



ACA says the final Pensions Commission report fails to address ways to support and encourage good pension provision...

ACTUARIES SAY FINAL REPORT IS A GRAVE DISAPPOINTMENT

4 April 2006: The Association of Consulting Actuaries (ACA), has expressed grave disappointment that the Pensions Commission's final report has totally ignored making any recommendations on much needed reforms to encourage employers to offer pensions better than the proposed NPSS.

Commenting on the final report, ACA Chairman, Adrian Waddingham said:

"It is quite remarkable that such a major study of voluntary pensions should have done so little to address the needs of workplace pension schemes that have so successfully provided pensions to millions of employees. Without help, such schemes will be in irreversible decline. The report, whilst acknowledging that pension provision is being reduced, has only two solutions - raising State Pensions - which we support - and to introduce a very basic national pension scheme, which the report recognises 'is not sufficient...to deliver conventional standards of pension adequacy' (page 39 of final report).

"Nothing is said about how the government could encourage employers to continue to run good workplace schemes - these still cover millions of employees and some simple reforms could help their continuance. Nothing is said about how schemes that are better than NPSS - those that better share risks between employers and employees - could be encouraged for the future. Nothing is said about the growing disparity between public sector and private pensions."

"Whatever the Pensions Commission may think, the absence of any recommendations in these areas will undermine employer commitment to stick with current arrangements. We now hope the Government can do better, by recognising the value of better pensions in its forthcoming White Paper. "

The ACA added that it will be campaigning up to the publication of the White Paper and beyond for the government to recognise that there are some simple reforms that can be made to encourage private pension schemes that are better than NPSS, in terms of both the benefits and protections they offer to employees.

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Note to Editors:

The **Association of Consulting Actuaries (ACA)** has over 1500 members working in some 80 firms. Members are advisers to UK pension schemes with assets in excess of £700 billion, including the vast majority of larger schemes and thousands of smaller arrangements. The ACA forms the largest national grouping of consulting actuaries in Europe.