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PRESS RELEASE

ACA welcomes stronger pension scheme governance but calls for greater transparency over conflicts of interest

11 November 2026: The *Association* of Consulting Actuaries (ACA) has welcomed the Government's response to its consultation *Trust-based pension schemes: trusteeship and governance, building a stronger future*, particularly its focus on strengthening trustee board capabilities and pension administration standards. However, the ACA calls for greater transparency around potential conflicts of interest within professional trustee firms.

Commenting on the Government's response, Chintan Gandhi, Chair of the ACA, said:

»A.world.of.fewer?larger.pension.schemes.raises.the.stakes¡.When.a.relatively.small.number.of.people.may.ultimately.influence.the.retirement.outcomes.of.millions.of.savers?strong.governance?visible.independence.and.effective.challenge.- .all.underpinned.by.resilient.administration.- .are.essential.for.maintaining.trust.in.the.system¡.

»With.important.details.still.to.emerge?including.the.framework.for.transitions.to.professional.corporate.sole.trustees?we.look.forward.to.working.with.DWP.and.TPR.to.ensure.the.final.arrangements.are.proportionate?practical.and.protect.members".interests¡‹

The ACA particularly welcomes the focus on ensuring trustee boards collectively possess the right skills and perspectives, without creating additional hurdles for valuable lay and member-nominated trustees. It also supports stronger minimum standards, resilience and accountability in pension administration.

However, as professional trustee firms increasingly expand into wider services, the ACA reiterates its recommendation that The Pensions Regulator (TPR) should have greater visibility of services provided to pension schemes by firms connected to their professional trustees.

While integrated models can offer efficiencies, the ACA believes potential conflicts of interest and concentrations of risk must be transparent and properly managed.

The ACA also welcomes greater clarity on the appropriate use of professional corporate sole trustees (PCSTs), recognising their benefits, particularly for smaller schemes, while stressing that they should not become the default governance model for every scheme.

However, where well-funded defined benefit schemes are considering running on or distributing surplus, the ACA believes independent challenge and diversity of thought remain extremely valuable.

Chintan Gandhi added:

»As professional trustee firms expand into wider services it must be clear who is working for whom¡ Integrated models can bring efficiencies but trustees employers members and the Regulator need to be able to see where potential conflicts of interest and concentrations of risk exist and how they are being managed¡ We believe our suggestion for TPR to have greater visibility of connected services provided to individual schemes still merits consideration¡

»Ultimately as schemes consolidate trust becomes the common currency¡ Earning it will require governance delivering consistently good outcomes for members rather than simply having the right structures on paper¡‹

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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. The ACA is celebrating its 75th Anniversary this year.