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a|p|p|t

12 February 2026

cdcpolicy@tpr.gov.uk

Nick Gannon
The Pensions Regulator
Telecom House
125-135 Preston Road
Brighton
BN1 6AF

Dear Mr Gannon

APPT response to Extending the CDC code of practice

We are writing on behalf of the **Association of Professional Pension Trustees (APPT)** in response to the consultation on extending the CDC code of practice.

The **Association of Professional Pension Trustees** acts as the representative body for trustees of occupational pension schemes who fall within the Pension Regulator's description of professional trustee as set out in its August 2017 policy document.

The APPT acts as the collective voice of the profession. Our members sit on many trustee boards for defined benefit (DB) and defined contribution (DC) schemes including DC master trusts. Our members each typically work on multiple appointments and, across DB and DC are in total responsible for managing schemes with assets of over £1.3 trillion.

Our responses to the consultation questions on this occasion are focussed on trusteeship issues within the consultation and we **attach in an appendix** our comments on those matters.

If you have any points you wish to follow up. Please respond to APPT Vice Chair, Vassos Vassou at Vassos_vassou@dalriadatrustees.co.uk

Kind regards

David

David Robertson
APPT Secretariat
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Appendix:

Consultation on Extending CDC Code of Practice: responses to trusteeship questions from the Association of Professional Pension Trustees (APPT)

Fitness and Propriety

Q14.Are there any potential conflicts of interest that could arise for trustees acting as chief investment officer in a multi-employer CDC scheme?	There are two schools of thought here. Whilst it can be argued that there are unlikely to be additional conflicts (i.e. additional to those arising in a traditional scheme operation where the trustee board sets the investment strategy) for trustees acting collectively as chief investment officer, as long as the trustees are sufficiently knowledgeable, they take regulated investment advice and that they ensure investment function roles and responsibilities are clearly defined. However, other views need to be considered carefully as given that the performance of the investment strategy directly impacts on members it could be argued that it would be better to have clear independence for those implementing investment strategy design from the decision maker. Whichever the approach decided, the process for dealing with potential conflicts between trustees and proprietor should be clearly documented.

Promotion and marketing

Q24.Are the promotion and marketing expectations that we have set out sufficiently comprehensive for those seeking to set up and run a multi-employer CDC scheme?	Whilst in general the expectations are clear; there are concerns and potential contradictions regarding the role and responsibilities of trustees within this section of the consultation (see responses below).
Q25. Is the balance between the obligations of the promoter and those of the trustees sufficiently clear, and workable in practice?	The draft code specifically prohibits trustees from conducting any promotional or marketing activities on behalf of a scheme. Under the code trustees are expected to have oversight and review of (and challenge to) promotional materials, and to be kept informed of promotional and marketing activity. This presents potentially conflicting obligations on trustees. We do not consider that it is within the trustees' role or duties to market a scheme and the weight of obligation should fall to the

	scheme proprietor. Given the commercial nature of a multi-employer CDC scheme, we would anticipate the 'promoter' being appointed by, and primarily held accountable by, the proprietor. The expectations that Trustees will approve the long list of documents in the code does not feel practical. We would expect Trustees to agree the core messages within a policy and then the proprietor to have the requirement to ensure the marketing material aligns with this and the systems and processes associated with promotion and marketing to be overseen. Additionally, under the draft code trustees are (whilst not conducting promotional or marketing activities) permitted to provide information regarding a scheme to prospective or existing employers; this is a potentially grey area and it would be useful to have more robust guidelines to ensure this does not inadvertently form any sort of promotion or marketing.

Q27. What controls are the promoter and trustee of a scheme likely to use to seek assurance that their scheme has not been misrepresented when being promoted or marketed?	It is expected that the promoter would be managing the marketing and promotion of a scheme on behalf of the scheme proprietor. Whilst the trustees will of course be an interested party, we would not expect trustees to be responsible for the actions of the promotor or the wider representation of the scheme by anyone tasked with marketing. Controls should be implemented by the promoter and proprietor.

Other issues

Q30. Do you have any other issues that you wish to raise in relation to this code, the approach we have taken or the expectations we have set out?	There is a risk that the separate authorisation of all separate sections will become very cumbersome. Some providers are considering establishing decumulation only CDC with separate sections for specific (time-bound) cohorts of members. Requiring authorisations for all sections would be cumbersome and a disincentive for development of the market. Could authorisation of multiple sections with a common basis be considered? Also, guidance states that applicants must "ensure all scheme documentation makes it clear which employers are joining which section". At the point of application

	for a commercial Master Trust (for example) it may not be clear who all employers for a section may be.

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