ASSOCIATION OF
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CONSULTING ACTUARIES

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Email to basdata@frc.org.uk
The Director
Board for Actuarial Standards
5th Floor, Aldwych House
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Dear Sirs

Exposure Draft: Generic Data Standards

The Association of Consulting Actuaries (ACA) welcomes the opportunity to respond to the Exposure Draft issued May 2009.

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, subject to the code of professional conduct of the Faculty and Institute of Actuaries. Advice given to clients is independent and impartial. ACA members include the scheme actuaries to schemes covering the majority of members of defined benefit pension schemes.

The ACA is the representative body for consulting actuaries, whilst the Faculty and Institute of Actuaries are the professional bodies.

In summary we support and welcome the exposure draft as now presented. As with the other TAS standards we welcome the concise presentation.

The consultation seeks our views on 3 aspects which we address in turn.

1 the proposed commencement date for TAS D

There is no doubt that it is difficult ever to argue in favour of delay in implementing "best practice". A significant factor in advocating delay is judging whether much of the detail is already being complied with by our members, or not. We believe with one possible exception that most aspects are either already being met or would take little effort to ensure compliance. The exception relates to general documentation where we would suggest more rigour will have to be applied in future.

The long timescales for the completion of Scheme Funding exercises could result in a valuation with an April 2009 effective date having preliminary results presented prior to finalisation of this TAS D, but which is completed after April 2010. Unless that component report complied with TAS D then it would have to be revisited prior to completion of the aggregate report. This illustrates that a later implementation date would be more practical.

However given this exposure draft was issued in May it can be argued that the content should have been reflected in that component report. The only remaining concern would then be material changes to the final document.

In conclusion therefore we would find it difficult to object strongly to the proposed implementation date, but do have concerns over the need to review work already in progress and would hope that a pragmatic approach will be taken in the early days following commencement.

2 the effects that the introduction of TAS D is likely to have on actuarial information and our impact assessment

We believe the costs of compliance to be relatively small, since we believe most aspects are already being met by most of our members as a matter of best practice. There may be some need to improve documentation but that is generally a good thing.

3 the text of the exposure draft as a means of implementing the proposals presented in this document

B.2.1 In the definition of **aggregate report** we cannot see what extra the second sentence adds to the first sentence and suggest its deletion.

B.2.1 In the definition of **documentation** in order to distinguish from the colloquial use of the term relating to documents such as scheme rules, we would suggest the first sentence be amended to "Records and explanations of judgements made and other matters relevant to the preparation of the actuarial information."

C.2.1. We would suggest deletion of "which is presented in a **report**", as we believe the standard to be best practice in all actuarial work.

C.5.5. In order to be consistent with other parts of the standard we suggest the words "for the actuarial information that ……………needs of the user" be replaced by "so that **users** can rely on the resulting actuarial information".

C.5.15 & C.5.16. These seem to say the same thing slightly differently in application to assumptions and results. We feel it would be better to amalgamate as follows "If margins are incorporated into assumptions or adjustments made to results in order to allow for the effects of inaccurate or incomplete **data** then their effect will need to be separately identified."

We hope you find our answers to your questions helpful. If you have any queries or wish clarification on any aspect of our submission please do not hesitate to contact us.

Yours faithfully

Phil Wadsworth MA FFA
Chairman
Consulting Practice Committee
Association of Consulting Actuaries