ASSOCIATION OF CONSULTING ACTUARIES

PRESS RELEASE

ACA CALLS FOR FULL LEGISLATIVE STANDARDISATION OF ANNUAL BENEFIT STATEMENTS ALONGSIDE SUPPORT FOR DASHBOARD

23 December 2019: The Association of Consulting Actuaries (ACA) has welcomed the opportunity presented by the DWP consultation on Simpler Benefit Statements to radically re-design statutory annual benefit statements as part of a wider industry drive to encourage members to think about their retirement and the outcome they want at an earlier stage in their working lives, aided also by the pensions dashboard initiative.

In order to successfully achieve the twin ambition of consistency and simplicity, the ACA believes that full legislative standardisation of annual benefit statements would be required. To the extent any guidelines and/or principles are subject to interpretation, there is the risk that consistency is not achieved. Ultimately, we are supportive of change that reduces the degree of confusion and apathy in pensions and empowers members to take control of their savings for retirement. For the full response click **here**.

With Pension Freedoms, we believe that this is an opportunity to consider the relevance of the information that is presented to members through the annual benefit statements, as this is also a driver to better engagement. As such, consideration should be given to how different members are likely to use their savings at retirement and illustrations developed accordingly.

The combination of a standardised simple benefit statement with a dashboard that shows multiple pension policies in one place will help millions of people view their pensions savings in a clear light for the first time.

"We are also strongly in favour of this communication delivering more value to members by focusing on what members really need to know and providing them with the tools to enable them to take action to improve their retirement outcomes," commented **Hugh Nolan**, ACA DC Committee Chair.

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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.