ASSOCIATION OF CONSULTING ACTUARIES

PRESS RELEASE

ACA comment on TPR Annual Funding Statement

TPR catches up

With UK schemes in sustained funding health (over 84% in funding surplus and over half in buy-out surplus), the Association of Consulting Actuaries (ACA) says it's positive that TPR has started to suggest schemes consider what to do with surplus.

Stewart Hastie, ACA Chair, comments:

"New endgame guidance is promised and TPR is expected to have a major role in helping schemes navigate new surplus flexibilities anticipated in the forthcoming Pensions Bill. Let's hope TPR can move a lot quicker than the Funding Code in releasing a new code on surplus that brings the right balance between protecting members benefits and reckless prudence that holds back economic growth and better outcomes.

"Much of the annual statement focuses on clarifying aspects of the 'new' funding regime - notably the largest component is given over to clarifying the lengthy covenant guidance finally released late last year and ensuring it is applied proportionately given three quarters of schemes are in a position of "low dependency" on their sponsor (under TPR analysis)."

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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.