

Update

May 2024

ACA launches manifesto

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Shortly before Rishi Sunak announced there would be a general election on 4 July 2024, the Association of Consulting Actuaries (ACA) launched its Pensions and Savings Manifesto, calling on the political parties to focus on a narrow, achievable and deliverable list of priorities to ensure today's working generations build adequate levels of pension saving.

Key messages include:

- The new DB funding regime needs to be finalised urgently and positively support the remaining open DB schemes and any new or hybrid arrangements that provide future benefits.
- Utilising the experience and infrastructure of DB schemes to fast forward the development of collective defined contribution (CDC) and other risk sharing pension arrangements to help create a meaningful alternative to DC.
- Establishing a default CDC provider for the decumulation of DC assets (as an alternative to drawdown and traditional annuities).
- Introducing flexible "sidecar" savings to encourage an increase in voluntary savings above auto-enrolment (AE) levels.
- Commit to completing other current reforms where there has been a broad cross-party consensus, such as launching pensions dashboards to savers, completing value for money initiatives that are practical to implement and extending AE coverage as agreed by parliament.

TPR sets out priorities



*Nausicaa Delfas,
TPR Chief Executive*

In a keynote industry speech, Nausicaa Delfas, Chief Executive of The Pensions Regulator (TPR), gave an update on TPR's priorities, namely:

- Driving value for money in DC schemes – in particular, greater scrutiny of small DC schemes through a regulatory initiative focused on value.
- Securing the future for DB schemes – providing clarity of expectations and risk tolerances through the DB code and new guidance to help trustees consider the full range of alternative models.
- Raising standards across all scheme types – ensuring all schemes are well run with high quality data in the run up to pensions dashboards.

Poorly performing schemes can expect to come under ever greater scrutiny to ensure they meet TPR's expectations, Ms Delfas said.

New TAS published

The Financial Reporting Council (FRC) has published version 1.0 of Technical Actuarial Standard 310: Collective Money Purchase Pensions (TAS 310). This follows a consultation to ensure developments in this emerging area of work are proportionately reflected. TAS 310 allows for the different considerations for actuarial work in relation to collective money purchase schemes, compared to DB or DC pensions.

Company news

The ICI Pension Fund has completed a further £900m buy-in with Legal & General Assurance Society (L&G), securing the benefits of over 7,000 retirees. To date, the scheme has completed 12 transactions totalling £7bn with L&G, which now covers around 70% of the scheme's total liabilities.

The Rathbone Group 1987 Pension Scheme and the Laurence Keen Retirement Benefits Scheme (which was acquired by Rathbones in 1995) have completed a £100m buy-in deal with Canada Life, insuring the liabilities for around 480 members.

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"The ACA believes that helping today's working generations build adequate levels of pension saving is a defining challenge of our time"

Steven Taylor, ACA Chair

