

M&A under the spotlight

It has been a busy year for mergers and acquisitions across the pensions landscape, with deals spanning pension administration and trustee firms, pension providers, and companies acquiring pension books of business. Paige Perrin explores the drivers behind this growing trend and what these acquisitions could mean for the future of the pensions sector

Mergers and acquisitions are becoming an increasingly important part of firms' growth strategies across the pensions market. From professional trusteeship to retirement advice, firms are looking to expand their capabilities, reach new clients and strengthen their position in a competitive, increasingly consolidated landscape. Driven by regulatory reform, the pursuit of greater efficiency and the potential benefits of size, the trend towards fewer, larger pension companies is reshaping the sector.

For firms, acquisitions offer a faster route to expansion, as buying an established firm can bring an existing client base, specialist expertise and experienced staff, while providing access to new geographical markets.

Meanwhile, the shift towards scale is already evident in the defined contribution (DC) market. According to research from The Pensions Regulator, the number of occupational DC and hybrid schemes decreased by 15 per cent, from 920 schemes in 2024 to 790 in 2025 (excluding micro schemes). However, assets in these schemes grew by 22 per cent from £205 billion in 2024 to £249 billion in 2025, and the membership in occupational DC schemes has continued to increase.

Regulatory change is also helping to accelerate this consolidation trend. The 2026 Pension Schemes Act reflects the government's focus on encouraging consolidation in the UK pension market. Examples of this include the value for money reforms, small pot consolidation, DC megafunds and defined benefit (DB) superfunds.

Increased consolidation and scale mean bigger firms can afford to invest more in technology and resources, while spreading the cost of meeting regulatory requirements across the firm. As client needs become more complex, a broader range of expertise and resources can offer an advantage over competitors.

There are also clear potential benefits for clients as joining a larger organisation may provide access to a wider range of services, additional specialist knowledge and more substantial resources to achieve the company's goals or deliver better outcomes for pension fund members.

However, the success of an acquisition depends on what happens after the transaction is completed. Merging systems, teams and working practices can take time, while changes in ownership or staff could affect established client relationships. It also raises questions about concentration risk, competition and pension funds' growing influence on the economy.

Another substantial consideration when it comes to consolidation is choice. If mergers and acquisitions result in certain sectors in the market becoming more concentrated, pension clients could have fewer options when choosing an adviser, provider or trustee.

And if too many companies are acquired by a small number of large firms, there is a risk that services and offerings become less diverse and innovation can be restricted.

Larger organisations could also find themselves trying to manage too many different areas of the market at once, potentially limiting the range of perspectives and approaches available to clients.

Ultimately, consolidation could bring benefits to both pension firms and their clients, but this will depend on how

successfully acquisitions are managed.

While greater scale may support investment, efficiency and expertise, the industry must also ensure that competition, client choice, innovation and the quality of services are not lost in the pursuit of growth.



In October, My Pension Expert acquired the client books and associated assets of InterestMe Advisers and InterestMe Financial Planning after the firms entered administration. Following the appointment of administrators from Kroll, the client books were sold to Doncaster-based My Pension Expert, which will provide ongoing financial advice and servicing to former InterestMe clients. Clients will be supported under the My Money Expert brand, with My Pension Expert confirming they will continue to have access to regulated financial advice and support in reviewing their long-term financial plans.

In October, Independent Governance Group (IGG) acquired Scotland-based trustee firm ProPensions. The acquisition intends to strengthen IGG's professional trustee capability and expand its presence in Scotland. As part of the acquisition, all five ProPensions trustees will join IGG, and clients will continue to be served by their existing teams. The acquisition builds on IGG's recent expansion, following its purchase of pensions consultancy KGC Associates last year, the launch of its Birmingham hub in May and the introduction of its trustee-led Project Management Office.

In October, Scottish Friendly completed the acquisition of the pension and annuity in-payment books of business from Fidelity International, covering around 35,000 policyholders. The transfer, first announced in April 2025, has now been completed after receiving all the necessary approvals. As a result of the transfer, Scottish Friendly's assets under management have increased by around £2.3 billion to approximately £6.8 billion. The firm said the transfer preserves customers' existing benefits and retirement options. Customers will also be able to access their pensions through Scottish Friendly's online platform and app, while continuing to receive customer support. This transfer follows Scottish Friendly's 2019 acquisition of a life and pensions book of business from Canada Life.

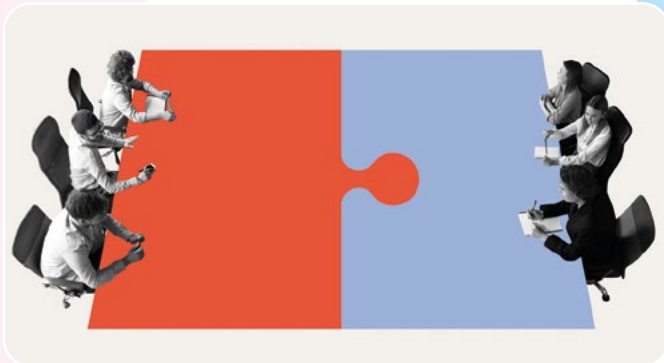
In August, Isio acquired Trafalgar House Pensions Administration Limited in a move aimed at expanding its pensions administration capabilities and increasing the range of schemes it can support. The transaction brings together two administration businesses and forms part of Isio's wider growth strategy across pensions, employee benefits, and wealth and investment management. Isio said the deal would broaden the administration services available to clients, including support for schemes of different sizes and requirements, from day-to-day administration to more complex projects and run-on activity.

In August, XPS Pensions Group completed the acquisition of the trade and assets of Austin Professional Resourcing (APR) for an undisclosed sum. The acquisition of the consultancy, which specialises in advising insurers and financial institutions, was first announced in June. XPS said the deal would accelerate its diversification strategy into large tangential addressable markets, as it looks to grow its financial services consulting and administration provider capabilities. APR has more than 70 client-facing staff, which will combine with XPS Group's existing Insurance Consulting team to provide greater scale and capabilities in delivering insurance consulting services. The acquisition builds on XPS Group's acquisition of UK insurance consultancy business Polaris in February 2025.

In May, Isio announced the acquisition of Collidr, an artificial intelligence (AI) solutions and investment management company. Isio said the acquisition would increase its investment management capabilities in the wealth market, integrating technology, adviser tools and co-manufacturing expertise into its offering for financial advisers, including expanded use of technology and specialist staff. Following regulatory approval, Collidr's team joined Isio Investment Solutions.



In May, WTW acquired fintech workplace pensions and savings provider Cushon. The deal was first announced in December 2025, when NatWest Group confirmed it had agreed to sell its 85 per cent stake in Cushon to WTW as part of a wider transaction to give WTW full ownership of the business. The remaining 15 per cent stake, previously held by Cushon's management team, has also been acquired by WTW. Following the acquisition, WTW has added the Cushon Master Trust to its existing LifeSight master trust.



In April, WBR Group bought the small self-administered scheme (SSAS) book of business from Carpenter Rees. The Carpenter Rees SSAS client base moved to WBR Group's dedicated account manager model, ensuring continuity of service. WBR Group said the deal formed part of its long-term growth strategy, with previous acquisitions including the SSAS books of James Hay and Rowanmoor.

In April, Alltrust Services Limited agreed to acquire the Phoenix Wealth Family Suntrust schemes. This move made it the only UK self-invested personal pension provider accepting new business into a family pension trust structure. Alltrust confirmed its intention to reopen the proposition to new business.

In May, Aptia acquired Pension Decision Service from Mercer. The deal will enhance Aptia's ability to provide guidance and support to members at retirement. The service offers tailored, one-to-one guidance to help individuals understand both the options available within their pension scheme and the alternative choices open to them.

In April, Standard Life agreed to acquire Aegon UK in a £2 billion transaction. The deal, expected to complete by the end of 2026, will see the combined group serve around 16 million customers with approximately £480 billion in assets under administration. This acquisition will significantly expand Standard Life's presence across both workplace and retail pensions markets.

In April, Brookfield Wealth Solutions completed the acquisition of Just Group. Brookfield Wealth Solutions announced plans to acquire Just Group in July 2025, looking to combine Just Group and its insurance company Blumont to operate as a single consolidated insurance group under Just Group's brand.



In April, Howden agreed to acquire the Insurance and Financial Services Consulting (IFS) team of Hymans Robertson. The deal marked the launch of Howden Insurance Actuarial & Longevity, which brought together the Hymans Robertson IFS specialists and the insurance actuarial and longevity professionals who joined Howden following its acquisition of Barnett Waddingham.

In October, US-based investment manager Nuveen finalised the acquisition of Schroders. The firms stated that Nuveen's and Schroders' businesses were highly complementary and the deal represented an opportunity to combine their capabilities to accelerate growth and create one of the world's largest active asset managers. The combined group will have almost $2.5 trillion of assets under management across institutional and wealth channels. Schroders' brand will be retained, and London will be the combined firm's non-US headquarters and its largest office.

In January, First Actuarial acquired an employee benefits book from Employee Benefits Partnership (EBP) Limited. The book, including almost 70 employee benefits clients, was purchased shortly before First Actuarial's acquisition by Arthur J. Gallagher & Co., after two of EBP's three directors opted to retire and dissolve the partnership. The deal gives First Actuarial recommended provider status for the transferred book, covering a range of company sizes and sectors.

In January, Vidett acquired corporate governance firm Bridgehouse Company Secretaries. The firm specialises in outsourced corporate governance, risk, and regulatory compliance services. Through the acquisition, both firms will look to offer more services and improve efficiency using shared technology, tools, and systems to help clients develop boards and deliver future value.

Written by Paige Perrin