

GAD's role in the Balance Sheet Review Report

News story

Initiatives supported by GAD are in a report into a project to improve public finances. The Balance Sheet Review identified opportunities for reforms.



Initiatives supported by the Government Actuary's Department (GAD) featured in the government's [The Balance Sheet Review Report: Improving public sector balance sheet management](#) (BSR).

This publication is the culmination of a project set up to improve public finances. The BSR, which began in 2017, identified opportunities for reforms and improvements in the government's management of assets and liabilities. Examples of this included:

- setting out a public sector balance sheet framework
- improving risk management across the government's contingent liabilities and publishing the [Government as insurer of last resort](#) report
- unlocking value from [intellectual property](#) and other intangible assets in the public sector
- improving transparency around major asset sales and publishing guidance

Although the BSR has concluded, the government will continue to focus on improving balance sheet management.

GAD's contributions

The BSR includes several projects with which GAD has been closely involved

such as the:

- risk protection arrangement for Academies
- [airline insolvency review](#) – the BSR found there was an opportunity to learn from the Review findings and review compensation arrangements involving ATOL
- [The Trade Credit Reinsurance Scheme](#), which was setup to ensure that trade credit insurance coverage and credit limits are maintained during the coronavirus pandemic – GAD modelled the costs of different scheme options to inform policy design
- clinical negligence claims – GAD works with [NHS Resolution](#) which deals with medical negligence compensation claims in England
- pooling Local Government Pension Scheme investments – GAD provided expert input to the initiative

Government Actuary Martin Clarke said: “GAD has worked closely with HM Treasury and others throughout the course of the BSR. It was very pleasing for us to be referenced in several places in the report demonstrating the range of government policy initiatives that actuaries are able to support.

“The review has set out balance sheet management policies and has noted that the work will continue in key areas going forward.”

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