No.	**Proposals for changes to the Regulatory Framework to reflect CDC Pension Schemes Consultation Paper - July 2022** **IFoA consultation question**	**Association of Consulting Actuaries : Professional Affairs Committee** **ACA response – 24 October 2022**
1	Do you agree with the proposal to introduce a requirement for a new CDC Scheme Actuary PC? Please provide any reasons for, or further explanation of, your response.	Yes The role requires different technical knowledge and experience compared with conventional Scheme Actuary PC. An important difference is that a CDC scheme actuary will take decisions that directly impact members benefits.
2	Overall, do you think that the competencies contained in the draft competency framework for the new CDC Scheme Actuary PC are relevant and appropriate? If you answered "No," please explain why, or otherwise provide any reasons for, or further explanation of, your response.	Yes The changes to the competencies for DB scheme actuaries are appropriate, reflecting the differing nature of the two roles. The competences of CDC SAs (quite sensibly) overlap with those of regular SAs. It might be appropriate to highlight the differing competencies in the table (or to note in the body of the PC scheme that there is such overlap), so that if a regular SA is considering applying for a CDC SA certificate they can see and assess what extra competencies they need. A CDC Scheme Actuary might be more likely to come under cross-examination by parliamentary committees (or similar) than a typical DB Scheme Actuary. Under 'Professionalism', the third bullet should cover these circumstances. The fourth bullet under 'technical skills' might be extended to cover "Calculating benefit adjustments and accrual rates" to cover work that might be involved on new CDC schemes in future. As an aside, the wording in the PC scheme then looks a bit 'loose' when it just refers to someone who 'holds a current practising certificate'. Clearly the intention is that someone who is a SA must meet the relevant requirements for renewing that SA certificate, and that someone who is a CDC SA then has to meet the relevant requirements for renewing that CDC SA certificate. But at least in the short term there are bound to be some who are regular SAs but then also apply for a CDC SA certificate
3	Overall, do you think that the changes in the revised APS P1 are relevant and appropriate? Please provide any reasons for, or further explanation of, your response.	Yes These mimic in style for example the existing separate identification of issues that are relevant to a scheme actuary (which is correct as a CDC SA will have a statutory role). In Appendix 1 of APS1, paragraph 2.3.2, we suggest that the reference to "the adjustment to the rate or amount of benefits provided" should be extended to include "the calculation of accrual rates"

4	Do you think it would be helpful to have any guidance and/or training opportunities in relation to the new requirements or CDC schemes more generally? Please provide any reasons for, or further explanation of, your response. If you responded "Yes," please include comments on what the guidance and training should include.	Yes Tailored training opportunities are generally useful at the time of introduction, and thereafter but there would be a small pool of attendees. Guidance is useful if it is prepared as additional explanation where this may be needed, rather than setting out additional conditions.
5	Do you anticipate there will be any practical or resource implications caused by the introduction of these proposals? Please provide any reasons for, or further explanation of, your response. If you responded "Yes," please include comments on the sort of implications you anticipate.	No At present there are very few CDC schemes, and prospective CDC scheme actuaries will not have direct experience of advising similar schemes. However, acting as a DB scheme actuary to large DB schemes will be a helpful background for many of the issues involved. Also paragraph 5.3 of the consultation confirms there will be a transitional period.
6	Do you have any other comments or suggestions in relation to the proposals? If you responded "Yes," please include your comments or suggestions.	No other than that the new PC regime should be introduced as soon as possible, given the new legislative provisions have been in force since August.
7	Do the responses you have provided represent your own personal views or your organisation's views? If you answered "Personal views," go to "About you".	Organisation's views (ACA)
8	What is the name of your organisation?	Association of Consulting Actuaries (ACA).
9	Type of organisation.	Representative body for UK consulting actuaries (please see further description at the end of this response).
10	How many IFoA members does you organisation employ?	Nil
11	Do you want the name of your organisation to remain confidential?	No
12	Name / Position	Response on behalf of the ACA submitted by James Beardmore, Chair of ACA Professional Affairs Committee.
13	In which region are you based?	UK
14	Are you a member of the IFoA?	n/a
15	If "Yes," which category of membership do you hold	n/a
16	If you are an actuary, what is your main practice area?	Pensions - please see further description at the end of this response
17	Do you want your name to remain confidential?	No (ACA)
18	Do you want the comments you have provided to remain confidential?	No

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