Smart Pension

Built for the future

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Reforms focus:
A changing landscape

Smart UK chief executive and incoming Pensions UK chair, Jamie Fiveash

The next phase of growth at Smart Pension

Smart UK chief executive, Jamie Fiveash, shares more about Smart Pension surpassing £10 billion in assets under management (AUM) and how this is much more than just a number

Reaching £10 billion in assets under management is a significant milestone for any pension provider. For Smart Pension, the fastest-growing UK master trust, exceeding this figure is a proud moment, given the industry's demanding entry requirements and its history of being led by well-established players. As Smart Pension nears £11 billion, this milestone signals both the company's direction of travel and the broader pace of change within the industry.

When I look back at how far we've come, what stands out most is the trust that employers and members have placed in us. This milestone reflects the confidence our two million members have in our business, our technology and our people. It also demonstrates our ability to continue attracting new business and shaping the future of pension savings and modern retirement.

From day one, our ambition has been to raise the standard for workplace pensions. We've been focused on simplifying pensions, making retirement easier at all stages, and using technology for a greater purpose. And it's clear that our approach to modernising pensions is delivering results.

An evolving industry

This milestone is about much more than a number. It highlights our ability to deliver long-term value to members and employers in an evolving industry where scale is becoming increasingly important.

With further market consolidation expected following reforms introduced through the Pension Schemes Act, which received Royal Assent on 29 April 2026, Smart Pension is well positioned to capitalise on emerging opportunities. These reforms include frameworks for consolidating small pension pots, the introduction of mandatory Value for Money assessments, and measures designed to encourage the growth of larger-scale pension funds.

We are hopeful that these reforms lay a clear path for a renewed focus on saver outcomes and value for money. At Smart Pension we have focused our proposition on delivering solutions which we believe deliver the most value to customer outcomes. However, at the moment we do not think that consumers, both employers and individuals, are selecting schemes based on what will deliver the most value at retirement. As an example, over a typical working life, even modest differences in annual net returns could compound into hundreds of thousands of pounds for savers at the point of retirement. Employees could stand to earn six figures more by being invested in a pension fund that performs just 1 per cent better.[1] However, net returns are rarely given enough prominence or weighting in scheme selection. At a time when businesses and employers are stretched for putting more away in savings, giving attention to net returns can make a massive difference.

The changes laid out in the Pension Schemes Act place us in a great position for accelerated organic growth alongside many emerging acquisition and partnership opportunities as the market consolidates at greater pace.

We are actively working on a number of partnerships and mergers with employers, advisers and providers. One of our strengths as a technology and pension provider is to be bespoke and flexible, whilst getting the core right. This is invaluable to large employers and partners, who can protect their own identity while using our scale, product and technology to offer more to their employees. We hope to announce some of these in the coming months.

Guiding customers through retirement

At Smart Pension, people are at the heart of everything we do. As our business continues to grow, our dedicated team remains focused on delivering exceptional support to members, helping them navigate every stage of their pension journey.

Recent developments have also strengthened our ability to support savers as they move closer to retirement, combining innovative digital tools with personalised human guidance. We believe that the pensions industry still has a traditional approach to retirement – a product led approach often designed to be cliff edged to a stated retirement age, with a focus on maximising flat income levels for the entirety. We often turn back the clock to create products of the past, rather than embrace the reality of economic, technological and societal change.

Our vision is different. Even retirement is becoming an outdated concept. We believe in supporting customers throughout later life in whatever blend of work and activities they wish to undertake. Better understanding customer needs and giving them more financial freedom. This often means developing flexible products that support varying income needs, taking a holistic look across all their wealth, savings and pensions – as well as helping manage expenditure. We have a clear roadmap of what we want to deliver over the next couple of years in order to realise this vision. One of the latest deliverables on this roadmap is our guided retirement journey, designed to help savers over 45 prepare for their future and make informed decisions in the years leading up to retirement.

At the centre of the launch was a new 'Get retirement ready' feature, available through the Smart Pension app and desktop portal for members aged 45 to 55.

Built around a simple, easy-to-follow checklist, the feature brings together planning tools, educational content and ongoing support, helping savers take practical action while there is still time to improve their retirement outcomes.

Alongside the digital journey, we wanted to make sure human support is still readily available. Members aged 45 and above are able to access Smart Pension's Retirement Support Team, combining digital guidance with more tailored human support where needed.

Powered by technology

Central to Smart Pension's growth has been Keystone, Smart's proprietary technology platform, which pioneered auto-enrolment technology and enabled the company to build a modern, digitally-native pension scheme from day one.

This technology has streamlined scheme administration helping to drive down costs and increase transparency in the industry.

We believe technology can fundamentally transform the pensions industry. It has already enabled us to grow rapidly and build one of the UK's largest defined contribution pension funds, alongside an international technology business, in just over a decade.

As the UK pensions market approaches a trillion pounds in assets, it urgently needs the same technological overhaul that utilities and other sectors have undergone in recent years. By replacing decades-old legacy systems, we can make saving simpler for millions of people, unlock significant value across the industry, and champion UK investment.

Built for the future

As we celebrate this significant milestone, it's only right that our brand evolves with the rest of our business, which is exactly what we've done.

The new Smart Pension brand identity is a fresh new look that represents the scale, maturity, and sophistication of our business today. A modern approach that shows not only how far we've come, but where we're heading next.

This is more than just a facelift. Over the past few months we've gathered feedback and strategically looked at how our brand can best reflect us as a business and serve the needs of our customers.

This included rebuilding the website from the ground up, creating a faster, clearer, and more intuitive experience for employers, members and advisers.

At Smart Pension, we support a wide range of audiences, so we wanted our new website to be simple to navigate and make it easier for everyone to find the information they need.

Whether you're a member looking to transfer your pension, add money, or prepare for retirement, a new employer considering joining us, an existing employer seeking guides and insights, or an adviser wanting to learn more about how we support businesses, the new site is designed to help you quickly find what you're looking for.

And just like Smart Pension, the site has also been built for the future. With sophisticated analytics, heat maps, testing and personalisation capabilities, the new website will ensure we're always improving.

What's next?

Reaching £10 billion AUM is a key milestone and increasingly important given the regulatory focus on scale. However, what underpins this success is our unparalleled focus on innovation to deliver an exceptional service experience, low costs and net return performance for our customers. This is what has got us to where we are today and what will get us to our next phase of high growth.

At Smart Pension, the aim has always been to modernise pensions and retirement. Our dedicated team of experts work hard to deliver exceptional customer service and our retirement offering helps us guide customers through every stage of retirement.

We're setting a new standard for workplace pensions, and the future is looking strong.

Written by Smart UK chief executive, Jamie Fiveash

In association with Smart Pension

[1] Our analysis, based on 5-year annualised performance data from 21 providers (sourced from CAPA data), projects outcomes for a typical 25-year-old saver retiring at 65 years old with a £1,000 starting pot, £30,000 salary, found that just a 1% rise in investment returns can improve retirement outcomes at an exponential rate and can add over £150,000 to final retirement savings. These illustrated values are not a guarantee of future returns and should not be relied upon as an indication of an individual member's savings growth. Their sole purpose is to highlight the effect of compounding based on different performance returns on pension pots over an extended period. The value of your investment is not guaranteed and can go down as well as up, and you may get back less than you invested.

The next phase

Smart UK chief executive and incoming Pensions UK chair, Jamie Fiveash, discusses the changes occurring in the DC industry, including reforming the DC transfer framework, delivering true value for money, and resolving the small pots problem

Looking at recent developments in the UK pensions sector, the Pension Schemes Act has been a major driver of change. What are your views on the reforms it is bringing about, and what impact do you think they will have on the industry?

Jamie Fiveash: As an industry, we have been asking for a vision of what good looks like, and we have now got one, with the roadmap. If we have any chance of hitting what was the 2030 timetable, the work needs to start now because technology change will be needed. If we wait for the government to initiate that, it will take some years. We need to get on and shape that so the legislation can fit around what good looks like.

Value for money is a good example of something in the Act that will be a real force for good. We desperately need standardisation of measures and metrics to allow consumers to compare, and also to have standards of what quality looks like.

There are also few initiatives circulating on how to solve the small pots problem, and we are leading one of them called Pathfinder, in collaboration with seven other master trusts. We are trying to lead that project to look at how we can improve the overriding governance and infrastructure of transfers. If you can do that, you can make it easier and more efficient to move small pots. But you have to start with the underlying foundations of the current DC pension transfer system, which, in our opinion, is no longer fit for purpose.

One of the most debated aspects of the legislation was the government's proposed mandation powers to encourage UK pension schemes to invest more in the domestic economy. Now that the debate has settled somewhat, what is your perspective on that issue?

Fiveash: Principally, mandation is wrong because trustees and providers need to have the power to do what is in the best interests of members. Of course, I do have some sympathy with the government, where it is probably concerned that unless providers are regulated to do something, it does not get done.

We have all signed up to the Mansion House Accord. We think that having a diversified portfolio of growth assets is the right thing to do for our customers, so that is what we were working towards anyway. We are working towards 15 per cent investment in private markets, so finding a third of that for the UK was not a big issue for us because we think there are lots of good investment opportunities in the UK.

For instance, in the UK, we are

invested in Octopus Energy, with a number of UK projects in renewable energy, whether that is wind farms or heat pumps, that provide good, stable investment returns. This is why I think value for money is so important; it should push the drive toward value and away from pure cost, while also looking more at investment performance.

What was the thinking behind Smart Pension's decision to allocate 15 per cent of its flagship fund to private markets?

Fiveash: The driver behind that is predominantly that in DC, there has obviously been a real focus on low charges and cost versus value. When you focus purely on cost, you limit yourself on what you can invest in immediately.

Without a doubt, we were overweight in passive tracking equities in the DC market when you look globally. Public equities have done very well, so people immediately gravitate toward that. But that is not the typical trend in an economic lifecycle, where you will get dips and therefore need a spread of growth stocks. On that basis, we are investing to meet the trustees' investment objective that we set for the default fund, CPI plus 3.5 per cent over a business life cycle. We think that private markets will play an important part in delivering that.

Both within the Pension Schemes Act and more broadly, consolidation has been a recurring theme in the evolution of the UK pensions industry. What are your thoughts on this?

Fiveash: There is a drive toward scale, and scale should mean that you can drive better value for customers, but it is more complicated than people think. If you are a really large provider but you are actually running thousands of different default funds on 10 different admin platforms, you are eroding those scalable benefits. Choice and differentiation can be the enemy of scale benefits.

When you look at the contract-based market, a lot of that consolidation has actually gone into about 10 providers. However, unlike what you can do in a trust, they have all largely stayed independent. Therefore, the scale benefits have not been realised within the contract-based market. Real consolidation is actually about how providers are consolidated internally.

"We desperately need standardisation of measures and metrics to allow consumers to compare, and also standards of what quality looks like"

What does scale mean for Smart Pension?

Fiveash: We are fortunate that we do not have legacy systems. Technology is the USP that enables us to do that. As an example, 90 per cent of all transactions can now be done by the customer through our app. By this time next year, we aim for that to be nearly 100 per cent with the advancements of things like AI. That means we can spend more time on the phone adding value for the customer and spend more on investment, while lowering the overall charge.

Is the industry keen to embrace the cost efficiencies of new technologies, or is there still caution around solutions such as integrating AI?

Fiveash: There is still a bit of caution. If you have been running in the market for a number of years, it takes bold decisions to say you are going to invest in a project to re-platform millions of customers off an old legacy platform. Technology and AI can support our agents by enabling them to have more value-added conversations. Our view is never to remove the human element, but to use technology to enhance it.

A key rationale for consolidation has been the potential to achieve economies of scale and improve value for money. What does value for money look like for you?

Fiveash: During the accumulation phase in particular, it boils down to net returns and service excellence. In those 'moments of truth' for the customer, are you there for them? It becomes a lot more difficult in decumulation, where it needs to get much more personalised. Over time, the decumulation default we should be thinking about is not about the product; it is about guidance, advice, and service.

I feel at times we do not look at it through the consumer lens. We are a bit obsessed with inventing new products, but there are already enough products in the market. For instance, some people talk about CDC, but it is not a silver bullet. CDC is a potential retirement product solution among a number of options, but I am less convinced that many employers will want to go for it during the accumulation phase.

Finally, what would you identify as the key long-term priorities for the pensions sector as a whole?

Fiveash: As the new chair of Pensions UK, as well as Smart UK's chief executive, it's clear to me that we as an industry need that long-term roadmap. There is an obvious sequencing required. For instance, we do need to consolidate the market first. Once you have consolidated the market, you can then consider the best way for small pots to move across providers. However, the ultimate long-term priority is to ensure that people have an adequate income in retirement, and that public sector, private sector, and wider individual wealth all work together to support customers.