PRESS RELEASE:
2024/25 PPF LEVY RULES CONSULTATION

ACA says current legislative framework 'not fit for purpose'

27 October 2023: Responding to the *PPF 2024/25 Levy Rules Consultation*, the Association of Consulting Actuaries (ACA), says it believes the current legislative framework is 'not fit for purpose' and should be updated as soon as possible.

ACA Pension Schemes Committee Chair, Peter Williams, commented that:

"We believe the current legislative framework is not fit for purpose and should be updated as soon as possible to remove the current restrictions, particularly the need to increase the total levy by no more than 25% year-on-year. The levy need not be maintained at the £100 million level for artificial reasons.

"We agree with introducing simplifications when the total levy being collected is relatively small. Removing the legislative constraints would enable lower levies and more simplifications.

"The PPF should not need to set a minimum levy in order to respond to 'shocks' - the levy should reflect the risk to the PPF and therefore permit zero levy in years when it is not required."

Responses to the consultation are due in by 30 October 2023.

Contacts for further information:
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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.