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ACA survey supports trustees being at heart of process to release DB pension fund surplus

7 July 2025: A [major survey](#) of consulting actuaries, who will be key advisers to trustees in making decisions on the release of defined benefit (DB) pension surplus, has underscored that trustees should be at the heart of the decision process. The majority of respondents to the survey conducted in May by the Association of Consulting Actuaries (ACA) also supported surplus release to be permitted at or marginally above low dependency compared to the current solvency-based level.

The survey received responses from 363 ACA members, with 65% identifying themselves as being primarily actuarial advisers to trustees and follows on from the ACA paper [Unlocking DB Pension Scheme Surplus](#) released in February 2025 and the Chancellor's announcements in support of this policy as an element in the Government's 'growth agenda'. Encouragingly, the survey responses largely support many of the principles suggested in the ACA paper.

Commenting on the survey results ACA Chair, Stewart Hastie, said: *"Another interesting area explored by the survey is the assessment of the key factors that trustees should consider before releasing surplus. These are relevant to new guidance from the Pensions Regulator that is anticipated to follow once the Pensions Schemes Bill receives Royal Assent and the secondary legislation is put in place.*

"The range of answers in this area support the decision to release surplus being specific to the circumstances of each scheme and the sponsor covenant supporting it. Despite some recent scaremongering, a scheme specific approach helps to recognise that well-funded schemes with lower risk asset strategies and strong covenant protections have very significant financial protections already in place and when combined with the strong legislative and regulatory protections, that have built up over the last two decades, can provide a sound platform for schemes to run on and release surplus for the benefit of members, employers and their current and future workers."

Key survey findings are:

- the 2025 Pensions Bill stipulates there is no level of obligation for surplus release, which is consistent with 63% of survey respondents supporting this stance and just 37% - predominantly advisers to employers – saying that there should be a level at which trustees are obliged to release surplus.
- survey participants were asked *"What should be the minimum level at which surplus can be released at Trustee discretion"* with 61% overall favouring low dependency or a margin above low dependency.

- ensuring benefits have a very high probability of being paid in full should remain at the centre of any surplus release regime was confirmed by the survey results. The survey also said other ‘top five’ factors like the employer covenant strategy, contingent assets and investment strategy should all feature as part of the decision making.
- 68% of respondents do believe there is a minimum scheme size that is suitable for DB surplus release with a scheme size of £100 million being the most often quoted minimum size. The responses support the view that any legislation doesn’t necessarily need to be fit for purpose for the full universe of smallest schemes.

Stewart Hastie added: *“Whilst for the time being, the government appears to be addressing the potential constraints in scheme rules but is reluctant to move on other measures that could incentivise the way in which surplus is used, it is hoped that as the Bill passes its second Commons stage this week and goes into Committee, the importance of such incentives will be debated. Many trustee boards will likely find it easier to agree appropriate surplus release if the government does permit these incentives and greater flexibilities for pension scheme members to benefit from surplus.”*

[Click here for a copy of the ACA survey results – Unlocking DB Pension Scheme Surplus](#)

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