



Chris Curry

What is the Pensions Policy Institute (PPI) currently working on, and which key themes or questions are currently driving your research agenda?

It's busy at the moment, perhaps unsurprisingly, because a lot is coming out of the Pension Schemes Act.

One area of interest is megafunds. The government is very keen on evolving scale, especially in the defined contribution (DC) space. We are conducting international comparison work, in particular with Canada and Australia. There's a quite fundamental question: Does scale automatically lead to better investment returns? The research examines whether this is always the case or if other factors are just as important in determining outcomes for people from big funds.

We are also looking at defined benefit (DB) surplus, particularly in the release of DB surplus. I have been interested in this topic for a while. What we want to do is help schemes understand their own position because every scheme is unique. They're all going to have their own factors, their own relationships with sponsors, their own covenants. Given

Adapting to change

Pensions Policy Institute director, Chris Curry, sits down with Paige Perrin to discuss the organisation's latest work, ongoing adequacy challenges and the future of the UK pension system

this, the PPI wants to help equip people to ask the right questions.

For example, if they are in a situation where they are fortunate enough to have a surplus, what are their options, and what are the risks involved with each of those different options? What do they need to be aware of before they make that decision? That's another big piece of work at the moment.

Finally, the piece that might have the longest-lasting impact, arising from the Pension Schemes Act, is guided retirement. The Act is quite light on detail. It sets out a high-level framework, but the important information will be in the regulations and rules from The Pensions Regulator and the Financial Conduct Authority.

We are working with a group of stakeholders in this space to understand exactly what will influence whether people achieve a good outcome or not, and how we might take account of that in the guided retirement space.

When we are looking into that, we consider the information schemes hold and the objectives and principles of a good retirement.

This is an area, I think, we will be spending a lot of time on in the future. Having had 10 years of freedom and choice, and flexibility in that space and with DC only continuing to grow, it is going to be important. It's also ensuring that all the advantages we are giving people through value for money and charge caps, for example, in the buildup to retirement, are not wasted by having poor outcomes when people get to make

that decision at the end.

Then, we've got the normal research themes that we are working on. The next iteration of our *DC Future Book* will be released later this year, and we are also exploring the Pensions Framework.

What the PPI is trying to do with a framework this year is tie it in with the work of the Pensions Commission. Following the release of the interim report, we'll explore the implications and how we can use the Pension Framework to help answer questions on the topics of adequacy and, potentially, intergenerational issues.

We are also carrying out work, which feeds into the Pensions Commission as well, particularly around adequacy. There is a lot of work happening; it is a really busy time, which is great as we approach our 25th anniversary year.

The PPI recently launched its 2026 *Lost Pensions* survey, and you expanded it to include DB schemes for the first time. What prompted that expansion?

We're delighted to be working on *Lost Pensions* again. It has been a couple of years since we last conducted the research, but it is an important piece of work.

The reasons we are expanding into DB are that, although there are particular issues in the DC space with people changing jobs, new schemes, and automatic enrolment, meaning that people are not always aware they are in a scheme or who their schemes are with, there are also issues in the DB

space. DB schemes tend to be older, so administration can at times be challenging. For example, people are likely to have moved addresses more or changed names more often.

The administration of the DB schemes, because the schemes are older, sometimes needs to be brought up to date, and a lot of that has been happening because of the work with pension dashboards.

In terms of the results of the expansion, we haven't really got any findings yet, as we are still in the early stage of asking for the schemes to send in their information. It will be interesting to see whether there's as big an issue in DB and if it is more manageable.

➤ As the UK moves further toward a predominantly DC system, what do you see as the most material systemic risk, particularly around retirement adequacy, decumulation and member outcomes?

One of the big challenges is that, although the pension system is going predominantly DC, it's not completely DC.

That mixture and overlap between people having both DB and DC pensions is an important one. And it's not going to change for quite a long time because DC is still relatively immature in the UK. It's still very much in its growth phase with contributions and hasn't really reached the payout phase yet. Although there's not as much DB in the private sector as there used to be, it's still prevalent in the public sector, and anyone who has worked in the public sector will have some DB pension alongside their DC pensions.

I think that is one of the big challenges with guided retirement because providers will only know in detail about the pot the individual has with them; they're not necessarily going to be aware of what other pension arrangements people have. They might have DB schemes elsewhere, or they

might have multiple DC pots, as well as a state pension.

Although there is a lot of merit in the government's aim to ensure people have a secure income throughout retirement, doing it on a pot-by-pot basis is quite a challenge in a DC world.

In all these things, information is key. That is information for the provider, but also information for the individual.

Hopefully, over time, as the complexity of the system starts to roll out and things become clearer cut for individuals with fewer types of benefit and pensions, it might become easier for them to understand and engage a bit more themselves.

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➤ Your research highlights persistent pension adequacy challenges for low and median earners. In your view, are these gaps the result of insufficient contribution rates, or do they reflect broader structural issues in how adequacy is defined and measured?

Trying to define adequacy is always a real challenge because it means different things to different people.

The last Pensions Commission were very keen on looking at replacement rates, and the idea behind that was to ensure that people have a similar standard of living in retirement to that which they had when they were working. But that's where it gets really challenging, particularly now that we are in a system where people don't necessarily convert their pensions into income, so trying to understand how adequacy works, where

people have a choice between a lump sum and an income, and how they want to do that. So how you measure that is a real challenge. Do you measure what they could achieve, or do you measure what they are achieving?

➤ Looking ahead, which proposed policy reform or structural change do you believe could have the most significant impact on improving the resilience and fairness of the UK pensions system?

I don't think there is a single reform or a structural change that will necessarily achieve this.

I think it's more of an overall approach, and I hope the Pensions Commission can take it forward.

It's taking that more holistic view of the system. Even with the Pension Schemes Act, it covers so many different parts of pensions, but it looks at them all individually.

The real challenge is how to make sure everything is working in the same direction and to create a consistent, coherent approach.

You need to make sure that all these things are being done consistently and you're not trying to set up challenges in one place by creating solutions in another.

That is difficult, and sometimes it might mean outside of departments as well. We already know that the Department for Work and Pensions and the Treasury are working very closely, and having a Pensions Minister in both departments is helpful. Healthy life expectancy also involves the Department for Health, while engagement and understanding of the pension system factor into the Department of Education.

The area where we can make the biggest gains is by bringing all those things together and starting to look at them through a single lens rather than having them all quite siloed.

➤ Written by Paige Perrin