



PRESS RELEASE

ACA Chair sees huge benefit of the industry working together, whilst encouraging the Pensions Commission to look at 'sacred cows'

2 October 2025: Speaking at the Claridge's Annual Dinner of the Association of Consulting Actuaries (ACA), attended by guests from across the pensions industry, ACA Chair, Stewart Hastie focussed on the contribution the pensions industry can make by working together to achieve a better and more sustainable pensions and savings system for all, building a system that supports and contributes to a stronger UK economy and stronger public services.

Stewart Hastie commented:

"In a difficult first year for the Government, pensions has perhaps been largely a bright spot. Last year, I talked about the opportunity facing the new Government to carry through reforms that could improve outcomes for all, and we now have a bumper Pension Schemes Bill and the launch of a new Pensions Commission on adequacy.

"Other than the reserve investment mandation powers, the pensions world has broadly welcomed the range of key initiatives, including measures to boost UK investment initiated by the previous government. It will be interesting to see how the Bill progresses through the Lords later this year and we will be making representations to improve the Bill there.

"Ahead of the Bill, the ACA was one of the principal advocates of the DB surplus release proposals bringing greater flexibility to employers and schemes in how they chart their future. With the existing strong trustee safeguards, sustainable streams of future surplus assets can be generated by schemes to help UK employers invest in the future of their businesses and their workers, as well as providing an opportunity for pension scheme members to see improved benefits in the face of cost-of-living challenges.

"Other key measures we support include the long overdue superfund regime and the more recent Bill amendments designed to overcome the unhelpful consequences of the Virgin Media appeal court decision. The latter are particularly welcome to avoid messy unintended outcomes, and it is a great example of how a collaboration of industry groups, where we worked alongside SPP and APL, can work with policy makers to deliver positive solutions.

“The Bumper Bill also contains much needed and much talked about reforms to improve outcomes for savers from DC pensions. And we are glad that the current Pensions Minister, (like our guest speaker, former Pensions Minister, Rt Hon Laura Trott) is a fan of collective DC arrangements. Whether they be in decumulation or whole of life, these arrangements really do have the opportunity to provide higher retirement incomes, whilst also helping to generate long-term investment and growth in the economy.

“The announcement of the Pensions Commission is also welcome alongside the review of the State Pension Age. The fact that this Second Commission has some 18 months or so to report compared to the 3 years afforded to Lord Turner is perhaps indicative of how overdue this review is. At the risk of being accused of living in political “La-La-Land”, surely it is inevitable that these reviews will come up with what we already know. That is, as a society, we need to save more, and we need to work productively for longer - even though these may not be palatable to the political and business world and the public at large.

“My hope is that despite the limitations given to the reviewers, that they will look at some ‘sacred cows’ like:

- the triple lock that is unaffordable in the longer-term,
- or a minimum level of compulsory private savings in pensions and/or sidecars,
- or even combining a more significant rise in State Pensions Age and redistribution to those that most need it, including the ever-growing group of individuals unable or struggling financially to purchase their own home and the longer-term security this often offers in later years.

“Perhaps all of this should be accompanied by a much more vigorous public policy to incentivise and boost private savings in growth assets from a wider public and not just institutions. And more effective policies that genuinely boost employment and productivity at older ages and improve financial education at younger ages must be part of this. The latter will be a particular theme of our Association’s 75th Anniversary next year.

“And on the theme of challenging the status quo, I recommend having a look at the [‘Retirement Reimagined’](#) paper from James Smith and Al Miles that was first presented at last year’s ACA Bloomfield Lecture and shows the kind of fresh thinking we need to encourage and debate.

“More than anything else it’s my strong belief that we need to encourage a behaviour change across our society – away from an “entitlement” and an “overly risk averse” way of approaching savings. That would be a real change.”

“And that brings me to what lies ahead – with the upcoming Budget, we are deeply concerned over the cycle of persistent and damaging rumours of further tax changes in pensions. Tax changes that we all know could be a massive step back in pension saving.

We continue to urge government to bring a cool calm head to pensions tax that provides stability and certainty to support positive long-term saving behaviours.”

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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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