ASSOCIATION OF CONSULTING ACTUARIES

PRESS RELEASE: IMMEDIATE

Budget comment

30 October 2024: The Association of Consulting Actuaries (ACA) issued a Statement on the Autumn 2024 Budget as follows:

Stewart Hastie, ACA Chair, commented:

"Whilst its good news that most of the pensions tax changes that were widely speculated and considered have not been taken forward at this budget, the extra NIC burden on employers combined with major increases in minimum wages will inevitably impact future employment levels and pay growth

"For some industries with high levels of minimum wage employees, we may see some inflationary pressure as employers pass on extra costs

"Ironically, the hike in employer NICs makes employer pension contributions even more tax efficient elements of reward going forward so we hope Government will continue to support and promote initiatives that have employer sponsored occupational pension schemes at the heart of the UK retirement savings landscape

"Lastly, it was a shame that the cycle of pensions tax change speculation wasn't put to bed. In a "budget for stability", we've had a corporate tax roadmap but no pensions tax roadmap! However, as the industry is still dealing with the introduction of the LSA/LSDBA regime, we welcome that the proposed changes to the inheritance tax treatment of certain death benefits from pension schemes will not apply until April 2027."

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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.