



ASSOCIATION OF CONSULTING ACTUARIES

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BY EMAIL TO: Nicola.Lloyd@dpw.gsi.gov.uk

Dear Nicola

Consultation: Draft National Employment Savings Trust (Amendment) Order 2018

I am writing on behalf of the Association of Consulting Actuaries in response to the Consultation on proposals to improve NEST for employers and members and to comment on the specific questions raised, namely:

Do the proposed changes to the NEST Order achieve the policy aim of facilitating the effective operation of the NEST pension scheme?

We welcome the proposed changes and agree that they help facilitate the effective operation of the NEST pension scheme. Our further comments on the individual proposals are as follows:

1. It is indeed desirable to allow employers to contractually enrol staff in NEST, removing an unnecessary barrier to the use of NEST as the pension vehicle for all employees.
2. We agree that it makes sense to extend the allowed bulk transfers into NEST to include those with consent.
3. We strongly endorse the minor technical amendment to clarify that bulk transfer funds should be allocated to individual accounts.
4. It is eminently sensible to allow NEST to close empty accounts, particularly with the conditions proposed.
5. We agree that it is desirable to allow NEST to carry out periodic research and are content with the proposal to include a legal duty as a means of allowing NEST to meet the forthcoming GDPR requirements.
6. Finally, we do not have any specific comments on the drafting of the proposed Statutory Instrument, where we expect submissions from lawyers will cover this point fully.

We hope that you find these brief comments of assistance and would be happy to discuss them further if that is helpful.

Yours sincerely

Hugh Nolan

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Chairman, DC Committee

On behalf of the Association of Consulting Actuaries Limited

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About the Association of Consulting Actuaries (ACA)

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 and all actuarial advice given is subject to the Actuaries' Code. Advice given to clients is independent and impartial. ACA members include the scheme actuaries to schemes covering the majority of members of private sector defined benefit pension schemes.

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

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