ASSOCIATION OF CONSULTING ACTUARIES

# ACA NEWS

**19 APRIL 2024**

**Here is our periodic brief for ACA members summarising activities, responses made to consultations and events we have planned over the period ahead**.

## REMINDER: JOIN US AT NEXT ACA SESSIONAL MEETING

**Monday 29 APRIL 2024: 5.30pm**

**at St. Ermin's Hotel, Caxton Street, London SW1**

### Pension Fund Trustees and Fiduciary Duties: Decision-making in the context of Sustainability and the subject of Climate Change

The Financial Markets Law Committee published an interesting and useful report (click HERE to view report) in February on the above topic. This month's Sessional meeting will explore the report and its recommendations – important for advisers - with contributions from one of the co-authors, **Stuart O'Brien** of Sackers plus contributions from WTW's, **James Wintle** and IGG's **Tegs Harding**. The presentations will be followed by Q&As.

Following the meeting, drinks and dinner will be held at 7pm for 7.20pm. Registration paperwork has been issued to members via ACA contacts on 3 April 2024 or, if you usually register direct, contact tracey.gleed@aca.org.uk to book for the meeting (and dinner - £70+VAT).

## ACA RESPONDS TO TWO KEY CONSULTATIONS IN A BUSY WEEK

In a very busy period for the Pension Schemes Committee before and after Easter, two major responses have been made - summaries and links to the responses, below. Our thanks to all those who contributed to the drafting process.

### DWP CONSULTATION ON OPTIONS FOR DB SCHEMES: ACA thumbs up for surplus flexibility, thumbs down for aspects of public consolidator

In our **response** to the DWP consultation we are supportive of the greater flexibility to allow surplus refunds but pour cold water on some of the wider aspects sought for a public sector consolidator.

**ACA Chair, Steven Taylor, commented:**

*"Our view is that a statutory override allowing surplus payments to be made to scheme sponsors would be helpful, provided appropriate safeguards are put in place to protect the interests of scheme members. Additional flexibility to make one-off payments to members without adverse tax consequences will also be of use.*

*In combination, these changes will likely make investing for surplus by DB schemes more attractive, with a view to sharing surplus between members and employers and may also encourage greater investment in growth assets. However, appropriate regulatory guidance for trustees will also be essential to encourage these behaviours."*

We express significant concerns about the proposed approach to eligibility for the Public Sector Consolidator (PSC), particularly given the PPF's published initial views on the scale with which it envisages the PSC operating. *For more details go to the response link above*.

## TPR CONSULTATION ON STATEMENT OF STRATEGY: ACA critical of Statement of Strategy data tsunami

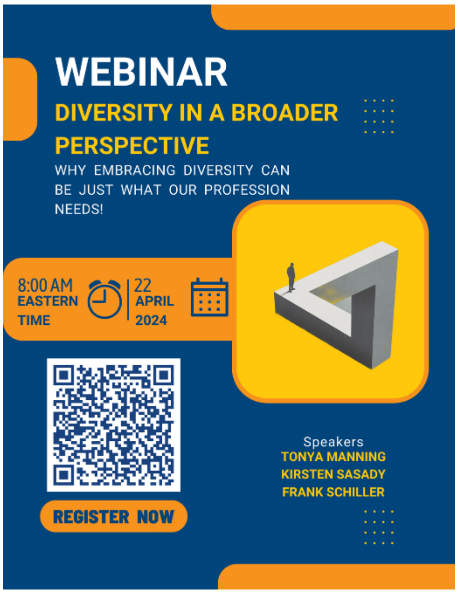
In our response to the TPR consultation we are critical as to whether a highly prescriptive, data-driven submission that goes beyond regulatory requirements is the way to go at the very introduction of the funding and investment strategy as an add-on to the well-established scheme funding process.

**ACA Chair, Steven Taylor, commented:**

*"While recognising that there is certain information that is legally required to be provided in the Statement of Strategy through the relevant Act and Regulations, it would seem more proportionate to adopt a lighter-touch approach for now. Such a light touch approach could be used to establish which, likely relatively few, schemes are of concern, for which more detailed information could be requested. It is also not clear to us that TPR will have a system in place soon to analyse all the information that it is requesting."*

For more details go to the response link above.

## DIVERSITY IN A BROADER PERSPECTIVE WEBINAR




An IAA invitation to the members of the ACA to the **Diversity in a Broader Perspective Webinar**. The webinar is free of charge and will take place on **Monday April 22 at 8am EDT / 1pm BST.** The link to register is included **HERE** but members can also access it by scanning the QR code on the image.

## VIDEO RECORDINGS ON ACA WEBSITE OF GATWICK CONFERENCE PLENARY SESSIONS – SLIDES STILL AVAILABLE

The **2024 Gatwick Sofitel Conference** on **8/9 February 2024** attracted over 200 attendees and received excellent feedback on both the topics covered and the venue.

**Recordings of the three plenary sessions are now available** on the ACA website covering economist, **Roger Bootle's review of UK and Global economic prospect**s and panel meetings on the **DB Funding Regulations and Code** and the **Mansion House agenda**. To access the recordings, click **HERE** and login (**member** (left box) and **stochastic** (right box)).

**Slides** of the Roger Bootle presentation and all the seminars where they were made available by speakers can be accessed **HERE** (same login as above).

## ADVANCE NOTICE OF WEB SESSIONAL MEETING: 22 MAY at 4PM

### Using CMI outputs to set pension scheme mortality assumptions.

The CMI will discuss its recent outputs and their implications for setting pension scheme mortality assumptions, including:

- Analysis of recent mortality experience for the general population and UK pension scheme members.
- The "S4" Series mortality tables, published in February 2024, including new IMD tables allowing for postcode.
- The CMI_2023 version of the CMI Mortality Projections Model, due to be published in April 2024.

You can register **NOW HERE** for the meeting. Further reminder notices will be issued.

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