ASSOCIATION OF CONSULTING ACTUARIES

2026 ACA Survey on

DB Funding Code

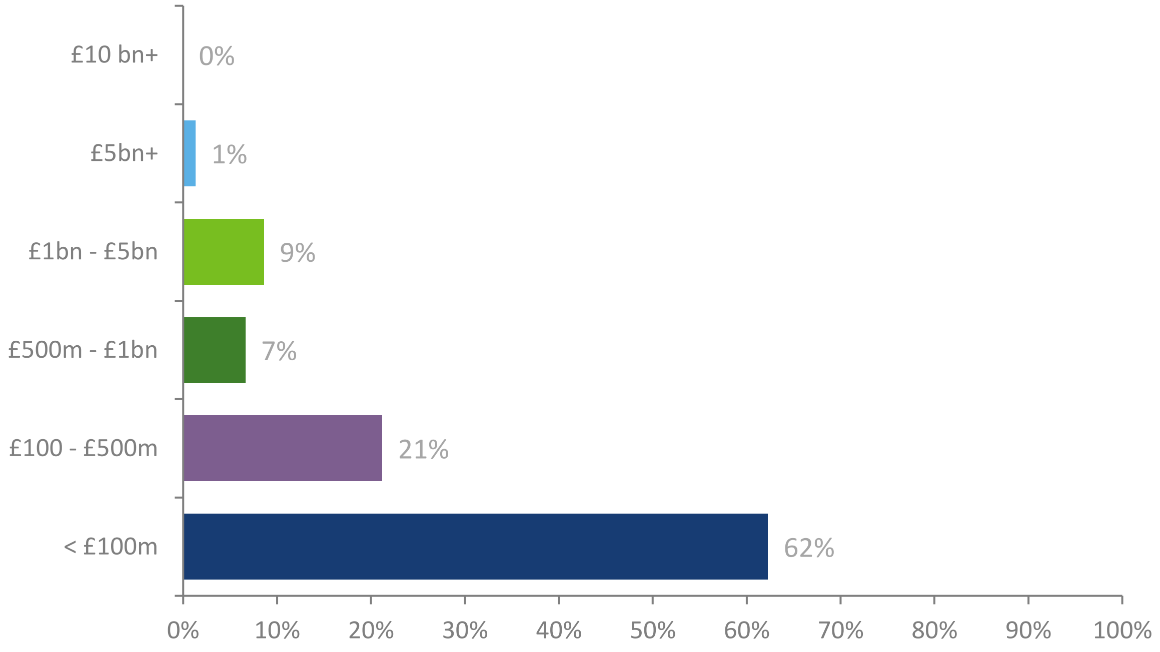
Summary of results

- **156 responses** from Scheme Actuaries of schemes who have completed a valuation under the new DB Funding Code
- 11 multiple choice questions and 2 free text questions
- Survey ran over the course of **May 2026**

Powered by SurveyMonkey

Q9: What is the size of the scheme? (Liabilities)

Answered: 151 Skipped: 5



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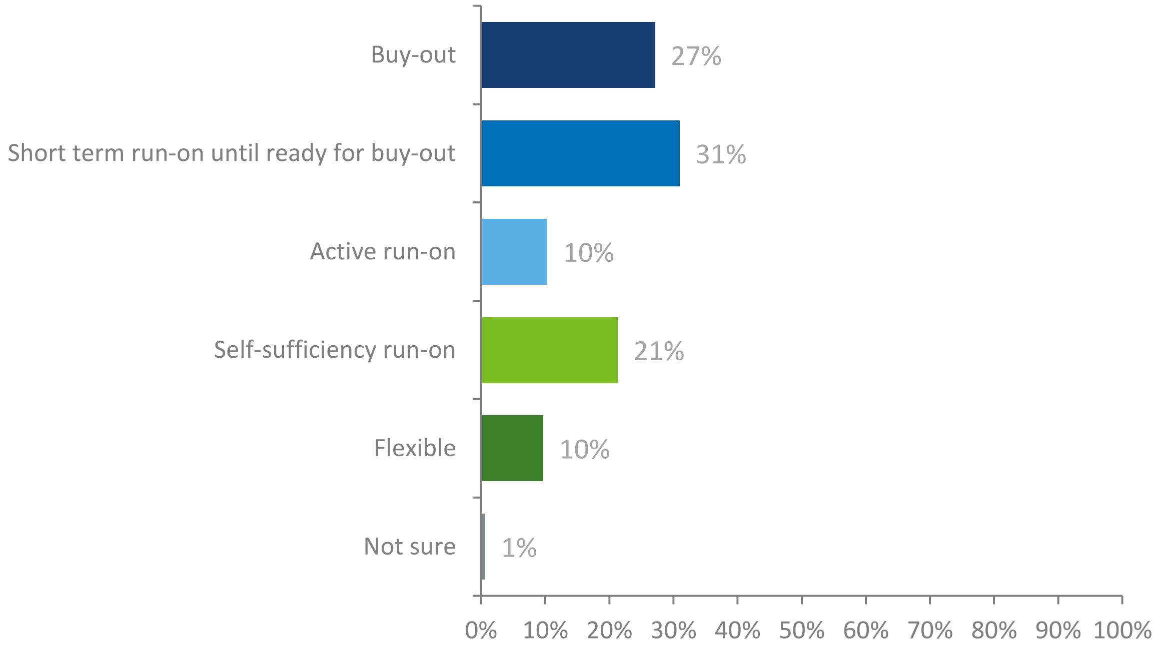
Q1: Which of these options best describes the long-term objective documented in the scheme's Statement of Strategy?

Answered: 155 Skipped: 1

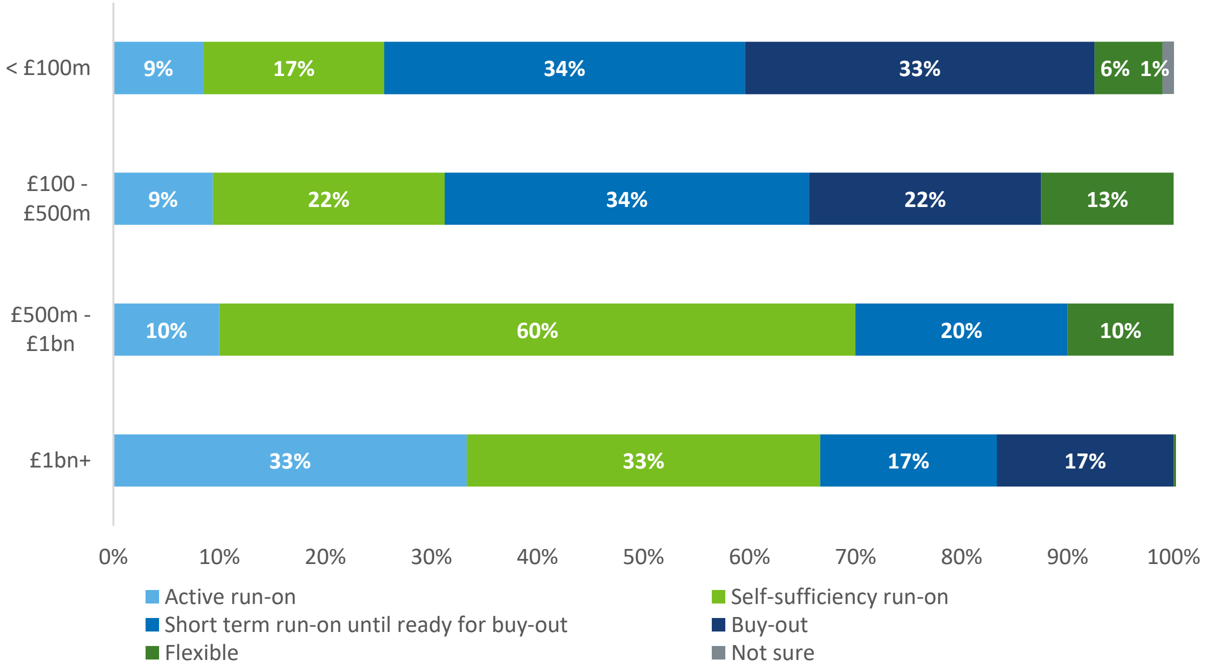


KEY TAKEAWAY

Around a third of schemes are looking at run-on, which may surprise some given the skew of respondents towards smaller – medium-sized schemes.
On the next slide we've shown response by scheme size.

Q1: Which of these options best describes the long-term objective documented in the scheme's Statement of Strategy? (by scheme size)

Answered: 151   Skipped: 5

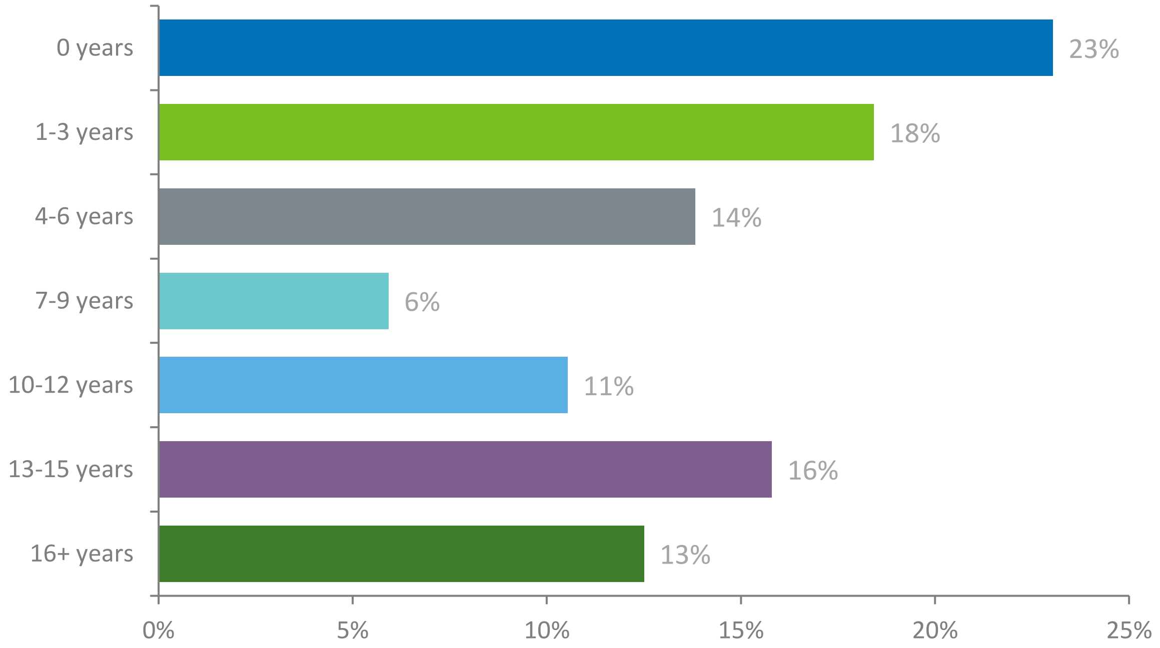


KEY TAKEAWAY

Targeting active run-on or self-sufficiency run-on is more common among larger schemes, but is still being considered among smaller schemes (26% of sub-£100m schemes are targeting run-on).

Q2: What is the approximate number of years from the valuation date to the end of the scheme's journey plan? (in number of years)

Answered: 152 Skipped: 4

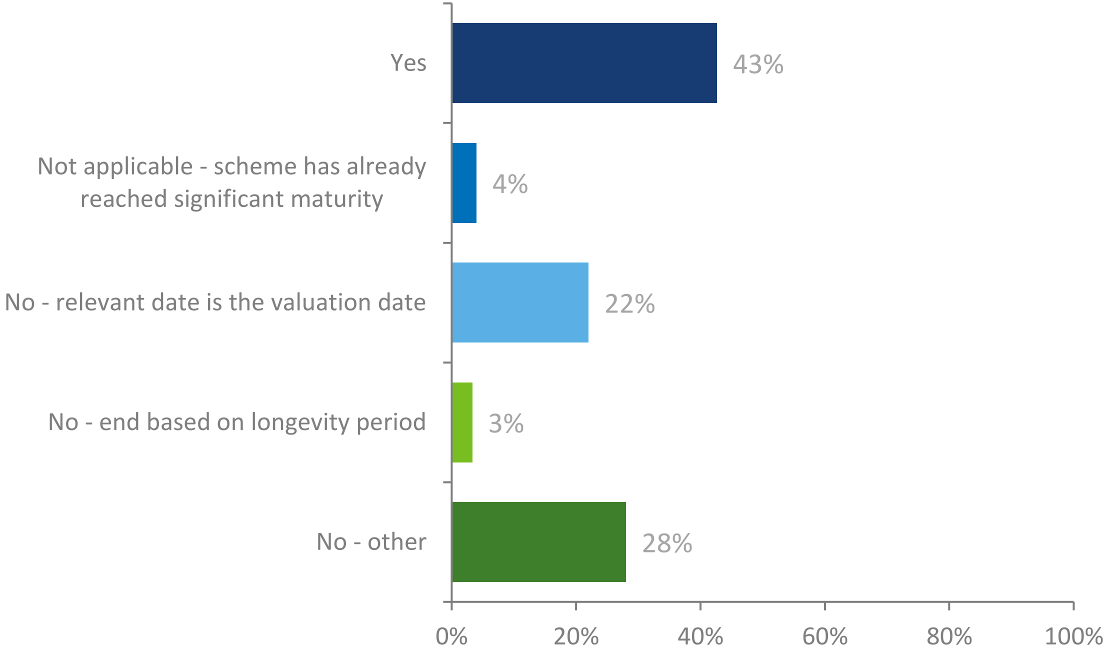


KEY TAKEAWAY

The average journey plan was 8.4 years however this masks a wide spread of responses, including a sizeable proportion of schemes where there is no journey plan as the relevant date has been set to be as at the valuation date.

Q3: Does the journey plan end around the time the scheme is expected to reach significant maturity?

Answered: 150 Skipped: 6



KEY TAKEAWAY

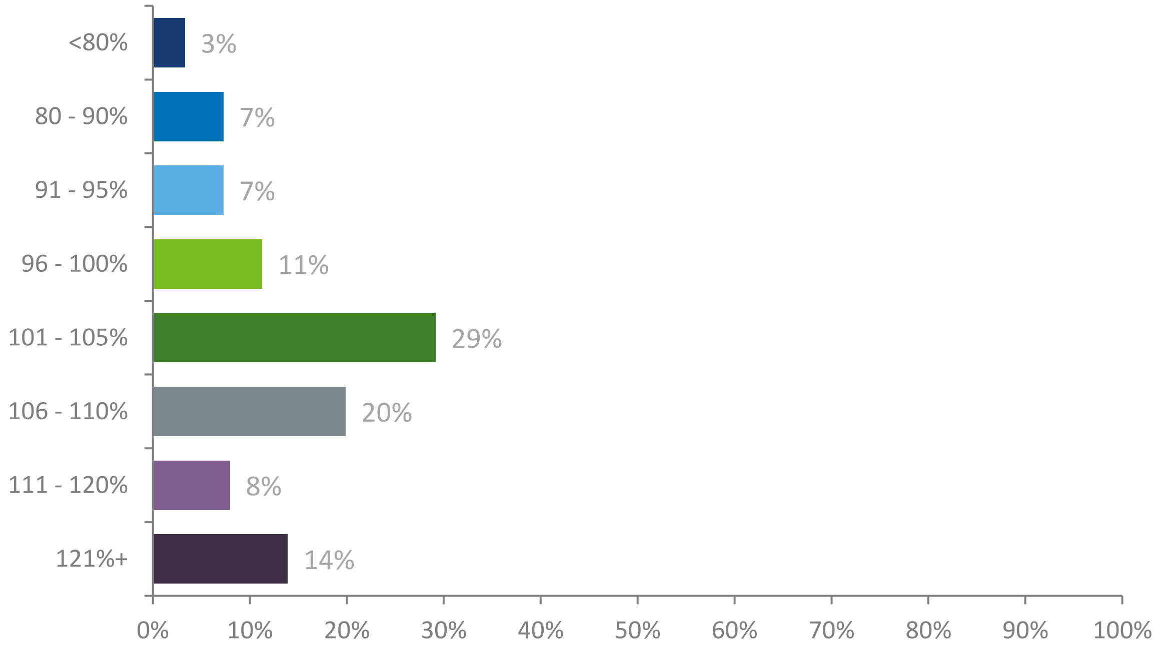
22% of schemes adopted a relevant date in line with the valuation, even though they presumably didn't need to.

'Other' was explained by comments such as:

- Journey plan aligned with when the scheme would be fully funded on their LDFB (which for some was the valuation date)
- Journey plan aligned with endgame timing (e.g. buying out in next few years, de-risking at an earlier point)
- Scheme is open to new entrants

Q4: What is the approximate technical provisions funding position?

Answered: 151 Skipped: 5



KEY TAKEAWAY

The survey supports the view that the DB system is generally well funded, with most schemes (over 70%) being more than 100% funded on technical provisions.

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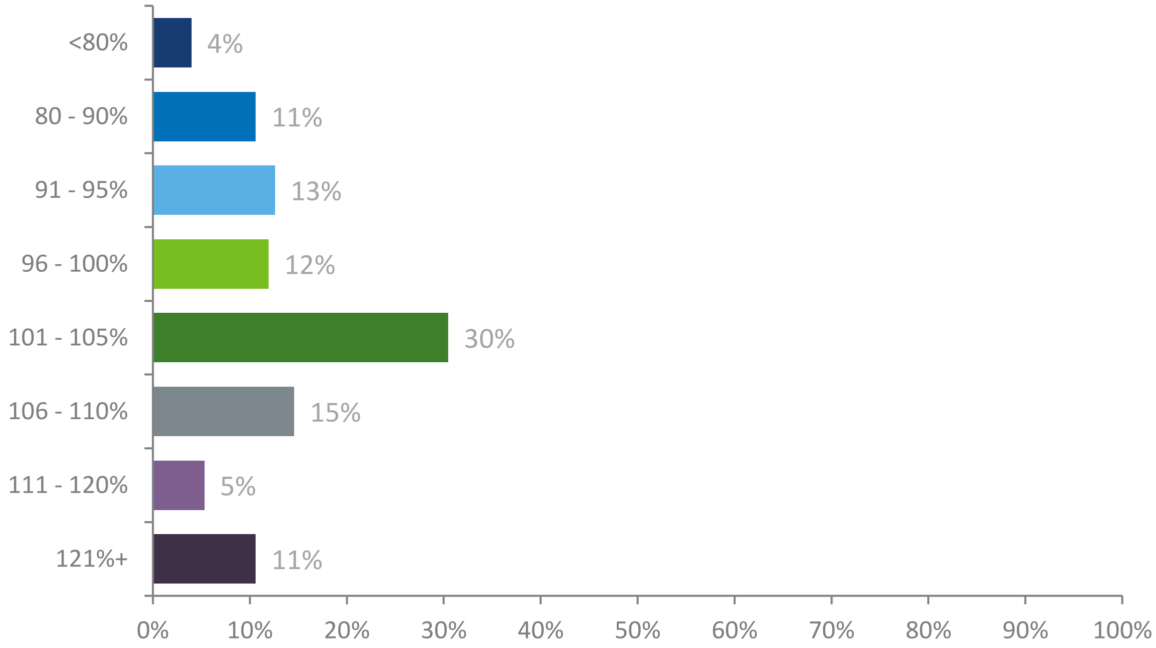
Q5: What is the approximate low dependency funding position?

Answered: 151 Skipped: 5



KEY TAKEAWAY

The survey supports the view that the DB system is generally well funded, with most schemes (over 60%) also being more than 100% funded on their low dependency funding basis.

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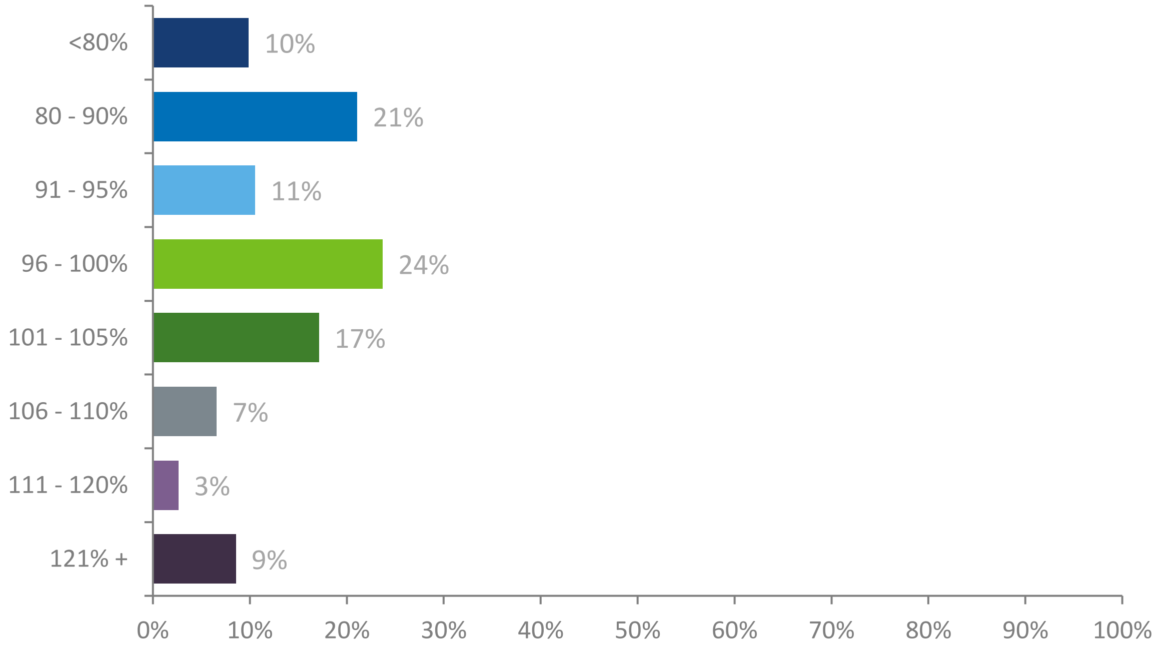
Q6: What is the approximate solvency funding position?

Answered: 152 Skipped: 4



KEY TAKEAWAY

The ACA's survey found that around 35% of schemes were fully funded on their solvency estimate basis at their latest valuation date. This compares with TPR's estimate of around 60% of schemes being fully funded on a solvency estimate basis (as noted in its 2026 funding statement.

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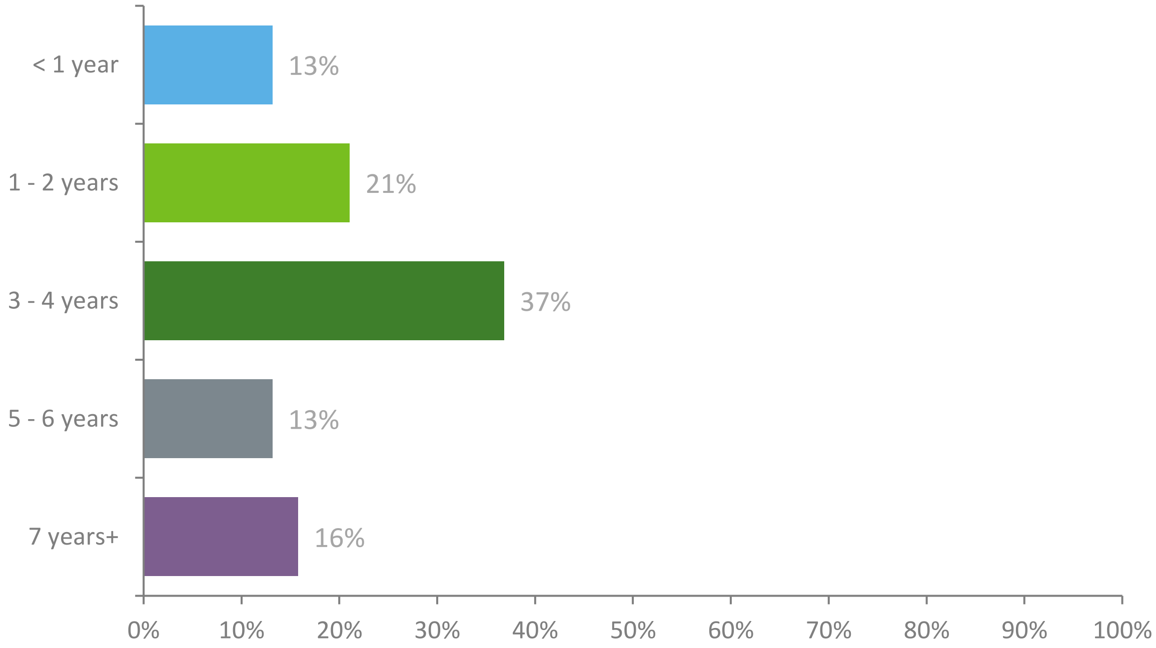
Q7: How long is the recovery plan (if relevant)?

Answered: 152 Skipped: 4 ; Not relevant/not yet determined: 114



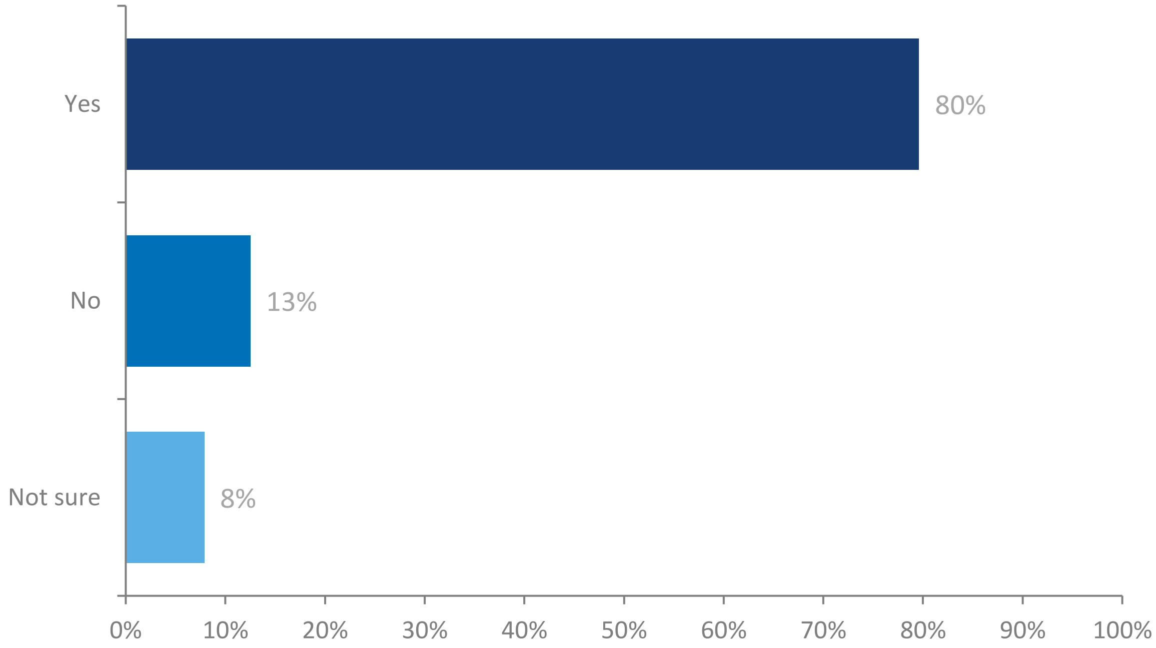
KEY TAKEAWAY

114 respondents selected not relevant/not determined, which aligns with the strong funding positions.

Of the 25% of schemes with a technical provisions deficit, most had a recovery plan of 3-4 years.

Q8: Does the valuation meet the Fast Track tests?

Answered: 152 Skipped: 4



KEY TAKEAWAY

80% of schemes satisfy Fast Track requirements. This breaks down by scheme size as follows:

- 82% of sub-£100m
- 75% of £100m-£500m
- 70% of £500m-£1bn
- 80% of £1bn+

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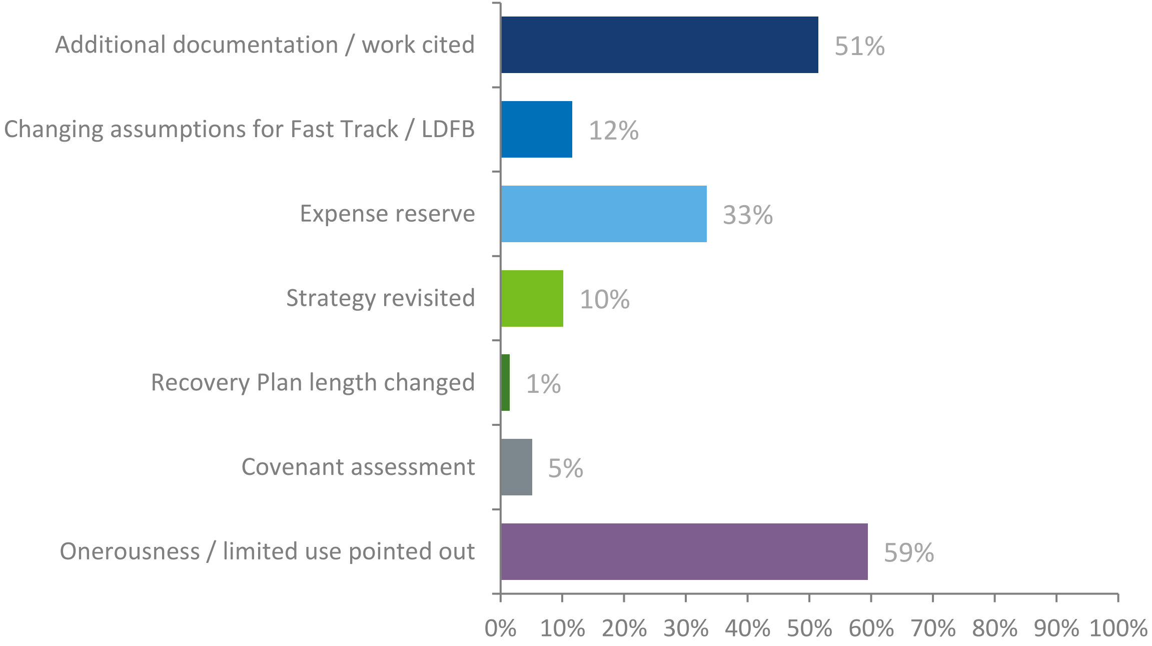
Q10: What was the most significant impact of the new funding regime for this scheme?

Answered: 138 Skipped: 18



KEY TAKEAWAY

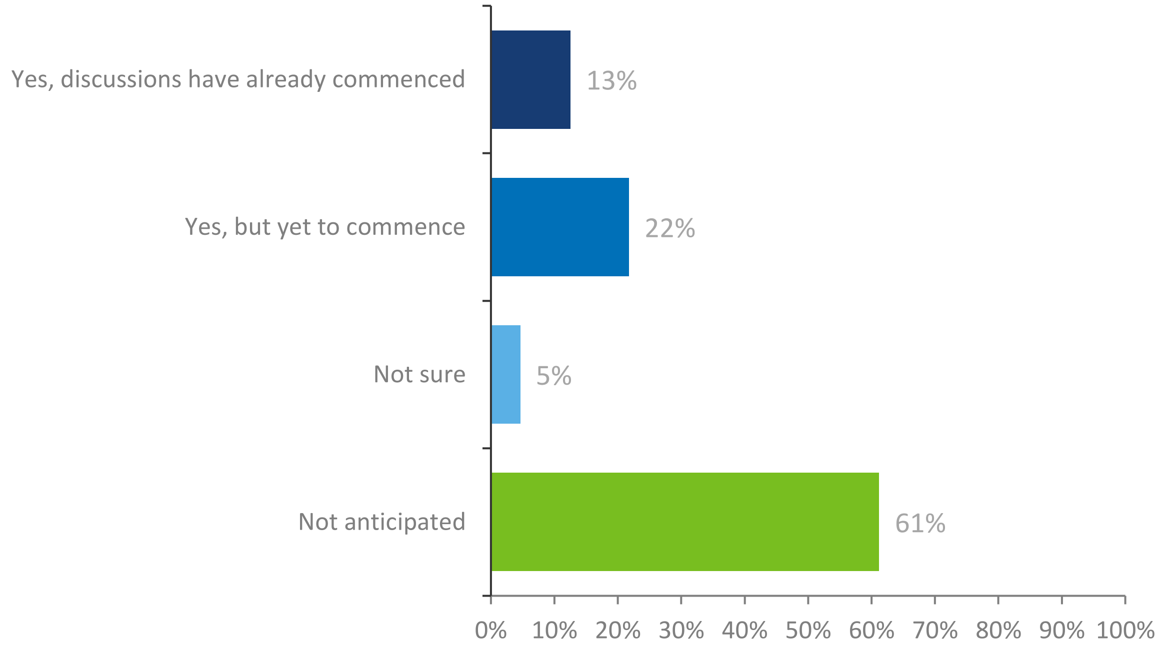
The ACA's survey revealed that the most significant impact of the new funding regime, from a scheme funding perspective, was the introduction of an expense reserve.

There was an overwhelming feeling that beyond this, the new funding regime has led to a significant amount of additional work / compliance burden. Comments to support this from the survey responses include:

- Loss of flexibility
- Disproportionate discussions to avoid expense reserve where deemed unnecessary
- Changes made to satisfy compliance with Code with limited practical use beyond that
- Statement of Strategy needs simplification

Q11: Are the surplus flexibilities set out in the Pension Schemes Act 2026 likely to be discussed between the trustees and the employer?

Answered: 152 Skipped: 4



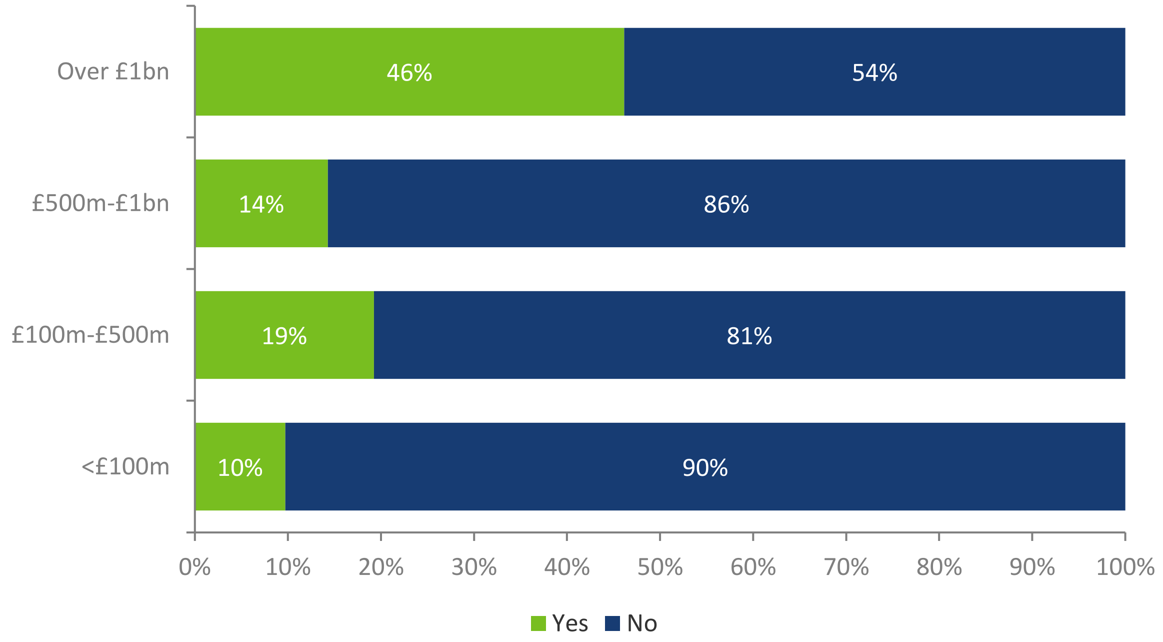
KEY TAKEAWAY

While most schemes do not currently anticipate DB surplus release discussions, over a third have either commenced or expect to commence discussions, indicating that surplus flexibilities are beginning to influence decision-making.

This survey was carried out prior to DWP draft surplus regulations and TPR's associated Statement being published.

Q12: Have the new surplus flexibilities led to any changes in behaviours or endgame targets? (by scheme size)

Answered: 118 Skipped: 38



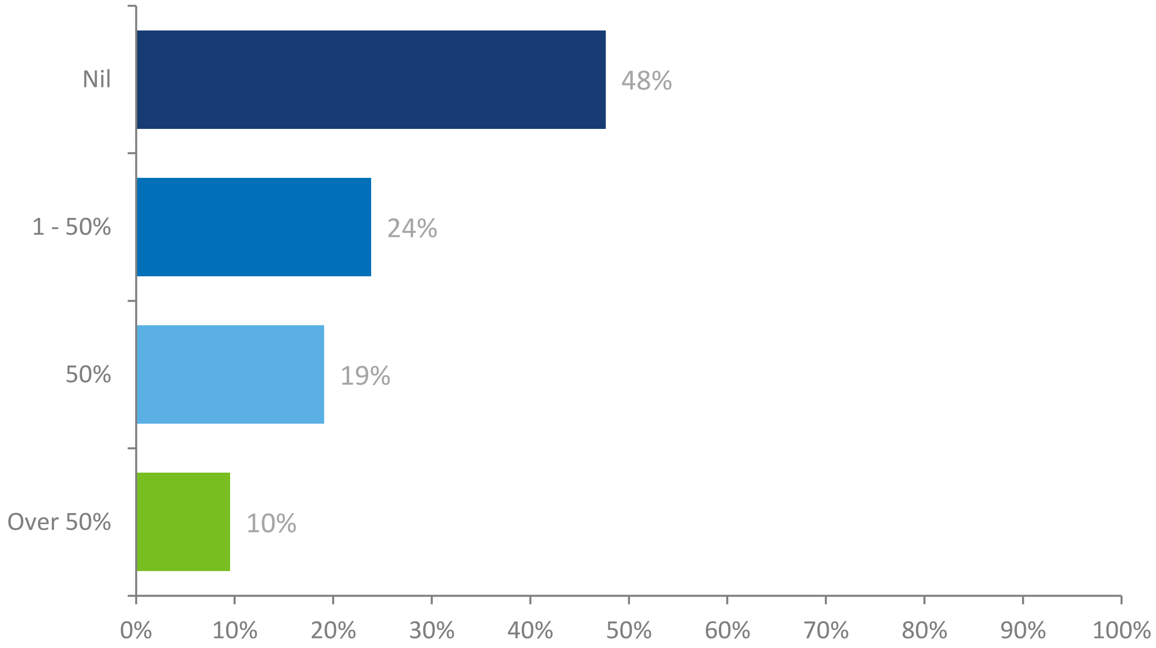
KEY TAKEAWAY

There is some early evidence that new surplus flexibilities are prompting discussions, particularly among larger schemes. Specifically:

- 26% of schemes over £100m are reviewing or changing endgame strategies;
- compared with just 10% of schemes smaller than £100m.

Q13: If surplus release is being discussed for this scheme, approximately what percentage of surplus release (if any) are trustees expected to suggest to improve member benefits?

Answered: 150 Skipped: 6 ; Not applicable: 100 Too early to estimate: 29



KEY TAKEAWAY

67% answered that this wasn't applicable and 19% responded that it was too early to estimate the outcome.
Of the remaining responses, almost half expected no surplus to be used to improve member benefits.
Anecdotally, however, we are seeing this picture change following TPR's Statement on DB surplus flexibilities.

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