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PRESS RELEASE

ACA welcomes draft CDC code subject to further clarity in a few key areas

11 February 2026: Responding to the TPR consultation on extending the collective defined contribution (CDC) code of practice, the Association of Consulting Actuaries (ACA) has welcomed the draft code of practice and says it is generally supportive of the content, and the objective of having the final code in force on the same day as the unconnected employer legislation comes into force, in July.

Chintan Gandhi, ACA Honorary Secretary, commented:

"We agree with the code's statement that it is "highly likely" that promotional activities will take place between the scheme and (prospective) employers to induce them to into joining or remaining in the scheme. We cannot envisage circumstances in which a multi-employer scheme could operate without promotion and/or marketing.

"We suggest that the code should require that any scheme which intends to make use of the legislative carve out from the requirements for promotion and marketing - on the grounds that no promotion or marketing will be carried out - must make this clear in its application for authorisation and explain how it can operate without any promotion or marketing to employers."

The ACA adds that the draft code appears to be significantly more restrictive than the legislation and would effectively mean it is not possible to amend the investment strategy relating to existing benefits. ACA suggests that the code should mirror the legislation more closely to avoid over-sectionalisation of schemes which would negate the benefits of pooling in CDC.

The response also adds that the ACA does not think the "competence of persons who promote or market the scheme" should focus on experience in a 'regulated environment'. It should be possible for CDC schemes to be set up and promoted/marketed by those with suitable experience derived from advising employers on occupational pension schemes.

Under 'scheme rules' reference is made to guidance and/or standards issued by the Financial Reporting Council on setting accrual rates. However, the FRC only published proposed amendments to actuarial standards for new multi-employer CDC pension schemes this week, which are subject to a consultation closing on 23 March and to which ACA will be responding.

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About the Association of Consulting Actuaries (ACA)

Members of the ACA provide advice to thousands of pension schemes, including most of the country's largest schemes. Members of the Association are all qualified actuaries and all actuarial advice given is subject to the Actuaries' Code. Advice given to clients is independent and impartial. ACA members include the scheme actuaries to schemes covering the majority of members of private sector defined benefit pension schemes. The ACA is the representative body for UK consulting actuaries, whilst the Institute and Faculty of Actuaries is the professional body

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