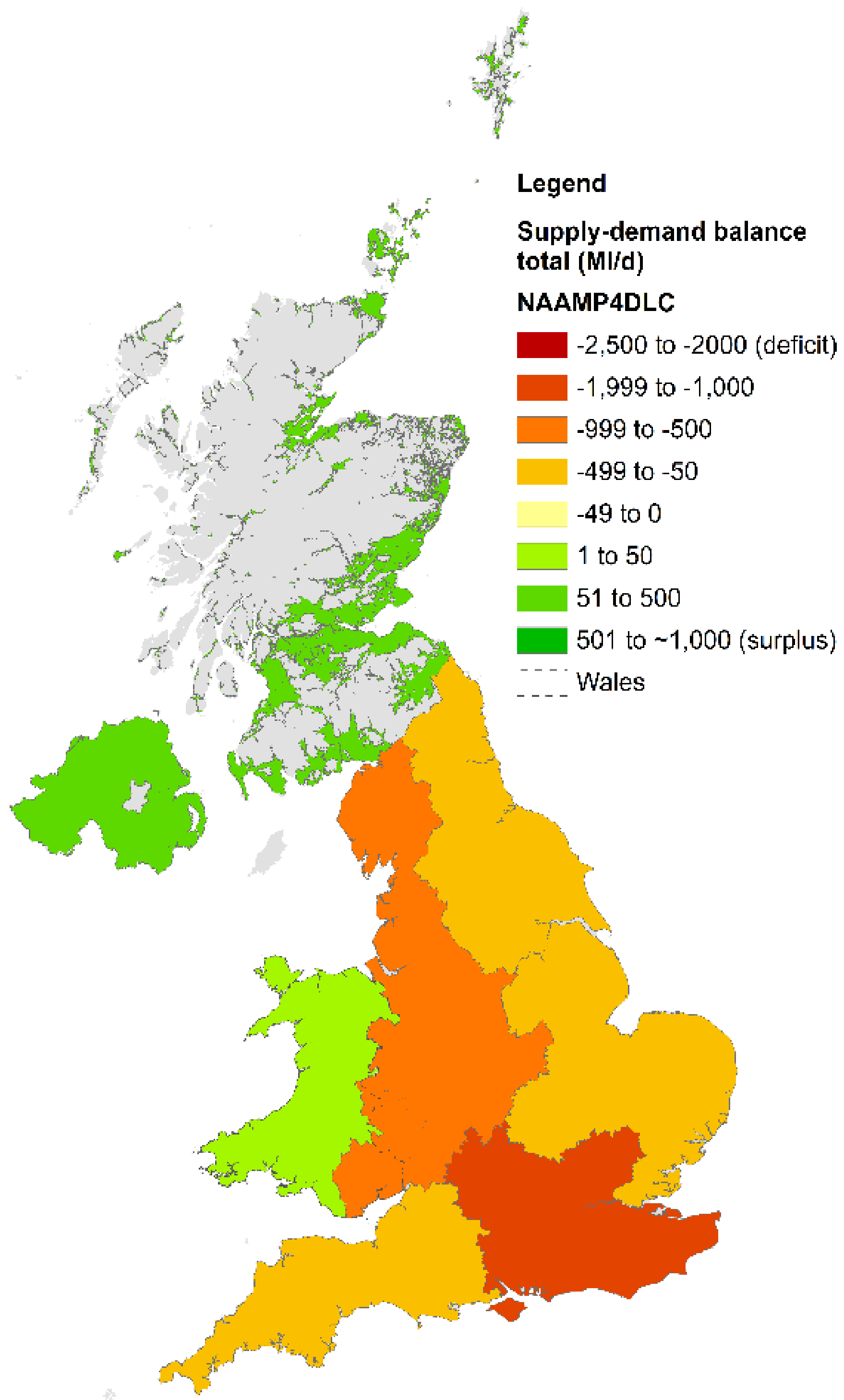


Without additional adaptation, number of people living in significant flood risk areas could nearly double in the next 30 years, even on a 2°C path

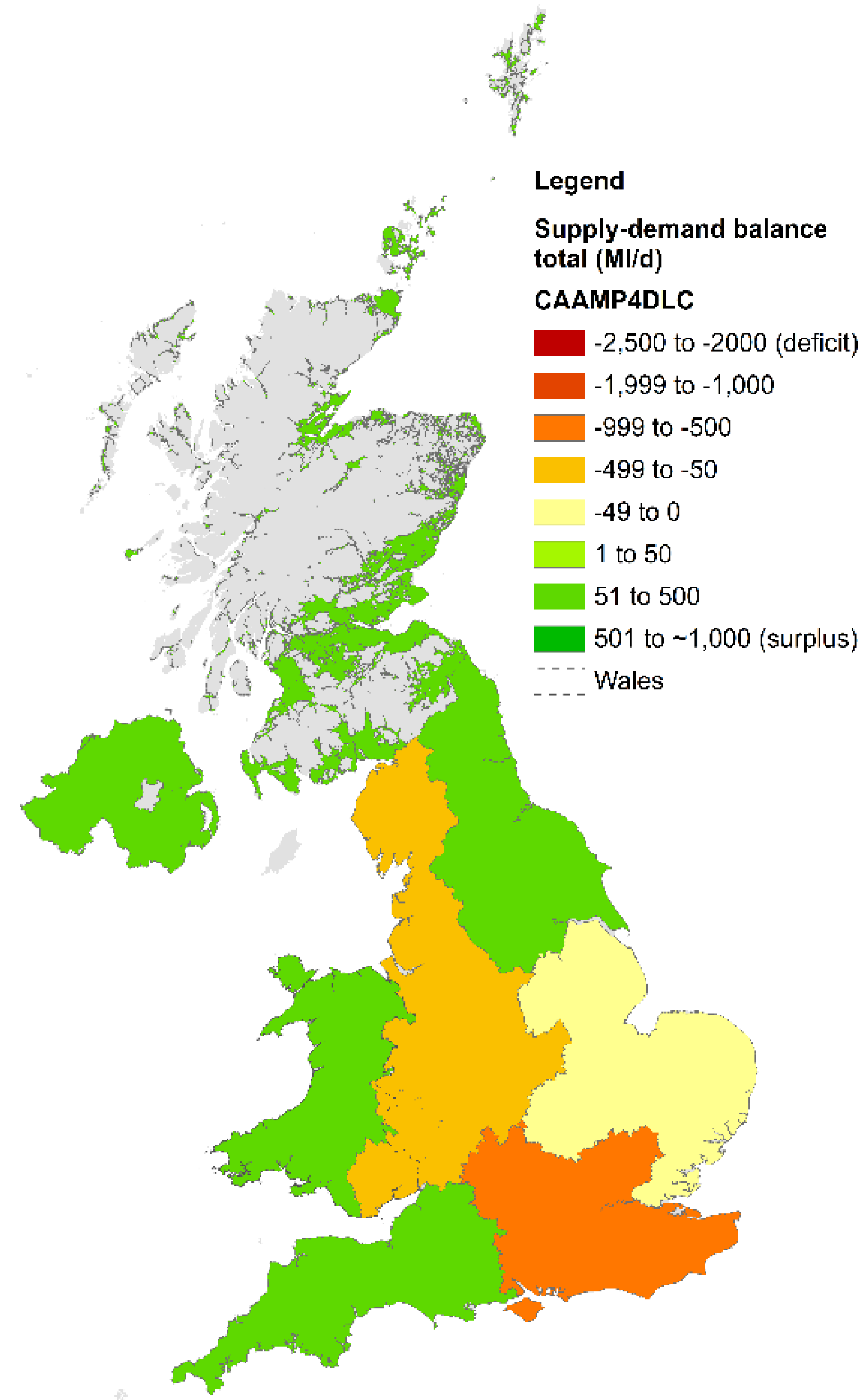
Source: Sayers and Partners (2020) for the CCC: CCRA3 Future Flood Risk Projections

Climate Change Committee

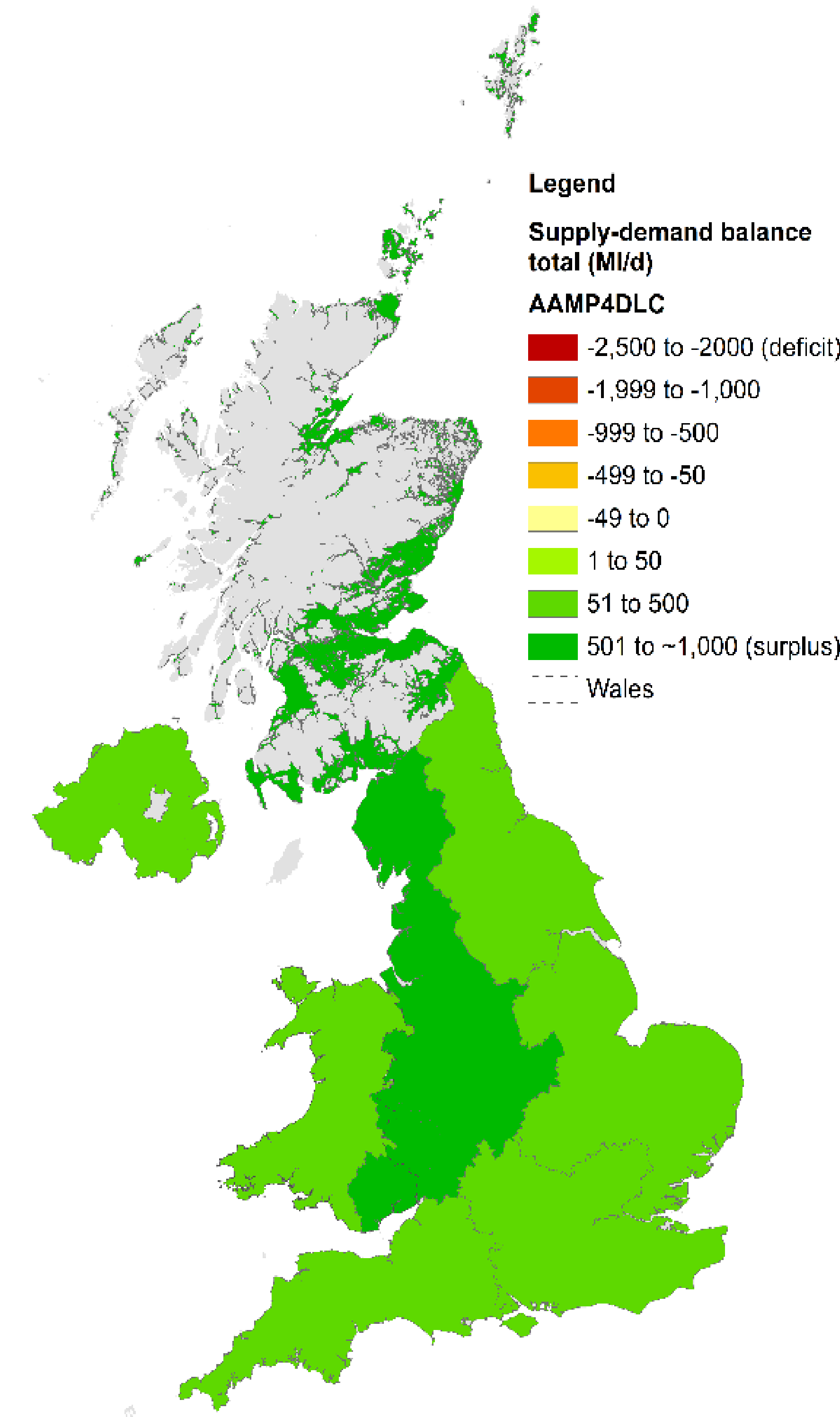
Benefits of adaptation: water availability in the late-century



No additional action



Current & announced adaptation



Additional adaptation

All maps 4°C, late-century, medium population projection

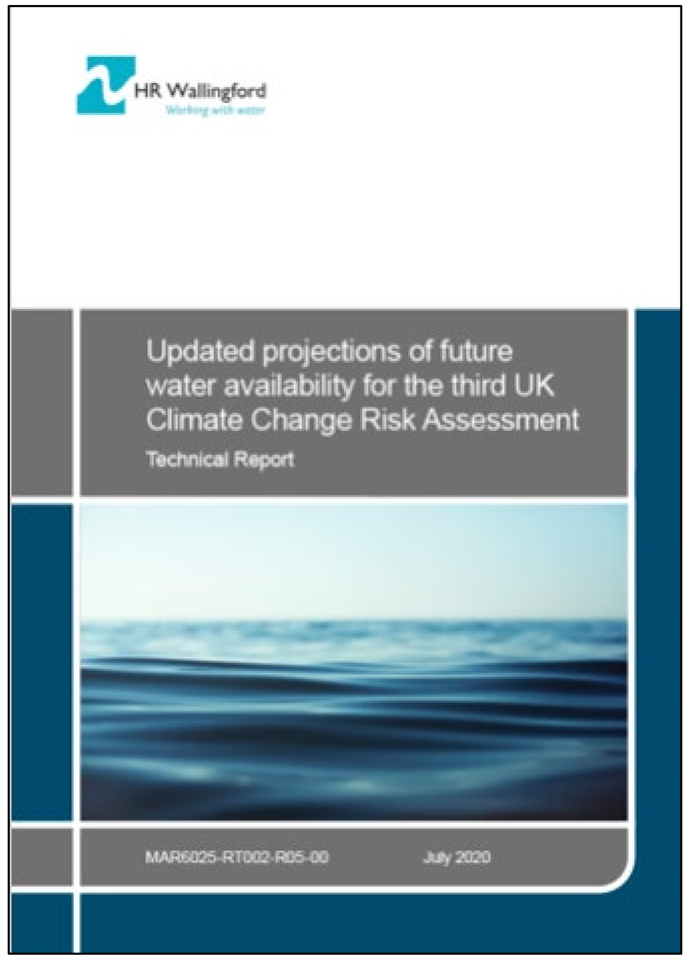
Source: HR Wallingford (2020) for the CCC: Projections of future water availability

The CCRA3 Evidence Report will be published in summer 2021

UK CLIMATE RISK

- New website: https://www.ukclimaterisk.org/

- Six CCRA3 research projects already available to view and download.



- Outputs from recent conference: Is the UK on track to adapt to climate change?

Climate
Change
Committee

Q&A

Our next session starts at 11am

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Government Actuary's Department

Value for money and climate reporting

Simon Bittlestone, National Audit Office

Sara Ronayne, GAD

Andrew Blair, Department for Work and Pensions

and joining for our Q&A panel: Teresa Clay, Ministry of Housing, Communities and Local Government

House keeping

This session is being recorded

Ask questions via the Q&A function

Auditing net zero

Simon Bittlestone, Audit Manager

Simon.bittlestone@nao.org.uk
@Simon_nao

18 November 2020

Agenda

- NAO background: role and objectives
- Our objectives for work on environment and climate change
- Considering value for money

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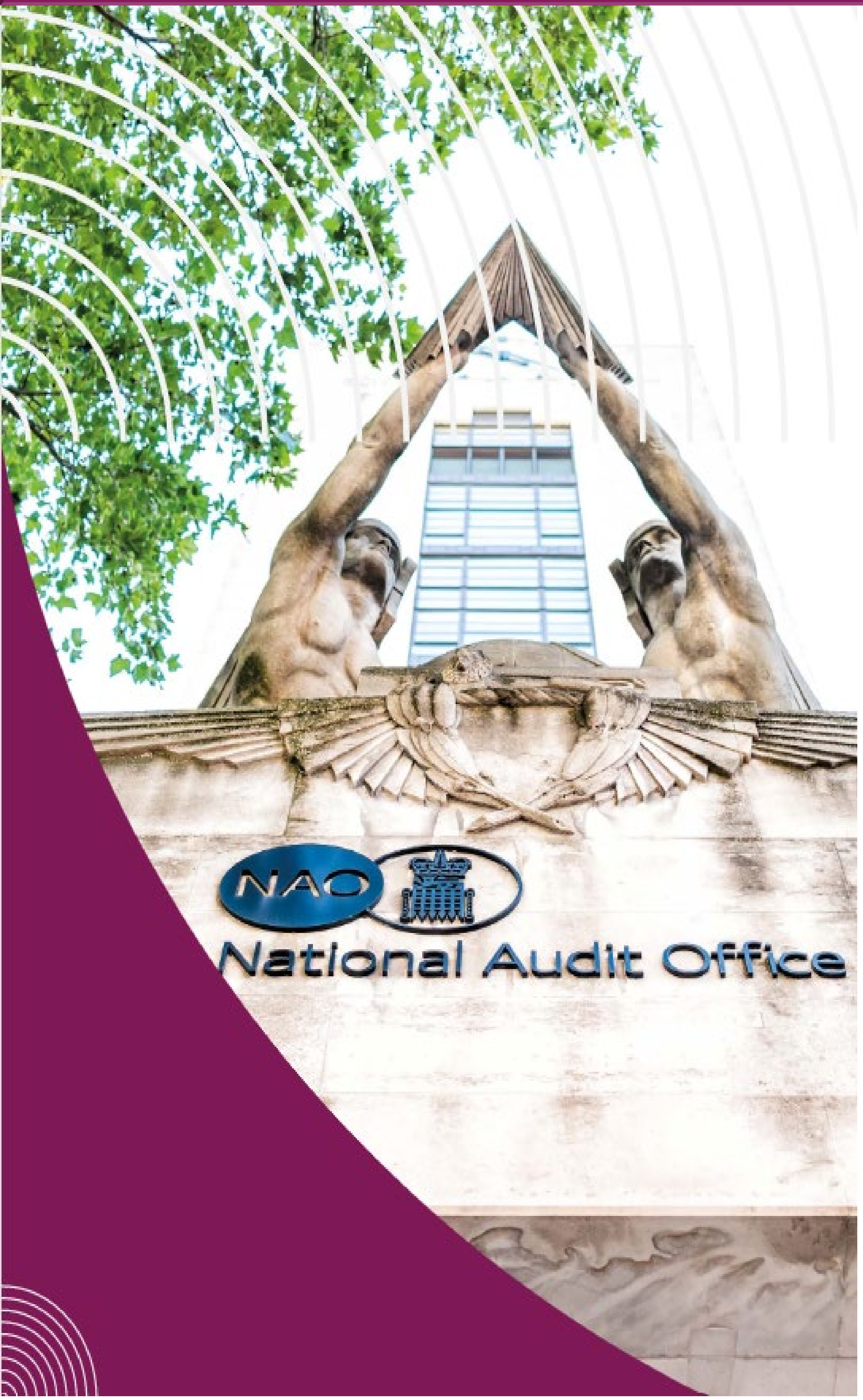
Our role



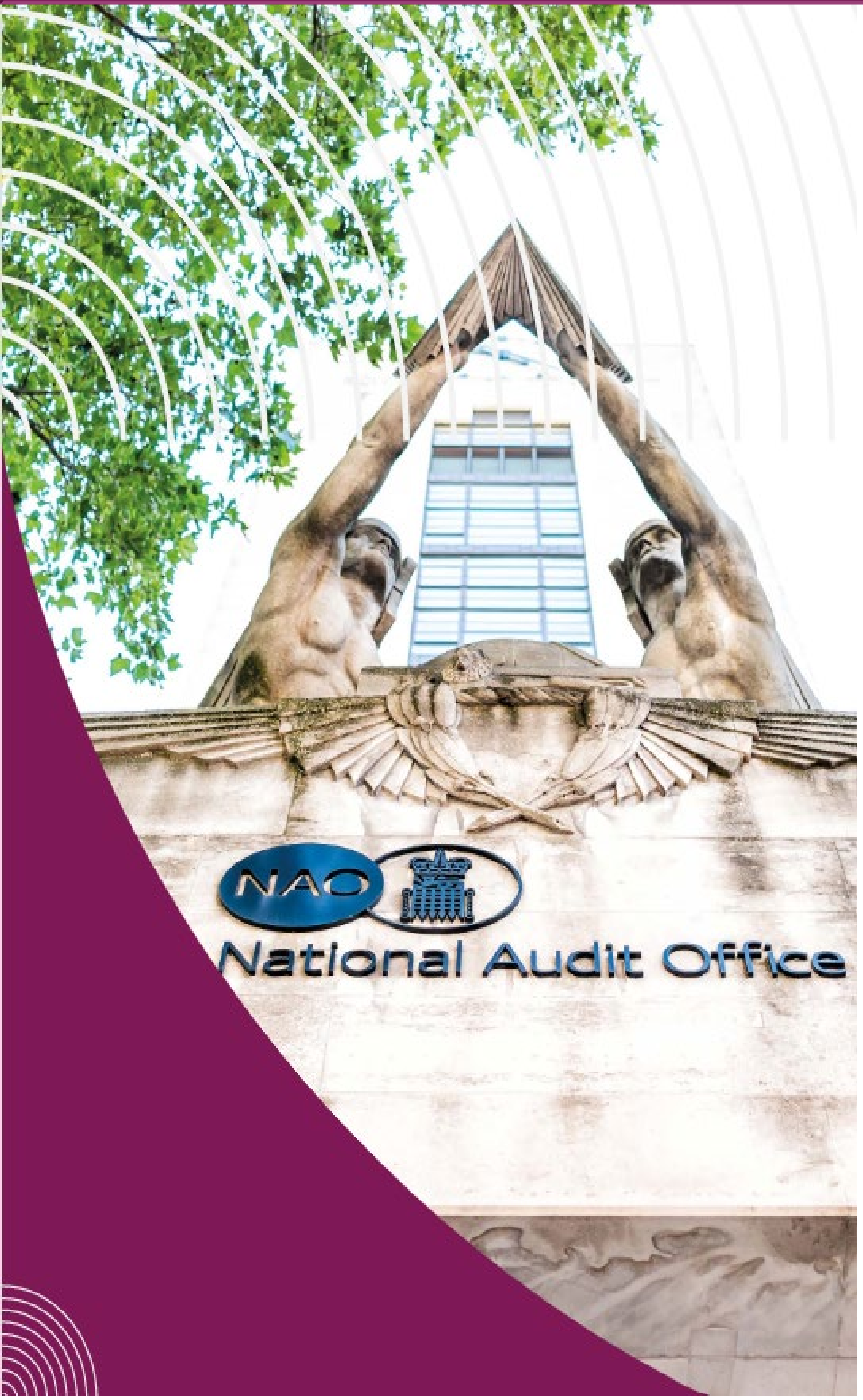
The National Audit Office (NAO) helps Parliament hold government to account for the way it spends public money.

We audit the finances of public bodies and scrutinise public spending to assess facts and value for the taxpayer.

We are independent of government and the civil service.

We don't question the merits of government policies, but assess whether resources have been used efficiently, effectively and with economy.

Our strategic priorities



- **Improving support for effective accountability and scrutiny**
- **Increasing our impact on outcomes and value for money**
- **Providing more accessible independent insight**

Our work

The UK's independent public spending watchdog

Financial Audit

We audit public sector accounts, including all central departments, agencies and other public bodies, from charities to big commercial entities such as Network Rail. We report the results to Parliament.

Value for Money (VfM)

We report on the value for money (the effectiveness, efficiency and economy) of government spending. We make recommendations and highlight lessons for the bodies we audit and for government more widely.

Investigations

We conduct investigations to establish the facts quickly where there are concerns about public spending, such as service failures or financial irregularities. These concerns may be raised by MPs, the media or the public, or be identified through our work.

In 2019-20…

We certified **404 accounts** auditing **£1.7 trillion** of public income and expenditure

We published **42** value for money reports **14** investigations and **7** EU exit outputs

Past work related to climate change

Electricity Networks - *January 2020*

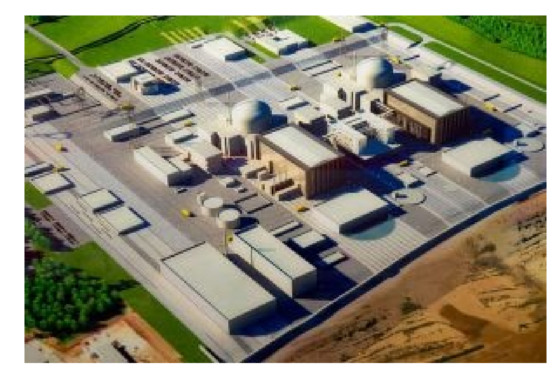
Examined how effectively Ofgem has used electricity network price controls to protect consumers and achieve government's environmental goals.

Renewable Heat Incentive – February 2018

Examined progress against RHI scheme objectives and how BEIS and Ofgem were managing risks of fraud and non-compliance.

Rolling out smart meters – *November 2018*

Examined progress with the roll out; government's value-for-money case; and its approach to monitoring and risk management.

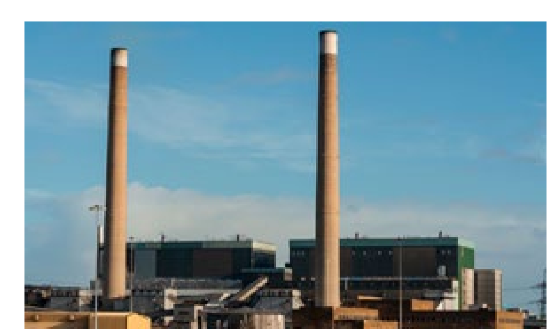


Hinkley Point C – July 2017

Assessed the value for money of the government's deal to support construction of HPC and how it plans to manage the future risks of the project.

Investigation into 2017 contract for difference auction – *May 2018*

Set out facts around how BEIS designed the auction, including introduction of a capacity cap that inadvertently increased consumer costs.



Carbon capture and storage – January 2017

Assessed how the government had run its competition for support for CCS projects.

Past work on wider environmental issues

Ministry of Defence sustainability overview - *May 2020, report to EAC*

- examined how far the Ministry of Defence has embedded environmental sustainability in estate management, procurement, governance and policy-making.

Packaging recycling obligations - *June 2018, report to EAC*

- identified lessons from the management and performance of the packaging recycling obligation system.

Water Supply and Demand Management - *March 2020, report to PAC*

- set out the challenges facing the water industry in England and assesses how Defra is tackling them.

Environmental Metrics - *January 2019, report to EAC*

- evaluated how far the government has an effective system for measuring progress towards its environmental objectives.

Air Quality - *November 2017, report to joint inquiry by 4 committees*

- overview of government's approach to improving air quality in the UK.

Agenda

- NAO background: role and objectives
- Our objectives for work on environment and climate change
- Considering value for money

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Strategic focus on climate change

- A new Comptroller and Auditor General, Gareth Davies, was appointed for a 10-year term in June 2019.

- Our 5 year strategy for 2020-2025 includes plans to focus more on long-term value for money issues, including the UK's 'net zero' emissions target.

Objectives for our work on environment and climate change

1. **Holding government to account** for use of public money to achieve environmental aims

2. **Highlighting gaps/misalignments** in government's plans that could increase long-term costs

3. **Influencing government** to improve how it achieves environmental aims

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This is important because…

- The government is spending increasing amounts of money on net zero and other environment goals as it looks to fill gaps in plans against targets.
- Some of this money will be spent quickly, creating risks for VFM

We will achieve this by…

- Doing VFM studies that 'follow the money', where it is high value and/or high risk, and consider differential impacts.
- Taking a broad view on public expenditure, including consumer-funded schemes and the impact of regulation as well as exchequer spending
- Considering what VFM means in a situation where government needs to take risks and things will go wrong

Objectives for our work on environment and climate change

1. **Holding government to account** for use of public money to achieve environmental aims

2. **Highlighting gaps/misalignments** in government's plans that could increase long-term costs

3. **Influencing government** to improve how it achieves environmental aims

This is important because…

- The government has set high ambitions, such as the net zero target, and is working on plans to achieve it.
- There is a risk that delays to government action could mean achieving targets costs more in the long term.

We will achieve this by…

- Using VFM studies of past expenditure and pilots/demonstrations as 'hooks' to assess forward plans, including contingency planning
- Assessing whether government has quantified the cost of achieving targets and the impact of delays
- Assessing how major fiscal events (e.g. Spending Reviews) consider long-term plans
- Considering the alignment of 'government's own emissions' (estates, procurement, investment appraisal, Covid recovery) with environmental objectives

Objectives for our work on environment and climate change

1. **Holding government to account** for use of public money to achieve environmental aims

2. **Highlighting gaps/misalignments** in government's plans that could increase long-term costs

3. **Influencing government** to improve how it achieves environmental aims

This is important because…

- Achieving net zero and other environmental goals requires transformation on an arguably unprecedented scale. This presents a number of strategic challenges that government must manage.

We will achieve this by…

- Revisiting cross-cutting issues in each of our reports, drawing on our experience and expertise.
- "Providing more accessible independent insight":
    - Lessons learned reports
    - Workshops/roundtables
    - ..Anything else?

Cross-cutting issues

The following are the main cross-cutting issues that have emerged from our work on how government is organised to achieve net zero and environmental goals.

- **Effective coordination**
- **Whole systems approach**
- **Skills**
- **Leveraging private sector investment**
- **Behaviour change**
- **Role of local government**
- **Monitoring, learning and improving**

Recent and planned publications


National Audit Office

Report by the Comptroller and Auditor General

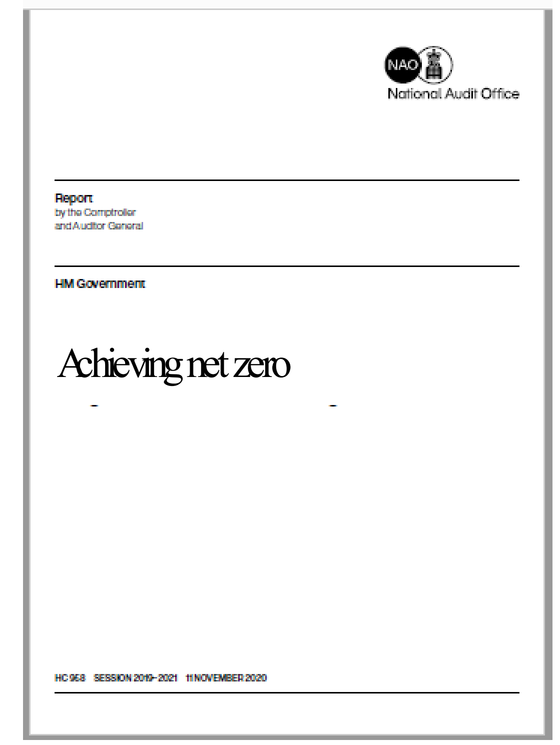
HM Government

Achieving government's long-term environmental goals

Achieving government's environmental goals (11 November 2020)

- Examines government's set-up for achieving its long-term environmental goals
- Draws on previous NAO reports to highlight key risks government needs to manage, covering:
  - Setting direction
  - Oversight & co-ordination
  - Monitoring, learning & improving

"It is now nine years since government first set an ambition for this to be the first generation to improve the natural environment in England, and there is still a long way to go before government can be confident that it has the right framework to deliver on its aspirations and ensure value for money from the funding it has committed to environmental projects."


National Audit Office

Report by the Comptroller and Auditor General

HM Government

Achieving net zero

Achieving net zero (due December 2020)

- Will describe government's coordination arrangements for achieving net zero
- Draws on previous NAO reports to highlight the key risks government needs to manage, such as:
  - Ensuring cross-government action
  - Clear roles and responsibilities
  - Managing links between different aspects on net zero
  - Public engagement

Agenda

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Value for money and net zero

What does ‘value for money’ mean?

- **Cost-benefit analysis vs. a counterfactual** (e.g. what would have happened without intervention or with alternative action)
- **Performance vs. a benchmark** (e.g. comparison with other organisations; prior performance; government’s own targets)
- **Operational good practice** (e.g. performance against a model of good practice such as for procurement or project management)

Sometimes we find there is not enough data to conclude on VFM (sometimes because of the environment departments operate in)

Achieving net zero means:

- Implementing policies at pace
- Take decisions to act in the context of uncertainty about the right pathway or what will work
- Influencing external stakeholders to act (e.g. private sector and individuals)

We recognise that not everything will go right!

Value for money and net zero: issues to consider

Making the most of learning opportunities

- Building in evaluation from the outset, e.g. collecting information
- Utilising principles of good evaluation
- Drawing on lessons of past policies
- Sharing insights across govt.

Taking a long-term view

- Considering whether delays/changes now could lead to higher costs later
- E.g. energy efficiency policy

Considering alternative delivery models available

- Weighing up costs, benefits and risks of different approaches
- Presenting options to decision makers
- E.g. Hinkley Point C deal structure

Considering links to other parts of government

- Understanding where activities have links to other policies
- Considering sequencing, shared demand for resources, avoiding duplication

Thank you

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Government Actuary's Department

TCFD & Government Work

TCFD & Government Work

Task Force on Climate Related Financial Disclosures

- Voluntary recommendations released in 2017
- Wide relevance and support
- Roadmap to mandatory TCFD by 2025

TCFD recommendations

Governance

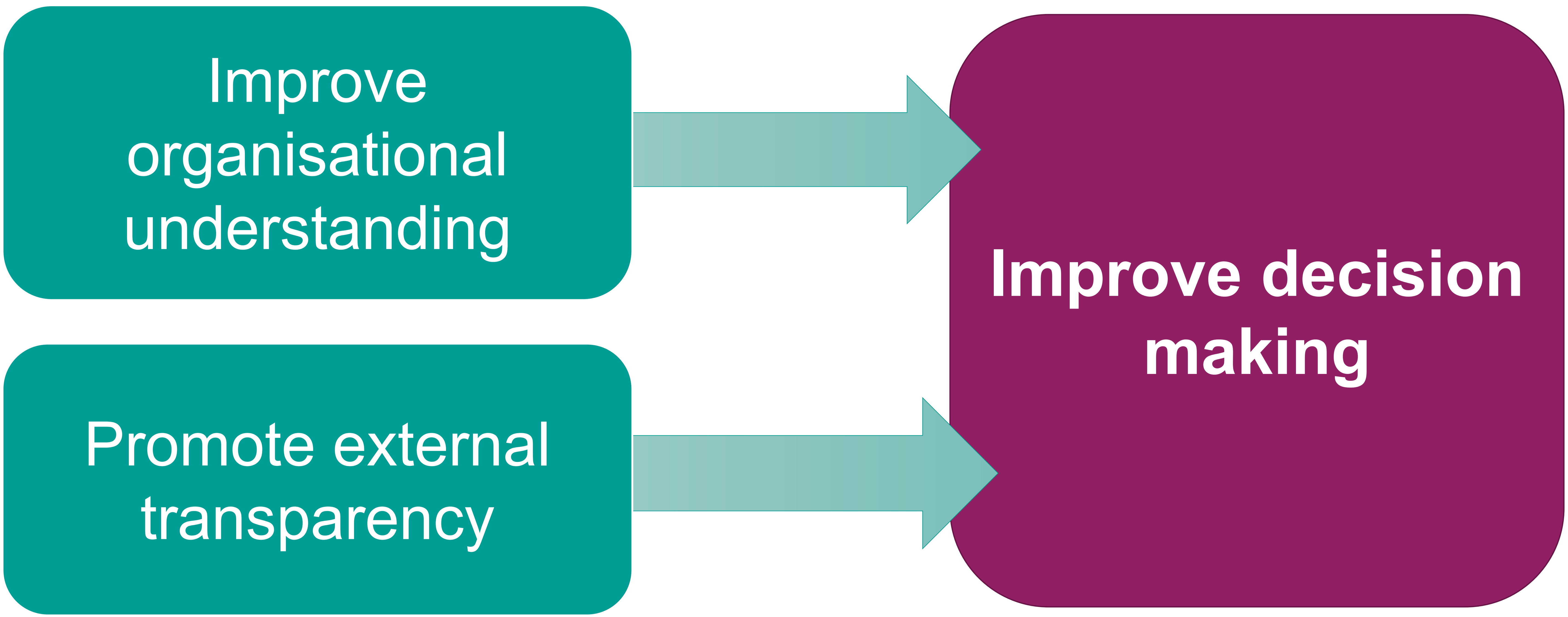
Strategy

TCFD

Risk management

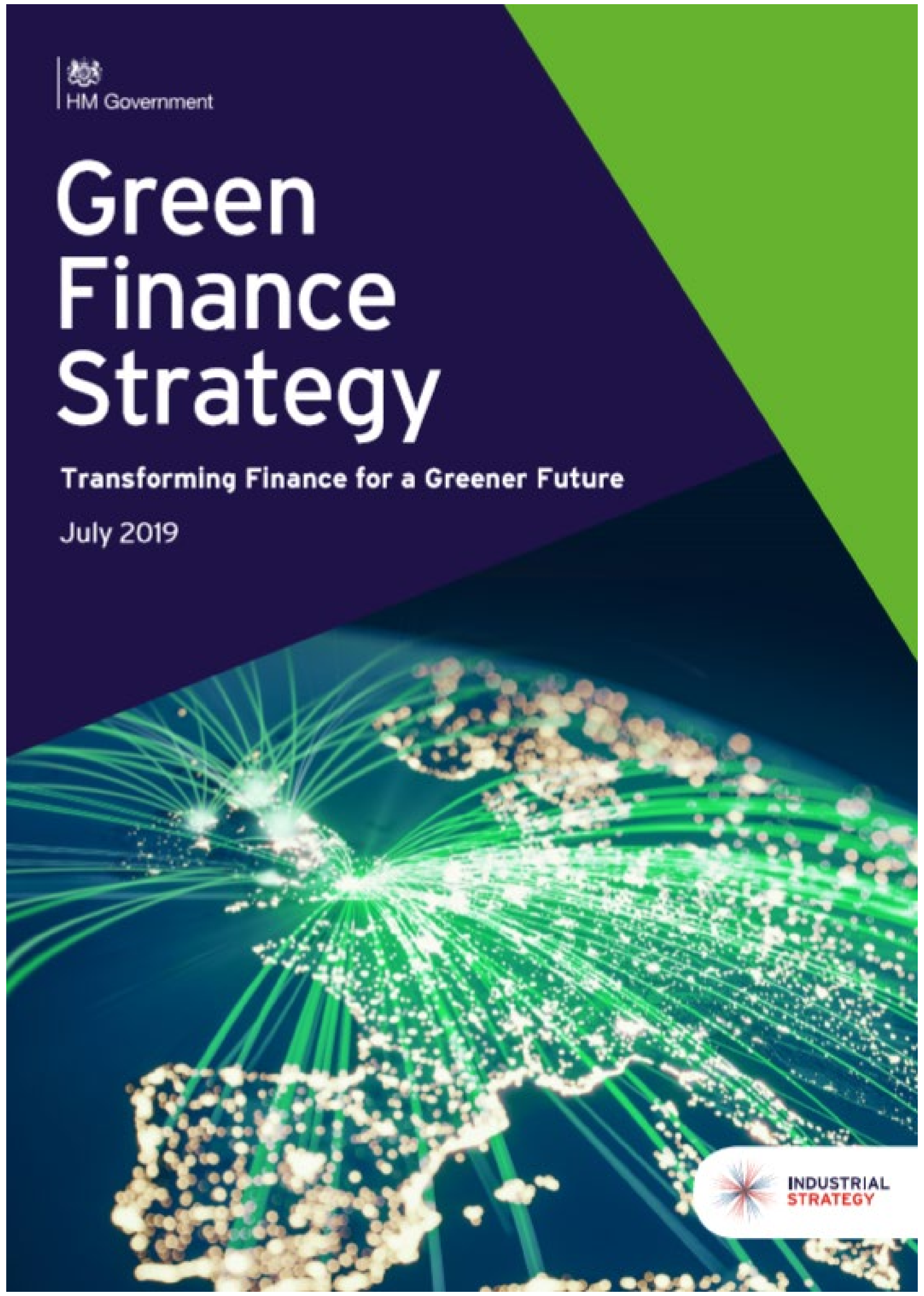
Metrics and targets

Value of disclosures



TCFD in government work

- Private sector regulation and governance
- Public sector disclosures
- Interpreting disclosures made
- Wider adoption of best practice techniques



Scenario analysis – a key challenge

Key TCFD requirement

Current disclosure rates low

Powerful risk management technique

Summary

- The TCFD framework is a valuable risk management tool…
- …which is set to continue increasing in relevance
- … and can add value for government as well as the private sector

The role of climate-related financial disclosures

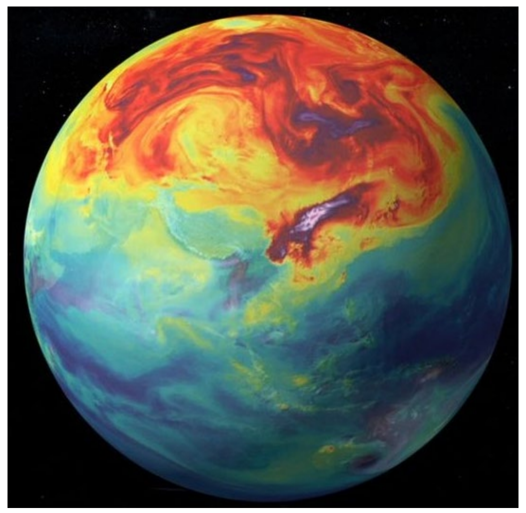
The Government's expectations of pension schemes

The Government's Climate Challenge and How Risk Management Can Help

GAD 17th – 18th November 2020

Andrew Blair – Climate Change and Responsible Investment, DWP

Climate change as a risk



This is not about ethics. This is not about the Government getting investors to do the heavy lifting. This is not about divestment.

This is about risk.

The transition to net zero, to which the UK is committed to achieving by 2050, will trigger systemic realignment in the global economy, with the potential for permanent devaluation of current investments. The climate emergency will also bring about great physical risks that threaten the return on investment expected from all asset classes.

Pension schemes are entrusted with securing a retirement income for their members. All trustees need to be prepared for the risks to their investments that the transition to net zero will bring but also the physical risks of climate change.

Types of risks

Physical risks

- More frequent or severe weather events like flooding, droughts and storms.
- Impact for investors?
  - Companies' supply chains damaged, asset values impacted (real estate, agriculture etc), impact on overall economy/consumer spending (higher insurance premiums, fall in house prices)

Transition risks

- Move towards a less polluting, greener economy. Change in policy and technology.
- Impact for investors?
  - Changes in demand, viability and ultimately value of investments/companies not aligned with a low carbon economy e.g. fossil fuels, high carbon industry (e.g. steel and cement)

Liability risks

- People seek compensation from losses suffered from physical or transition risks.
- Impact for investors?
  - Will pension funds be challenged in court for failing to adequately address climate change risk?

Opportunities

- The transition will mean certain technologies, often unimaginable just yet, will emerge and thrive
- Impact for investors?
  - Opportunity cost if emerging investment opportunities are not tracked and taken advantage of.
  - Climate risks unmitigated/unhedged

The emergence of TCFD

- The launch of the Task Force for Climate-related Financial Disclosures’ recommendations in 2017 was a landmark moment in terms of accounting for climate-related risks **and opportunities.**

- In 2019, as part of the Government’s Green Finance Strategy, we stated that all large asset owners and listed companies would be subject to TCFD rules by 2022.
- Just last week, the Chancellor announced that all UK financial services will be subject to requirements to report in line with the TCFD recommendations by 2025.
- The Government is committed to a joined-up approach that ensures key information on climate change risks and opportunities flows through the investment chain.

DWP proposals

- Powers introduced in the current Pension Schemes Bill to mandate TCFD for occupational pension schemes (Clause 124).
- DWP consulted on this policy this Autumn and will issue a response early next year.
- Summary of the new proposals:
  - Implement the TCFD recommendations, adapted for trust-based pension schemes.
  - Require trustees to have processes to address each of the recommendations and to disclose how they do this.
  - Apply to largest schemes (£5bn+) & authorised master trusts first, followed by smaller schemes (£1bn+).
  - Requirement to calculate and publish emissions-based metrics such as carbon footprint.
  - Must set climate-related targets on, for example, size of footprint or investment in renewables.
  - Scenario analysis must be conducted to project the scheme's future exposure to climate change and the related impacts on its investment strategy.
  - Annual TCFD reports available to members.
  - Penalties for non-compliance.

Possible next steps…

- **Paris Alignment Reporting**
- **British Taxonomy on Sustainable Finance**

Takeaways

- Climate change is one of the most severe risks to your retirement income.
- The Government is seeking to address this by ensuring pension schemes put in place processes, disclose information on these processes and publish a climate risk report each year.
- Issues of green investment and Paris Alignment will only become more topical going forward and in the lead up to COP26…

Any questions?

Q&A

Our next session starts at 12pm

Wednesday 18 November	
10am	**Future government challenges** • **Eileen Wang**, Head of Engagement, HM Treasury's Net Zero Team • **Kathryn Brown** (Head of Adaption) and **David Style** (Senior Analyst) from the Climate Change Committee
11am	**Value for money and climate reporting** • **Simon Bittlestone**, an Audit Manager at the National Audit Office • **Sara Ronayne**, an actuary at GAD • **Andrew Blair**, a Policy Adviser at the Department for Work and Pensions • **Teresa Clay**, Head of the Pensions Team at MHCLG will join for the Q&A panel
12pm	**Financing climate disasters** • **Daniel Clarke**, Director of the Centre for Disaster Protection, and • **Ekhosuehi Iyahen**, Secretary General of the Insurance Development Forum

Government Actuary's Department

Financing climate disasters

Daniel Clarke, Centre for Disaster Protection

Ekhosuehi Iyahen, Insurance Development Forum

House keeping

This session is being recorded

Ask questions via the Q&A function

Q&A

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