ACA Chair welcomes DB Funding Code consultation

16 December 2022: The Association of Consulting Actuaries (ACA) Chair, Steven Taylor has welcomed TPR's consultation on the new DB Funding Code published today.

Commenting on the Code's publication, Steven Taylor, said:

"The scale and ambition of today's proposals are admirable, and we agree with the core principles laid out. However, a key test for the new Code will be how it enables the continued smooth transition of DB schemes to their endgames without disrupting well-planned scheme-specific approaches or introducing new hurdles or compliance costs.

"Within the detail of the Code itself, it will also be important to closely examine the read across to DWP's regulations as, unusually, these are expected to continue to evolve in the New Year. The ACA would like to see less prescription in DWP's final regulations, to ensure that TPR's vision for scheme-specific bespoke funding is viable in practice.

"At a system wide level, the Code does not set out to drive significant behavioural changes around LDI. However, it will be important in due course to examine the impact of the new Code alongside any future regulatory steps in this area.

"We look forward to working closely with TPR and responding to the consultation to help ensure that the new funding code delivers for all stakeholders – providing strong reassurance to members and trustees, but also clarity to sponsors on the cost of their pensions promises."

Contacts for further information:
Steven Taylor, ACA Chair, at Steven.Taylor@lcp.uk.com or 07785 907425
David Robertson, ACA Secretariat, at david.robertson@aca.org.uk or 020 3102 6763

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.