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▶ Endgames

How the endgame landscape is being reshaped for smaller-sized DB schemes

▶ Scams

Can rules, technology and awareness campaigns truly keep pace with scams?

▶ Faith-based investing

The influence of religious beliefs on retirement saving

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March 2026

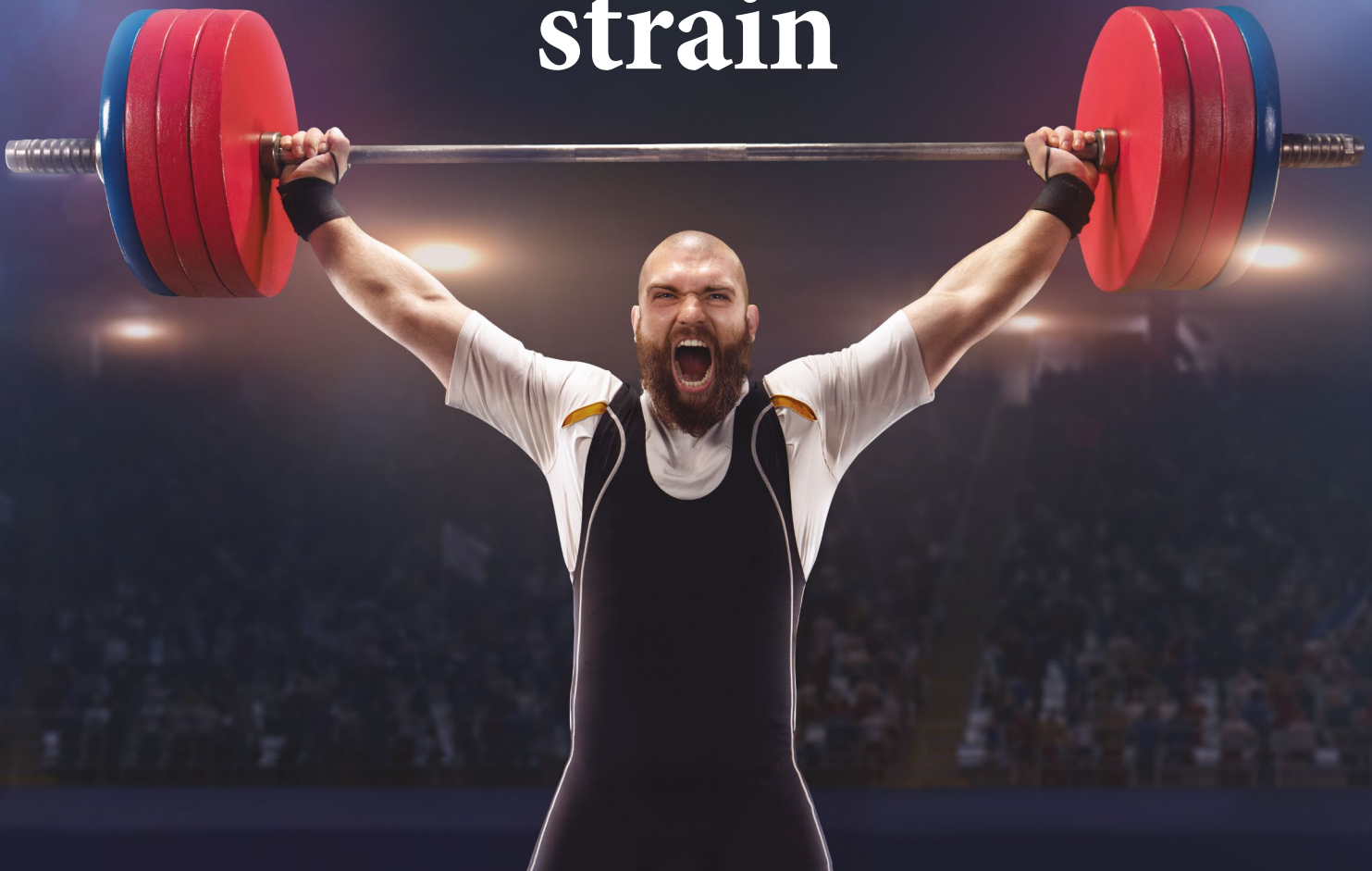
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▶ US assets: *Is political uncertainty and ESG divergence driving UK schemes away from US investments?*

▶ Environmental, social and governance: *ESG's evolution from ethical niche to fiduciary imperative for UK schemes*

Taking the strain



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Editorial Comment

2nd Floor, 5 Maidstone Buildings Mews, London. SE1 1GN

It's finally happened. I've accepted that I may actually be 'middle aged'. That gives me licence to indulge in a suitably middle-aged crisis cliché. I can't afford the sports car, I'm single so there's no relationship to dramatically end nor anyone about for a wildly inappropriate affair to begin, and it would take more than advancing years – more a personality transplant – for me to become teetotal.

That leaves a fitness kick.

Which feels timely, having seen the latest Office for National Statistics data showing healthy life expectancy has fallen to its lowest level since the ONS began tracking it between 2011 and 2013.

Males in the UK can expect to spend 60.7 years (77% of life) in 'good' general health, compared with 60.9 years (73%) for females. These figures represent decreases of 1.8 and 2.5 years respectively, compared with the last non-overlapping reporting period (2019 to 2021).

So, to maximise my chances of reaching retirement in good health, I'm acting now.

It's a daunting prospect, though, embarking on a fitness journey – especially for someone like me who hasn't exercised since school (and even then bunked off plenty of PE lessons).

Beyond the physical exertion, there's the jargon to decode and a mountain of knowledge to absorb (perhaps I should have paid more attention in the PE classes I did attend). That sense of trying to 'break into the club' must mirror the experience of many people first taking an interest in their retirement savings.

What's insightful to me is how closely body and mind are connected – the importance of fuelling yourself properly (for example, I discovered that a cup of tea and chocolate biscuits for lunch may lead to a sugar slump just in time for the after-work exercise class), and how a workout can clear the mind after a stressful day.

Financial factors influence physical health too, as those experiencing financial stress may also suffer symptoms such as lost sleep, headaches or digestive issues.

As our feature on p66 shows, considerations of mind, body and soul can sit comfortably within financial planning; investing for retirement need not require anyone to compromise their faith or beliefs. The pensions industry can help savers recognise this, while also acknowledging that making financial decisions – particularly when approaching retirement – often involve emotional influences, as well as rational ones [*see p50*].

Strengthening separate areas at the same time to create a stronger whole is a complex task. It is one the pensions industry can relate to, as it works to drive improvement across all areas of the sector to generate an overall better UK pensions system for savers.

Trustees are taking the strain though. Our cover story on p32 explores how successive waves of legislative developments have expanded trustees' responsibilities, along with the intricate challenges involved in successfully integrating these overlapping reforms.

Working out how best to implement multiple changes may be complicated, but the end result makes the effort worthwhile: A stronger constitution, ready to withstand whatever crisis emerges, including scams [*see our features on pages 38 and 52*].

Making improvements is rarely easy. But much like the buzz I now get from regularly monitoring my weight and muscle gains/losses, it is important to recognise progress along the way to sustain motivation for that ultimate goal.

The UK pensions industry is doing just that, building a healthy body, healthy mind – and healthy finances.



Laura Blows

Laura Blows, Editor

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Taking the strain

As the scale and variety of legislation affecting trustees continues to grow, so too do the compliance and complexity risks they face. David Adams considers how trustees can develop approaches to ensure compliance and manage those risks

Features and columns

News, views & regulars

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A shifting risk landscape

Aon's *2025/26 Global Pension Risk Survey* showed that operational, governance and cyber risks have become key considerations for schemes, regardless of size or structure. Aon senior consultant, Brian Kinlan, examines the priorities for running a successful pension scheme

Confident, but inaccurate

Olivia Sizeland explains how pension schemes can manage the risk of AI hallucinations

The role of ILS in pensions today

Francesca Fabrizi sits down with Leadenhall Capital Partners senior managing director, Alistair Jones, to talk about the role of Insurance Linked Securities (ILS) in pension fund investing today

When the storm hits: How pension schemes can protect trust

With cyber threats a key risk, crisis preparedness is no longer optional. Industry specialists outline five essential steps for staying in control when the unexpected happens



Incorporating private markets into DC funds

Laura Blows discusses the role of private market investment within pension funds with Scottish Widows' head of investment solutions, Mithesh Varsani

Tackling key person risk in pensions administration

Daniel Taylor explains why reducing reliance on individual expertise and building skills depth across teams is essential to strengthen pension scheme governance



Unlocking pension potential

The Association of British Insurers (ABI) manager of long-term savings policy, Maria Busca, talks with Paige Perrin to discuss the association's ambitions for the next three years, the future of defined benefit schemes, and progress on the Mansion House Compact

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Paige Perrin investigates how emotional biases and fear of loss influence the way individuals make retirement income decisions

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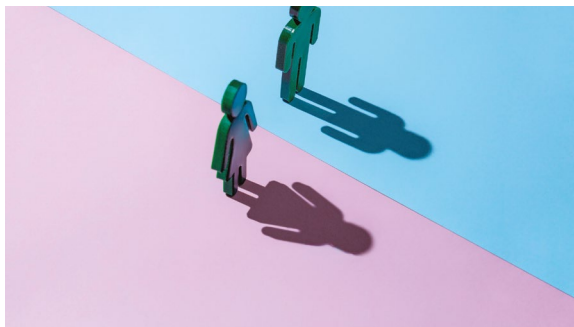
📌 Rounding up the major pensions-related news from the past month

📌 **2 February** The **government** confirmed it will proceed with a series of targeted reforms to the Local Government Pension Scheme (LGPS) in England and Wales following its consultation on access and fairness *[read more on page 15]*.

📌 **3 February** In a speech at the Association of British Insurers (ABI) conference, **Pensions Minister, Torsten Bell**, said the government is sending a “clear steer” that the UK pensions industry needs to be made up of “bigger and better” schemes *[read more on page 12]*.

📌 **4 February** Industry figures have continued to express concern about **the government’s proposed reserve asset allocation powers**, warning that they risk harming savers’ outcomes and distracting from the real barriers to domestic investment.

📌 **4 February** Defined benefit (DB) pensions are more resilient, flexible and policy driven than at any other point this century, a report from **the Society of Pension Professionals (SPP)** has argued *[read more on page 16]*.



📌 **5 February** **The Government Actuary’s Department (GAD)** published guidance on gender pension gap reporting in the LGPS, setting out how administering authorities must measure and report gender-based inequalities in pension outcomes across the LGPS from the 2025 valuation onwards.

📌 **6 February** Analysis from the **Office for Budget Responsibility** revealed the potential scale of the impact changes to pension salary sacrifice arrangements could have on ‘ordinary’ workers.



📌 **9 February** Global pension assets rose by almost 10 per cent in 2025 to reach a record \$68.3trn, driven by strong market performance and the continued expansion of defined contribution (DC) savings, according to research from the **Thinking Ahead Institute**.

📌 **11 February** The pensions industry has broadly welcomed **The Pensions Regulator’s (TPR)** proposals for a revised collective defined contribution (CDC) code of practice, but called for further consideration on marketing and investment strategy rules *[read more on page 10-11]*.

📌 **11 February** Industry bodies have called for a coordinated, whole-of-market approach to the **Financial Conduct Authority’s (FCA)** proposed pension transfer reforms, warning that the measures risk falling short unless aligned across the DC landscape *[read more on page 13]*.

📌 **12 February** The total value of premiums paid into individual pension annuities rose by 4 per cent to £7.4bn in 2025, marking the highest annual level since pension freedoms were introduced in 2015, according to data from the **ABI**.

📌 **12 February** US-based investment manager Nuveen has agreed to acquire **Schroders** for £9.9bn, subject to regulatory approvals. The cash acquisition is set to complete in the fourth quarter of 2026 *[read more on page 14]*.

For more information on these stories, and daily breaking news from the pensions industry, visit [pensionsage.com](https://www.pensionsage.com)

➤ **13 February** TPR was encouraged to provide further clarity on several aspects of its proposed consolidated code of practice for CDC schemes.

➤ **13 February** The **Public and Commercial Services Union** called for the closure of the Research Council Pension Scheme to be halted to avoid its members potentially being pulled into the Civil Service pension disruption.

➤ **16 February** House of Lords peers intensified scrutiny of the government's £25bn scale threshold for DC schemes, as the **Pension Schemes Bill** approached the final day of committee-stage debate.

➤ **17 February** The **Investment Consultants Sustainability Working Group** launched a new tool designed to help asset owners ensure their investment managers' investment stewardship activities are in line with their own expectations.

➤ **18 February** Self-employed workers are more than twice as likely as employed workers to believe they will never retire, according to research from the **Get Britain Pension Ready** campaign.

➤ **18 February** The Upper Tribunal upheld the **FCA** decisions to ban and fine an adviser and fund manager.

➤ **20 February** The number of years people in the UK can expect to spend in 'good' health decreased for the period 2022-24, according to the **Office for National Statistics**, prompting concerns around state pension age increases and later life income.

➤ **20 February** The **Civil Service Pensions Taskforce** said it expects full service to be restored to Civil Service pensions by the end of June, as work continues to address ongoing administration issues following the transfer to Capita.

➤ **23 February** TPR has issued a warning notice to Smiths News in relation to the Tuffnells Parcels Express Pension Scheme. In the warning notice, TPR noted that the section 75 debt of the Tuffnells DB scheme was estimated at £3,467,000.

✔ **23 February** The FCA proposed reforms to non-advised pension transfers were branded as "anti-consumer and anti-competitive" by **AJ Bell**, which warned they risk undermining years of progress on improving transfer times.



➤ **24 February** The pensions industry voiced its opposition to **Reform UK's** planned changes to the LGPS if it were elected. In a speech on 24 February, Reform UK deputy leader, Richard Tice, announced plans to merge the LGPS into a sovereign wealth fund and mandate investment in the UK.

➤ **25 February** Senior investment sector figures urged the government to amend the Pension Schemes Bill to include investment companies. The **Association of Investment Companies** is leading the call for the bill amendment, backed by House of Lords members, Ros Altmann and Sharon Bowles, the Investment Association, and other industry professionals.

➤ **26 February** The **Pension Protection Fund (PPF)** confirmed that the levy on conventional DB schemes under its protection will remain at zero for 2026/27. This is the second year in a row that conventional schemes, which are DB schemes with a substantive sponsoring employer, will not be charged a PPF levy.



TPR proposals for a revised CDC code of practice broadly welcomed by industry

✓ **The industry has urged The Pensions Regulator to provide further clarity on the consolidated collective defined contribution code**

The pensions industry has broadly welcomed The Pensions Regulator's (TPR) proposals for a revised collective defined contribution (CDC) code of practice, but called for further consideration on marketing and investment strategy rules.

In December, TPR published a consultation on the CDC code to allow for the introduction of multi-employer CDC schemes, outlining the criteria for authorisation, TPR's expectations of

multi-employer CDC schemes, and how it will use its powers to support market delivery.

In response to the regulator's consultation to enable the introduction of multi-employer CDC schemes, Sackers welcomed TPR's approach and said it would make it easier to follow the code and apply it in practice.

However, the law firm highlighted the importance of recognising trustees' overarching trust law duties, as the nature of CDC schemes was likely to involve

CDC trustees considering different stakeholder interests over time.

It suggested that the regulator made these duties more explicit in the code to help trustees with their decision making, describing this as "crucial" due to the potential complex questions regarding fairness and intergenerational matters in CDC schemes.

Meanwhile, Sackers partner, Andrew Worthington, highlighted the importance of considering how the master trust and CDC authorisation and supervision regimes will function together, as master trusts seemed to be the most likely vehicle for the first wave of multi-employer

CDC sections.

"We believe more guidance would be beneficial to help schemes manage these 'mixed benefit' arrangements," Worthington continued.

"With further changes likely on the horizon to accommodate retirement-only CDC schemes, it is reassuring that TPR plans to evolve its approach to keep pace with the changing market."

Investment rules

Hymans Robertson partner and head of DC markets, Paul Waters, welcomed TPR's move to a single code of practice for CDC, emphasising that it was good to see the regulator providing a significant level of detail to help proprietors prepare for authorisation.

However, he warned that clarity and proportionality would be critical, especially around investment strategy, sectionalisation, and what constitutes a 'significant event'.

The Association of Consulting Actuaries (ACA) added that the draft code appeared to be more restrictive than the legislation and would effectively

mean it was not possible to amend the investment strategy relating to existing benefits.

It suggested that the code should mirror the legislation more closely to avoid the over-sectionalisation of schemes, which it argued would negate the benefits of pooling in CDC.

TPT Retirement Solutions said it was encouraged by the draft code, stating that it struck a pragmatic balance in most parts between authorisation requirements and practicality for providers.

However, it also called for greater clarity around investment rules, including on what constituted a notifiable change to investment strategy and how this would interact with changes to member benefits.

“As CDC schemes grow and mature, asset allocations are likely to evolve, for instance to include more private assets; however, such a change should not necessarily require regulatory interactions,” TPT said.

Marketing rules

The pensions industry also highlighted rules around promotion and marketing for CDC schemes as an area that needed further consideration.

Sackers partner, Helen Ball, said: “To strengthen the code’s usability, we encourage TPR to clarify the responsibilities of different parties involved in multi-employer CDC schemes, especially regarding the preparation and approval of business plans, and promotion and marketing obligations.”

Waters stated that the intent to ensure accurate promotion was “absolutely right”, but warned that the current approach risked being too strict in practice.

“This could cause problems, particularly around trustee engagement with prospective employers,” he continued.

“With a new form of pension scaling up in the UK it is really important employees receive clear, straightforward

communications. There is a risk that the draft code is a barrier rather than an aid to that.”

TPT also argued that some of the proposals around fit and proper tests needed further consideration to make the rules workable for schemes, especially in relation to those marketing schemes.

These sentiments were echoed by ACA honorary secretary, Chintan Gandhi, who said: “We agree with the code’s statement that it is ‘highly likely’ that promotional activities will take place between the scheme and (prospective) employers to induce them into joining or remaining in the scheme.

“A unified CDC code of practice should help to reduce fragmentation and encourage wider market participation by offering clarity and predictability”

“We cannot envisage circumstances in which a multi-employer scheme could operate without promotion and/or marketing.

“We suggest that the code should require that any scheme which intends to make use of the legislative carve out from the requirements for promotion and marketing – on the grounds that no promotion or marketing will be carried out – must make this clear in its application for authorisation and explain how it can operate without any promotion or marketing to employers.”

The ACA added that it did not think the ‘competence of persons who promote or market the scheme’ should focus on experience in a regulated environment, and it should be possible for CDC schemes to be set up and marketed by those with suitable experience advising employers on occupational schemes.

Approach

In terms of the approach to CDC’s future development, the Society of Pension Professionals (SPP) emphasised the need for clarity on where requirements differed for scheme types and to avoid disproportionate or overly prescriptive measures that could create unnecessary barriers for new entrants to the market.

Furthermore, the SPP urged TPR to consider providing additional guidance on issues such as expectations of scheme proprietors in multi-employer CDC, business plans and continuity strategies, and fitness and propriety expectations.

It also called on the regulator to consider providing more detail on its expectations regarding systems and processes.

“A unified CDC code of practice should help to reduce fragmentation and encourage wider market participation by offering clarity and predictability,” said SPP CDC committee chair, Keith McNally.

“Proportionate implementation will be important to ensure that TPR is clear regarding its expectations for CDC schemes, whilst also avoiding unnecessary regulatory burdens.”

Meanwhile, Waters called for a phased approach.

“CDC should be established as a solid workplace product first,” he said. “We are also keen to see a continuation to a future phase of longevity pooling giving providers wider freedoms to create overall retirement income products that meet member needs.

“Ultimately, we should move on to open up access to the whole population in retail versions in a safe and controlled way.

“Trying to offer a retail version from day one risks customer detriment and would considerably delay the launch, so we are supportive of the current approach which does not allow for retail CDC.”

 **Written by Jack Gray**

We must 'add winds to the sails' of consolidation – Pensions Minister

✓ **The government gives 'clear steer' that the pensions industry must be made up of 'bigger and better' pension schemes**

The government is sending a "clear steer" that the UK pensions industry needs to be made up of "bigger and better" schemes, according to Pensions Minister, Torsten Bell.

Speaking at the Association of British Insurers (ABI) Annual Conference, Bell said that while consolidation was already underway in the defined contribution (DC) market, current trends would still leave the UK with "a very large number of players", potentially limiting schemes' ability to deliver better outcomes for savers.

"We're giving a clear steer that the pensions industry needs to be made up of bigger and better pensions schemes," he said.

"What we're saying is that we need to add winds to the sails of consolidation."

As part of this push, Bell pointed to the government's Pension Investment Review that would require DC schemes to reach £25bn in assets under management by 2030, or be on track to do so by 2035, to accelerate consolidation across the market.

However, he stressed that scale was not simply about efficiency, but about outcomes.

"Scale matters because it is a prerequisite to driving down costs for savers, but more importantly, it drives up returns, because only bigger schemes are able to invest in a wider range of assets," Bell added.

This focus on scale and returns aligns with the government's wider pensions reform agenda, including measures in the forthcoming Pension Schemes Bill to



"Scale matters because it is a prerequisite to driving down costs for savers, but more importantly, it drives up returns"

reduce fragmentation and administrative complexity.

Bell highlighted the small pots agenda as a key example, arguing that tackling unnecessary costs and complexity in the system would directly benefit savers over the long term.

Meanwhile, the minister also emphasised the importance of investment performance, particularly in

the context of auto-enrolment (AE).

"One of the effects of AE is that more people are saving in their 20s, which makes a huge difference at retirement," he noted, adding that relatively small improvements in net returns can translate into significantly higher retirement incomes over a full working life.

Against this backdrop, he argued that the UK DC pensions market remained an outlier internationally due to its limited exposure to private assets.

"The thing that makes the UK DC landscape stand out relative to the rest of the developed world is its underexposure to private assets," Bell said, reiterating the government's view that larger, better-governed schemes were more able to invest productively in the UK, while managing risk appropriately.

Bell also referenced the work of the Pensions Commission, revived last summer to explore the barriers stopping people from saving enough for retirement, which he said remained focused on ensuring that more people were on track for an adequate retirement.

He noted that despite ongoing debates over adequacy, contributions and investment, there was an unusually high level of agreement across the pensions industry on the direction of travel.

"One of the good things in the pensions space is that there is a remarkable level of consensus on building on the foundation of auto-enrolment," Bell claimed.

"There is broad agreement on making sure that for lower and middle earners, there is a plausible route to retirement."

✎ **Written by Callum Conway**

Industry bodies have called for a coordinated, whole-of-market approach to the Financial Conduct Authority's (FCA) proposed pension transfer reforms, warning that the measures risk falling short unless aligned across the defined contribution (DC) landscape.

Responding to the FCA's consultation, CP25/39, Pensions UK noted that many of the proposals reflected long-standing industry concerns and represented a step towards improving consumer outcomes.

However, it cautioned that significant operational and regulatory challenges remained, which could undermine their effectiveness without clearer alignment across the system.

A key concern highlighted by the trade body was that a significant proportion of transfers took place from trust-based occupational DC schemes to FCA-regulated products, including self-invested personal pensions (SIPPs).

Limiting the reforms to FCA-regulated arrangements, it argued, would fail to address areas of greatest consumer risk.

Pensions UK therefore urged the Department for Work and Pensions (DWP) and The Pensions Regulator (TPR) to develop parallel proposals to ensure consistency, reduce complexity, and provide equitable protections for savers across both trust-based and contract-based schemes.

Echoing this, People's Partnership said the FCA's direction of travel was welcome but cautioned that applying reforms solely to contract-based schemes could create a two-tier system.

FCA urged to extend transfer reforms across whole DC market

Industry bodies warn that the Financial Conduct Authority's transfer reforms will fall short unless they are applied across both trust-based and contract-based DC schemes

The provider of the People's Pension argued that meaningful reform would require close coordination between the FCA and the DWP, particularly in light of the forthcoming Pension Schemes Bill.

Meanwhile, Pensions UK also called for an explicit, industry-wide ban on cash and other transfer incentives, citing behavioural research which showed strong consumer bias toward upfront rewards, even when transfers may reduce long-term pension value.

It warned that relying solely on Consumer Duty obligations would not sufficiently protect savers unless accompanied by robust enforcement.

In addition, the trade body raised concerns that, as drafted, the reforms could create fragmented consumer journeys for example, where comparison tools prompted transfer decisions before scam prevention checks or stronger nudge requirements are triggered.

Clear sequencing and regulatory alignment, it argued, would be essential to avoid confusion and disengagement.

Pensions UK also highlighted overlaps with wider reforms, including the value for money (VFM) framework, small pots consolidation and pensions dashboards.

Without coordination, it stressed, providers could face duplicated effort, inconsistent messaging and additional costs, potentially undermining the push to consolidate small pots.

While supporting clearer comparison

information, Pensions UK cautioned that focusing primarily on charges and investment performance risked obscuring the broader value of workplace schemes, including employer contribution structures, employer-borne costs, in-scheme guidance, and integrated retirement support.

It therefore called for clearer guidance to help trustees communicate scheme value without straying into regulated advice.

Pensions UK head of DC, Philip Brown, said savers must be properly supported as retirement decisions become increasingly complex.

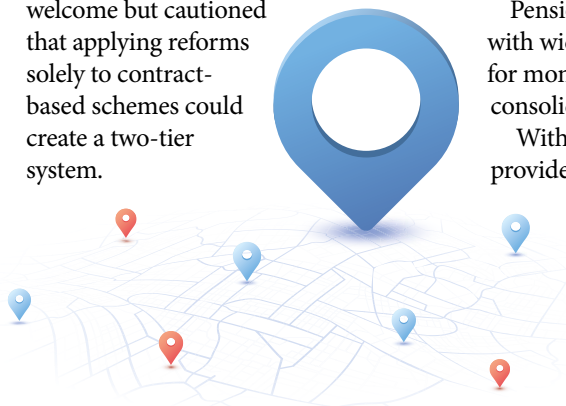
He described the consultation as a strong first step, but stressed that regulators must work together to deliver a coherent, whole-of-market framework.

Without alignment, he warned, savers would continue to face uneven protections and a fragmented experience at a time when clarity and confidence are critical.

People's Partnership chief executive officer, Patrick Heath-Lay, described the proposals as "a significant step in the right direction" but indicated that most savers did not distinguish between contract-based and trust-based arrangements and therefore expected consistent protections.

He suggested that fragmented regulation would add unnecessary complexity and costs to schemes and potentially expose members to avoidable risks.

Written by Callum Conway



Nuveen to acquire Schroders for £9.9 billion

✓ **The cash acquisition by the US-based investment firm is set to complete in the fourth quarter of 2026**



US-based investment manager Nuveen has agreed to acquire Schroders for £9.9bn, subject to regulatory approvals.

The cash acquisition is set to complete in the fourth quarter of 2026, with the offer being made through private equity firm Pantheon, a wholly owned subsidiary of Nuveen.

The transaction will see Schroders' shareholders each receiving up to 612 pence per share, comprising 590 pence per share in cash and permitted dividends of up to 22 pence per share.

Schroders' share price at the close of 11 February 2026 was 456 pence per share, meaning the acquisition offered a premium on shares of around 29 per cent.

The firms stated that Nuveen's and Schroders' businesses were highly

“This transaction is about unlocking new growth opportunities for wealth and institutional investors around the world”

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 \$2.5trn 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.

“The combined group expects to deliver significant benefits to the UK as a global financial centre, enabling more

long-term capital to be channelled into the economy by deepening the pool of investment capital, while reinforcing London's role in global asset and wealth management,” according to the statement.

The board of Schroders is intending to unanimously recommend the acquisition offer to the firm's shareholders.

“Through this exciting and transformational step for both of our distinguished firms, we look forward to welcoming Schroders into the Nuveen family,” said Nuveen chief executive officer, William Huffman.

“By bringing our complementary platforms, capabilities, distribution networks and cultures together, we will create an extraordinary opportunity to enhance the way we serve our collective clients through access to new markets, bolstered product offerings, and deeper pools of investment talent.

“This transaction is about unlocking new growth opportunities for wealth and institutional investors around the world by giving our leading, differentiated public-to-private platform a broader global presence”.

Schroders group chief executive, Richard Oldfield, added: “In a competitive landscape where scale can help deliver benefits, in Nuveen we see a partner that shares our values, respects the culture we have built and will create exciting opportunities for our clients and people.

“The transaction will significantly accelerate our growth plans to create a leading public-to-private platform with enhanced geographic reach and a strengthened balance sheet.

“Together, we can create an exceptional opportunity to provide clients with a true breadth of high-quality solutions to meet their evolving needs.”

➔ **Written by Jack Gray**

The government confirms LGPS access and fairness reforms

✓ **The government noted 'broad support' in consultation responses to its proposed reforms, while acknowledging concerns about implementation and administrative capacity**

The government has confirmed it will proceed with a series of targeted reforms to the Local Government Pension Scheme (LGPS) in England and Wales following its consultation on access and fairness.

The consultation, launched in May 2025, received 172 responses from administering authorities, employers, representative bodies, trade unions and individual members.

In its response, the government noted broad support for the proposals it has decided to take forward, while acknowledging concerns about implementation and administrative capacity across the LGPS.

Under the reforms, which are set to come into force in April, gender pension gap data reporting will be statutory and the age cap currently in place that requires an LGPS member to have died before the age of 75 for their survivor to receive a lump-sum payment will be removed.

Furthermore, authorised unpaid absences of less than 15 days will be automatically pensionable, which respondents argued would help address inequalities.

This represented a modification to the original proposal, which had suggested a 31-day threshold.

The government said the lower threshold better reflected respondents' feedback and was intended to ensure that short periods of unpaid leave did not result in unintended pension losses.

The government also confirmed that



pension contributions for these unpaid absences would be calculated using actual lost pay, rather than assumed or notional pay.

Respondents largely supported this approach, with the government stating it provided a fairer and more accurate reflection of members' earnings during periods of unpaid leave.

In addition, the response confirmed that the cost of buying back pension for longer periods of authorised unpaid leave would be aligned with standard employee contribution rates.

The time limit for members to make a buy-back election will be extended to one year from the end of the absence, or earlier if the member leaves employment, replacing the current shorter election period.

The government acknowledged that many respondents raised concerns about the practical implications of the changes, including the impact on administering authorities' resources, systems and workloads.

In its response, it assured that it recognised the need for sufficient lead-in time and clear guidance, and would work

with the LGPS Scheme Advisory Board as the detailed regulatory changes were developed.

"For too long, women have been penalised in retirement simply for having children," said Pensions Minister, Torsten Bell.

"These reforms mean that for millions of women

working in local government, taking time out to care for a new baby will no longer cost them their pension security.

"This is about a pension system that works for modern families and properly values the vital contribution of working women across our public services."

Society of Pension Professionals (SPP) Public Sector Committee chair, Kirsty McLean, added: "The SPP was supportive of its proposed measures to improve access and fairness for the LGPS when we responded to the original consultation last year, so we are naturally pleased to see that the government will proceed with them.

"However, we were also very clear that they would have disruptive administrative impacts and that timing and sequencing was therefore vitally important.

"It's good to see that government has listened, will now be introducing these changes via a phased implementation period and will work with stakeholders such as the SPP to provide accompanying guidance."

➤ **Written by Callum Conway**

DB pensions more resilient and flexible than at ‘any point this century’, finds SPP report

✓ **The SPP's research covered several factors driving the strength of the DB landscape, including funding improvements, policy developments, and the healthy de-risking market**



Defined benefit (DB) pensions are more resilient, flexible and policy driven than at any other point this century, a report from the Society of Pension Professionals (SPP) has argued.

In its analysis of the DB investment ecosystem, the SPP covered several factors driving the strength of the DB landscape, including funding improvements, policy developments, and the healthy de-risking market.

Surplus release was identified as the factor that could offer the “most transformative development”, offering potential member benefit uplifts, employer refunds, and increased tax revenues.

However, the SPP acknowledged the potential scale of surplus release remained uncertain, with successful implementation depending on trustee expertise, employer strength, and proportionate regulatory oversight.

The report highlighted that resilience

“[UK DB pensions are] probably more resilient, more flexible and more policy-driven than at any point this century”

had materially strengthened since the 2022 gilts crisis, as leveraged LDI strategies had been recalibrated, interest-rate buffers doubled, and governance tightened.

Some schemes’ funding positions were also supported by upward pressure on long-dated gilt yields amid quantitative tightening, record levels of gilt issuance, and changing gilt maturity profiles, but these shifting market dynamics raised questions about future sovereign debt sustainability.

Whilst contractual assets remained central to DB investment strategies, the relative attractiveness of corporate bonds and other credit assets had

declined, the SPP noted.

The report also highlighted several developments in scheme endgame strategies, as run-on strategies had become more viable, insurer capacity had grown, and DB superfunds had demonstrated potential benefits for members, albeit in a small market dependent on proportionate regulation.

The SPP added that the new funding regime had so far landed more pragmatically than expected in relation to scheme investments, and that the Pension Protection Fund was stronger than ever.

Finally, reforms in the Local Government Pension Scheme were accelerating consolidation, enhancing governance, and pushing for local investment, the SPP noted, although concerns remained about centralised intervention powers.

The report concluded that while the DB pension landscape was probably more resilient, flexible and policy driven than at any point this century, the next phase depended on whether schemes and regulators could harness these reforms while managing the systemic risks that accompany them, namely in a world of higher yields, growing public debt and evolving consolidation models.

“This latest SPP paper provides an excellent analysis of the UK DB ecosystem in 2026, asserting that it is probably more resilient, more flexible and more policy-driven than at any point this century,” commented SPP Future DB Vision Working Group chair, Steve Hitchiner.

“To ensure the best possible outcomes for all, schemes and regulators will need to harness the various reforms that are taking place, while managing the systemic risks that accompany them – especially in a world of higher yields, growing public debt and evolving consolidation models.”

✓ **Written by Jack Gray**

News in brief

Pensions Age summarises some of the latest news in the pensions industry, including the latest trends in the DB space, de-risking deals and market changes...

Defined benefit (DB) updates



There have been several updates published in recent months about the defined benefit (DB) pension space:

- LCP's latest Pension Explorer revealed that strong funding levels across the UK's largest DB pension schemes are being accompanied by rapid innovation in the endgame market.
- Broadstone's Sirius Index reported that January saw a small increase in the DB funding levels of modelled schemes,

building on positive progress during 2025.

- The aggregate surplus of DB pension schemes in the Pension Protection Fund's 7800 Index rose by £5.9bn to £265.6bn in January, continuing to set record levels.
- XPS Group analysis showed that DB pension schemes' surpluses rose by 10.6 per cent year-on-year to £220bn relative to long-term targets at the end of January 2026.
- A report from the Society of Pension Professionals has argued that DB pensions are more resilient, flexible and

policy driven than at any other point this century.

- According to research from Standard Life, clear, simple communication before and after buyout is critical to maintaining member confidence, despite generally high trust in DB pensions.
- Hymans Robertson has reported that demand for professional trustees is expected to grow in the short term as DB schemes grapple with regulatory change, although consolidation and a shrinking market could dampen opportunities over the longer term.

De-risking momentum continues



Building on the expectation of a busier start of the year in the risk transfer market,

February saw several key deals:

- The Macmillan Cancer Support Pension Scheme completed a full member buyout with Aviva.
- The Royal Star & Garter Home for Disabled Ex-Service Men and Women Pension Scheme completed a £16m buy-

in with Just Group, securing the benefits of 251 members.

- Vistry's final salary pension schemes completed a £155m full buy-in with Pension Insurance Corporation, securing the benefits of 1,671 members.
- Harwich Haven Authority Pension Fund completed a £45m full buy-in with Royal London.
- The IBM I.T. Solutions Pension Scheme (I Plan) concluded a £700m buy-in with Standard Life, securing the benefits of

more than 3,600 members.

- The KLM UK Pension Scheme completed a £240m buy-in transaction with Rothesay.
- Avon Cosmetics Pension Plan completed a £235m bulk purchase annuity deal with M&G, securing the benefits of more than 3,000 members.
- Three defined benefit pension schemes sponsored by companies owned by the same group completed a £86m BPA deal with Legal & General.

A changing market



The past month saw continued consolidation and evolution amongst the key industry players:

- US-based investment manager Nuveen agreed to acquire Schroders for £9.9bn, subject to regulatory approvals.
- The Pensions Management Institute launched its enhanced Trustee

Accelerator Programme.

- Nest announced its first-ever Member Assembly, which aims to put members at the centre of shaping the workplace pension scheme's investment approach.
- Which? expanded its partnership with Just Group to offer a new retirement-planning service, Destination Retirement, designed to help consumers approach and navigate retirement with greater confidence.
- The Investment Consultants

Sustainability Working Group launched a tool designed to help asset owners ensure their investment managers' investment stewardship activities are in line with their own expectations.

- Procentia launched an end-to-end actuarial valuation system for DB pension schemes and life insurers.
- The Retirement Studio, a new financial advice firm providing retirement planning, pension advice, and investment solutions, has launched.

Appointments, moves and mandates



Lucy Blanchard-Burton

➤ **Legal and General (L&G) has appointed Lucy Blanchard-Burton as head of master trust and Independent Governance Committee (IGC).**

In her new position, she will be responsible for a dedicated team that supports the L&G Mastertrust Board as well as the IGC. Blanchard-Burton joins from Scottish Widows, where she was master trust pension manager and previously worked across several client and trustee facing roles within the pensions industry, supporting defined benefit, defined contribution and trust-based schemes. She will report to L&G global head of DC, Lesley-Ann Morgan, and will work closely with the L&G Mastertrust and IGC.



Cyprian Njamma

➤ **BlackRock has appointed Cyprian Njamma as head of investment strategy for UK defined benefit (DB) pensions.**

Njamma joins BlackRock from Goldman Sachs Asset Management, where he was a senior member of their UK pensions outsourced chief investment officer (OCIO) team. In his new role, he will lead the development of investment strategy across BlackRock's UK DB pensions OCIO business, overseeing a specialist team spanning portfolio construction, asset allocation and tailored investment advice. Commenting on his appointment, Njamma said: "I am pleased to be joining BlackRock at a pivotal moment for the industry. I have been incredibly impressed by the quality of the team and their collaborative approach."

➤ **Apita has appointed Sue Doughty as head of its UK pension administration business.**

Doughty currently serves as Apita chief client officer and played a central role in the establishment of Apita. Doughty brings over 35 years of experience in the pensions industry to her new role and has overseen client relationship management, service delivery and project management across a wide range of pension arrangements. In her new position, she will continue to lead and strengthen client delivery within Apita's pensions administration business and be responsible for the oversight of key relationships with clients and independent trustees.

Commenting on the appointment, Apita UK president, Malcolm Reynolds, said: "Sue has played a pivotal role in shaping the direction of Apita, championing client success and inspiring the next generation of industry professionals."



David Kane

➤ **LGPS Central has confirmed David Kane as its permanent chief finance officer (CFO) following a period as interim CFO.**

Kane has worked at LGPS Central since its inception. He is a chartered public finance accountant and brings more than 20 years of experience in public sector finance and pensions. Meanwhile, Nicola Dymond has been appointed at LGPS Central as chief operations and technology officer. She joins from the Church Commissioners for England, where she served as chief operating officer. Dymond has more than two decades of experience across asset management operations, technology, strategy, and large-scale transformation. This includes previously having senior roles at Railpen and SEI Investments.



Phil Brown

➤ **Pensions UK has appointed Phil Brown as head of defined contribution (DC) and master trusts, alongside several other appointments to its policy and advocacy team.**

Brown has more than 38 years of experience across pensions, retirement income, and financial services. His previous roles include Nest director of policy & external affairs, People's Partnership director of policy & external affairs, LV= head of policy, and Financial Services Authority senior policy work. During his career, Brown has covered policy development, regulatory engagement, operational delivery, and consumer-focused pension reform. He has also contributed to initiatives through committees and groups at Pensions UK, the Association of British Insurers, Investment and Life Assurance Group, the Money Advice Service, and HM Treasury's FinTech and InsureTech boards. "Phil steps into this role at a point where the decisions we make on DC policy will influence saver outcomes into the 2030s and beyond," said Pensions UK director of policy and advocacy, Zoe Alexander. "His track record in policy, and his ability to turn complex issues into workable solutions, fits naturally with the direction of travel across our programme." In addition to Brown's appointment, Pensions UK made several other appointments to its policy and advocacy team, with Joe Osborne and Nebojsa Martinovic joining as policy leads, and Sophie Smith and Jananie Janarthana joining as senior policy advisers.



Ben Gunnee

► **The Pensions Regulator (TPR) has appointed Ben Gunnee as interim executive director, market oversight.**

Gunnee is a senior institutional business leader with over 25 years of experience in the pensions market, including roles within investment consulting, fiduciary management and private markets asset management. He will lead the market oversight directorate from 23 February 2026, replacing current interim executive director, Julian Lyne. Julian joined TPR on an interim basis last April and is leaving to take up a new opportunity with an investment management firm, following a handover. Alongside this interim appointment, TPR has launched a recruitment exercise to appoint a permanent executive director of market oversight led by head-hunters Odgerse. Gunnee's appointment aims to continue TPR's transition to a more prudential style of regulation as the pensions landscape consolidates towards fewer, larger schemes. He will be responsible for the teams that supervise and engage with the businesses and trustees in the pensions market.

Commenting on the appointment, TPR CEO, Nausicaa Delfas, said: "I am delighted Ben is joining us as interim executive director of market oversight. His financial services expertise and market knowledge will be invaluable as we focus on the practical implementation of the pension reform agenda and deliver the best possible outcomes for savers. I would also like to thank Julian Lyne for his very positive contribution at TPR and wish him all the best in his new role."

► **Barnett Waddingham has been appointed as actuarial advisers and scheme administrators to the Carlsberg UK Limited Pension Scheme.**

The consultancy will provide actuarial and administration services for the scheme, which holds c.£500m of defined benefit (DB) assets under management and has around 4,000 members. Barnett Waddingham partners Robert Hawkes and Andy Greig are delighted with the appointment and Hawkes will be taking on the scheme actuary appointment as part of the overall services.

Commenting, Carlsberg UK Limited Pension Scheme trustee director, Jayne Wade, said: "Barnett Waddingham shares our values and priorities – high quality, proactive and pragmatic advice to help the scheme navigate through the longer-term objectives for the benefit of all."



Lindsay Nickerson



Anil Shenoy

► **The Defined Contribution (DC) Investment Forum (DCIF) has named Lindsay Nickerson as its new chair and Anil Shenoy as vice chair.**

Nickerson, previous vice chair of the DCIF, is an institutional director at Nordea Asset Management and spent a decade at Aon as an investment consultant specialising in DC investment within the master trust and manager research teams. She replaces Dave Whitehair who will remain on the board until the end of 2026. Shenoy currently works in the client solutions team at IFM Investors' UK as head of insurance UK & Ireland, global client solutions. Prior to this, he spent 16 years at Janus Henderson Investors.

► **Van Lanschot Kempen has appointed Michelle Darracott as CEO.**

She will replace interim CEO of the UK business, Johan Cras, who will resume his prior role as senior adviser for investment management clients. Darracott brings over 30 years of experience across the UK pensions and investment landscape and most recently served as a professional trustee at BESTrustees Limited and as a non-executive director at TPT Retirement Solutions. Prior to this, she was chief strategy officer at Smart Pension and held several senior positions at Legal & General Investment Management. Commenting, Van Lanschot Kempen member of the management board, Erik van Houwelingen, said: "Michelle's appointment marks an important step in the continued development of our UK business."



Roelie van Wijk

► **Local Pensions Partnership Investments (LPPI) has appointed Roelie van Wijk as a non-executive director.**

She joins from Brunel Pension Partnership, where she also served as a non-executive director and member of the pool's Investment Oversight Committee and chair of the Remuneration Committee. Van Wijk has experience in investment management, governance and leadership through senior executive and non-executive roles across the financial sector. She has held senior positions at Aegon, Philips, PGGM and ABN Amro. She will continue to serve as a non-executive director at ABP and at SVn. She succeeds Martin Tully, who will be stepping down after eight years as non-executive director.

Diary: March 2026 and beyond

✦ Pensions Age Spring Conference

30 April 2026

Hilton London Tower Bridge

The Pensions Age Spring Conference is back for 2026 and will bring together the pensions sector for a day of learning, debate and networking. With Pensions Minister, Torsten Bell, and PPF CIO, Barry Kenneth, confirmed as keynote speakers, the conference will provide delegates with up-to-date insights, guidance, and practical takeaways to help them run their schemes more effectively across both the defined benefit, defined contribution, and hybrid landscapes. pensionsage.com/springconference/

✦ Pensions Age Northern Conference

11 June 2026

Park Plaza, Leeds

The popular Pensions Age Northern Conference returns to Leeds in June, bringing together pension schemes and industry professionals for a day of insight, debate and networking at a pivotal moment for UK pensions. The conference is open to pension scheme managers, trustees, finance directors, advisers, and HR and pensions professionals. pensionsage.com/northernconference/



✦ VIEW FROM THE SPP: The final countdown to your first ORA

Schemes with a 31 March or 5 April year-end are now nearing the deadline for their first Own Risk Assessment (ORA) under the General Code. There has been a hive of recent activity, as trustees attempt to ensure that they comply with the new requirement.

Uncertainty as to what form the ORA should take and how it will be policed, has increased the jeopardy around the process. We have seen a wide variety of approaches so far. Some ORAs are very long, some very short. Some are tech-based, colourful and interactive. Others less so. Some processes have

✦ European Pensions Awards

2 July 2026

London Marriott Grosvenor Square

Now in their 19th year, the European Pensions Awards were launched to give recognition to investment firms, consultancies and pension providers across Europe that have set the highest professional standards to best serve European pension funds over the past year. The awards are open now and free to enter for any pension organisation or firm that serves European pension funds. More information and table bookings are at: europeanpensions.net/awards

✦ Pensions Age Autumn Conference

17th September 2026

The Waldorf Hilton, London

The Pensions Age Autumn Conference returns to London, bringing together the pensions industry for a day of insight. The conference will explore a variety of topics that are prevalent in the industry through expert presentations, panel discussions and interactive Q&A sessions with those shaping the future of UK pensions. Join us in London to hear from regulators, industry bodies and leading experts, and to reconnect with peers from across the pensions community. pensionsuk.co.uk/events/conferences

Visit www.pensionsage.com for more diary listings

Don't forget...

PDP reporting standards consultation closes

25 March 2026

The Pensions Dashboards Programme (PDP) consultation on its 'Reporting standards: draft version 2.1' closes.

pensionsdashboardsprogramme.org.uk/publications

been long-running. Other schemes have jumped into action in the final run-in. The good news is that the regulator's non-prescriptive approach means that all could be appropriate.

For schemes in the process of buying-in, buying-out and wind-up, we have seen trustees take a proportionate approach that often focuses on the key residual risks – with cyber being high on the list. For schemes whose long-term objective is to run-on, a more meticulous approach has tended to be adopted.

Although the ORA is a trustee document, we have seen a great deal of

reliance on professional advisers either for an ORA template, co-ordinating the process or providing objective input into the strength of a scheme's governance framework.

It seems that variety is the order of the day for this first wave of ORAs, before the industry starts to coalesce around a preferred approach.



SPP DC council member, Matthew Giles



VIEW FROM TPR: Designing fair defaults that reflect the reality of working lives

The Pension Schemes Bill plots a path towards default pension plans that support people throughout retirement. Defaults will be powerful in turning a savings system into a pension system. But who are defaults designed for?

Designs have rested on an image of a member with continuous employment, rising earnings, and a clear retirement date.

Our analysis shows that savers who take a career break within the first 10 years face a pot around 16 per cent lower at retirement. These breaks are often taken by women with caring responsibilities.

This causes adverse impacts on pension outcomes, disproportionately felt by women. This is an equity issue.

Trustees and providers already hold much of the data they need to better understand members. The best will consider how to use defaults to deliver better outcomes for cohorts facing similar challenges. We already ‘cohort’, it’s called ‘lifestyling’. We accept that a 30-year-old and a 60-year-old should not share the same investment path. Contribution patterns are just as economically significant as age. Trustees could consider different

glidepaths or smoothing mechanisms here.

Default options must evolve for the reality of modern working lives. Career breaks are common, predictable and significant.

Schemes that recognise this will be better placed to fulfil their fiduciary obligations by delivering sustainable incomes for all savers.



TPR director of strategy and comms, Patrick Coyne

VIEW FROM PENSIONS UK: The RLS isn’t a paycheque, it’s a shopping list

The Retirement Living Standards (RLS) were created as a practical response to the Pensions Commission’s core warning 20 years ago – that people were saving too little and had too little clarity about what a secure retirement actually costs.

Today, that challenge remains as acute as ever. With policymakers reconsidering the balance between auto-enrolment, personal responsibility and the role of the state pension, and as debates intensify around adequacy, intergenerational fairness and the long-term sustainability

of the system, savers face a complex retirement savings landscape.

Against this backdrop, the RLS continue to offer something uniquely grounding. Unlike Target Replacement Rates, which work backwards from income assumptions and can feel abstract to individuals, the RLS start with the tangible reality of retirement spending.

By showing the baskets of goods and services associated with different living standards, they translate policy debates into something savers can immediately

understand.

The RLS help people move from asking “What percentage of my salary might I need?” to “What kind of retirement do I want, and what does it cost?” In doing so, they remain a vital bridge between evolving pensions policy and the everyday decisions savers must make.



Pensions UK head of research, Simon Sarkar



VIEW FROM THE PMI: Skills for life, skills for pensions – why apprenticeships matter

As our sector continues to evolve at pace, building a sustainable pipeline of skilled, capable people has never been more important.

Apprenticeships are a powerful way to build that capability. Pensions administration and technical roles demand regulatory understanding, numerical skill, attention to detail and strong communication – competencies best developed through structured learning combined with real-world experience. Apprenticeships deliver exactly that, enabling individuals to earn

while they learn and support long-term career progression. They also widen access to the profession, opening doors to people of all ages and backgrounds.

While the PMI is not an apprenticeship training provider, we are proud to serve as an approved End-Point Assessment Organisation for pensions apprenticeships.

Our independent assessments ensure apprentices meet the high standards expected across the sector, giving employers confidence and providing apprentices with respected certification

that supports future growth.

As the industry continues to change, apprenticeships will remain central to developing the skills, confidence and professionalism that savers deserve. Investing in talent today – something the PMI is firmly committed to – strengthens the long-term health of the pensions system tomorrow.



PMI chief learning officer, Vanessa Jackson

Soapbox: The real risk? Doing nothing

Over the past few years, the industry has seen a significant amount of change, from the new Pension Schemes Bill to the relaunch of the Pensions Commission and the introduction of targeted support, to name just a few.

Importantly, these changes have shown that progress is possible and that reform can be a positive force. What we're seeing now isn't just governmental change; it feels like a real wave of action that will significantly reshape the UK pension landscape.

Action is a crucial concept in the pension industry. As a sector, we constantly urge the government and regulators to take steps to address issues within the pension system. We also measure action to assess the effectiveness of policy and innovations, with the aim of improving them (e.g. tracking how many people utilised the new pension calculator tool or how many checked their pension over a specific period).

However, we must also consider the inaction of individuals when it comes to pensions.

Research from Standard Life found that delaying saving by five years in a person's 20s could mean £40,000 less in retirement, suggesting that the longer people wait to start saving for retirement, the worse off they could be.

The research found that those who begin working on a salary of £25,000 per year and pay the minimum monthly auto-enrolment contributions (5 per cent employee, 3 per cent employer) from the age of 22, could have a total retirement fund of £210,000 by the age of 68 (adjusted for inflation). However, if a person waits until age 27 to start contributing, this could result in a total pot of £170,000 – £40,000 less.

Postponing for even longer could have an even bigger impact on a



retirement pot, as Standard Life's data showed that if a person starts saving for retirement at age 32, they will have £74,000 less, while someone who starts saving for retirement at age 42 would have £127,700 less.

Meanwhile, research from Aegon revealed that pensions ranked low among financial priorities, with only 12 per cent of surveyed respondents placing pension saving in their top three financial priorities for 2026.

Delaying saving for retirement is a risk, and when this is coupled with pensions being ranked low among financial priorities, it truly shows a concerning trend. Many individuals are focused on immediate financial needs, often overlooking the long-term implications of insufficient retirement savings.

And despite the increase in the number of people saving into a pension since the introduction of auto-enrolment in 2012, nearly 14 years later, there is a significant downside – participant complacency.

This lack of prioritisation can lead to complacency, where individuals believe simply being enrolled in a pension scheme is enough, without actively engaging with their retirement planning.

As a result, crucial decisions about savings and investments are postponed, putting individuals in a risky position as

they approach retirement age.

There is a genuine danger in passive participation, and while it's encouraging that more people are saving into pensions, the structure of the DC system does not reward complacency. It's not enough simply to be enrolled in a pension and forget about it.

And I am not just advocating for increased contributions (although this is needed). I am emphasising the importance of participants educating themselves about pensions, utilising industry tools to estimate the amount they may need for a comfortable retirement, reviewing their pension fund's investments, and ensuring those investments align with their values.

I strongly believe that taking a small step today can greatly influence someone's retirement in the future.

It is often said that there is no reward without risk, but this is not the case when it comes to ensuring a comfortable retirement. This mindset needs to change. The real risk for individuals lies in doing nothing, which could lead to a different future than individuals originally picture when they think ahead to their retirement.



Written by Paige Perrin



VIEW FROM THE AMNT: An accidental MNT

In 1995, the part of a national laboratory where I was working was scheduled for privatisation. Promotions and transfers out were stopped, CSPS accruals would end – but Tupe would apply when the new management took over.

We had no control over what would happen, but knew we had to keep our pensions. So, with no idea what pension trusteeship involved but wanting to safeguard our interests, I was elected as an MNT. We had a final salary (becoming career average) scheme to run, with assets of just £100,000 for past service liabilities. So, we fresh

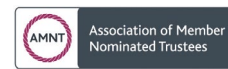
trustees attended basic training and then, with no previous experience or precedents to follow, did our best.

We looked at everything with fresh eyes, questioning advice and not doing things we didn't understand, to protect our pension for when our own retirements came. We were doing what MNTs should do – avoiding pension 'fashions' and watching over our colleagues' interests.

We focused on members' long-term interests and made tough decisions. For 10 years we awarded no salary-revaluation increases. But now, still fully open and in

significant surplus, we have granted members above-inflation increases to redress the lean years. And we are future-proofing. We have reduced the employer's contribution rate by a third; and are restructuring our investments to extend long-term positive cashflow.

As the government considers the future of trusteeship, I would urge them to remember the positive contribution that a broad-based trustee board can make.



AMNT committee member, Peter Kelley



VIEW FROM THE ABI: Speaking with one voice

The key message in our response to the FCA's consultation on pension projections and non-advised transfers was simple: If we want people to trust what they see, the system must speak with one voice.

We support the FCA's push for more flexible, outcomes-focused digital simulations, but that flexibility must sit on a common foundation. The priority is alignment of assumptions and methodologies across regimes, with concise explanations that help savers

understand remaining differences. Without this, new tools risk adding another layer to an already fragmented landscape and undermining engagement.

On transfers, we agree on improving outcomes in non-advised journeys. But the proposed information-sharing process will only work if TPR-regulated schemes are held to equivalent obligations. Without cross-regulator alignment, consumers will face uneven experiences and delays. We've also asked for a tighter scope, behaviourally tested interventions that influence

decisions, and digital data standards so information can be exchanged quickly and consistently.

Finally, timing and cost matter. The FCA should design rules with an eye to open finance, so firms can build once and reuse, with proportionate timelines that recognise legacy systems and third-party administration.

TheABI

ABI long-term savings policy adviser, Henry Cainen



VIEW FROM THE PPI: One size won't fit all for DB surplus extraction

UK DB pension schemes are currently experiencing historically strong funding positions.

This shift has brought renewed attention to the question of DB surplus extraction. Provisions in the current Pensions Schemes Bill would, in certain circumstances, make it more feasible for trustees to permit the release of surplus from DB schemes, subject to safeguards. While much of the public debate has focused on how surplus might be used, far less attention has been given to the risks,

incentives, and wider system impacts that surplus extraction could trigger.

Funding positions differ widely across schemes and are sensitive to market conditions. A scheme in surplus today may move back into deficit if yields fall or asset performance weakens. Decisions about whether to extract surplus interact closely with scheme strategy, particularly the choice between running on and targeting buyout, with different implications for member security, sponsor risk, and market behaviour.

Given the scale of DB assets and their importance to members, sponsors, insurers, and the wider economy, understanding these dynamics matters.

The PPI is undertaking new research into DB surplus extraction, examining what is driving current surpluses, their stability, and the risks and opportunities associated with releasing surplus under different strategies.

PPI
PENSIONS POLICY INSTITUTE

PPI policy researcher, Shantel Okello



VIEW FROM THE PPF: Leading industry conversations on excellent customer service

In recent weeks, we co-hosted the 2026 CEM Benchmarking Pension Administration Forum for the first time. We were pleased to welcome CEM's pension administration clients from across the UK and Europe to network, share insights and explore developments in the UK pension administration market.

For savers, administrators rather than trustees or investment managers, are often the people they engage with over their pension. And for us at the PPF, it's critically important that our members receive the

best customer service possible.

During the event, we shared insights with delegates on how we work and maintain our high member satisfaction scores. We covered our journey in attaining ServiceMark Accreditation with Distinction from the Institute of Customer Service and how this benefits our members, and our recent work to improve our nomination and bereavement services.

We also talked through our in-house new starter training programme, the types of professional qualifications we offer

colleagues, and our various DEI initiatives. All these activities have a positive impact, enabling our Scheme & Member Services team to deliver for our members.

I'm proud of the work our administrative and member-facing teams do and our culture of continuous improvement. We were delighted to have the opportunity to host this important event.



PPF director of member services, Trevor Davis



VIEW FROM PASA: A stronger future needs consistent standards, not patchwork

DWP's consultation on the future of governance and administration in trust-based schemes comes at a critical point. As schemes consolidate and trustee decisions become more complex, the system is rightly asking tougher questions about capability, accountability and outcomes.

Trustees remain accountable for every pension paid, every data breach avoided, and every member interaction handled well or badly. This accountability is delivered through administration.

Dashboards, value for money, cyber resilience, data quality and continuity planning are not add-ons. They are the practical tests of whether governance is really working.

The consultation asks whether minimum standards and stronger oversight of administration are needed. PASA's view is clear. A system built on trust needs consistency, not pockets of excellence sitting alongside unacceptable variability.

PASA accreditation already provides

a practical, independently assessed benchmark. It allows administrators to demonstrate high standards and gives trustees a clear way to test and evidence the quality of the services they rely on. It shows raising standards is achievable without stifling innovation or adding unnecessary burden.



PASA board director, Daniel Taylor



VIEW FROM THE ACA: Collective DC consultation response

Responding to the TPR consultation on extending the collective defined contribution (CDC) code of practice, we welcomed the draft code of practice and are generally supportive of the content, and the objective of having the final code in force on the same day as the unconnected employer legislation comes into force, in July.

We agree with the code's statement that it is 'highly likely' that promotional activities will take place between the scheme and (prospective) employers to induce them to into joining or remaining in the scheme.

We cannot envisage circumstances in which a multi-employer scheme could operate without promotion and/or marketing.

We suggest that the code should require that any scheme which intends to make use of the legislative carve out from the requirements for promotion and marketing – on the grounds that no promotion or marketing will be carried out – must make this clear in its application for authorisation and explain how it can operate without any promotion or marketing to employers.

The draft code appears to be significantly more restrictive than the legislation and

would effectively mean it is not possible to amend the investment strategy relating to existing benefits. We suggest that the code should mirror the legislation more closely to avoid over-sectionalisation of schemes which would negate the benefits of pooling in CDC.

ACA chair, Stewart Hastie



UK pension schemes continue to face rising regulatory expectations, increasing complexity, and an expanding agenda of work, often managing several strategic projects. This growing pressure reinforces the need for robust governance and risk management structures to support efficient operation.

The Pensions Regulator's General Code of Practice has sharpened focus in this area, by formalising the approach required to manage an Effective System of Governance (ESOG). The introduction of the Own Risk Assessment (ORA), and the appointment of a nominated Risk Management Function, places expectations on governing bodies to take a holistic view of how risks are managed within schemes, and where risk management and governance practices can be strengthened.

How have you strengthened your risk management framework?

Our survey suggests progress on risk management is uneven across the industry. A quarter of schemes had yet to start drafting or planning their ORA at the time of the survey. While a small element of this may be timing, it highlights challenges around capability and capacity.

All schemes should have now made significant progress or completed their ESOG. A critical part of this includes reviewing current risk management approaches, and how these should be adapted to support active management of risk. This will make ORA planning and drafting much easier, ensuring schemes obtain value and tangible actions from the process, including improving scheme governance practices and enhancing operational resilience.

Improving and maintaining operational resilience

Escalation of operational risks is a key reason your current risk management approach must evolve. One in five boards reported experiencing a cyber incident in

A shifting risk landscape

➤ **Aon's 2025/26 Global Pension Risk Survey showed that operational, governance and cyber risks have become key considerations for schemes, regardless of size or structure. Aon senior consultant, Brian Kinlan, examines the priorities for running a successful pension scheme**

the past two years, and we saw frequent reports in 2025 of large-scale cyber incidents in the wider world. Exposure to a cyber incident now feels like 'when' rather than 'if' for schemes, emphasising the importance of a robust operational resilience framework with appropriate cyber measures.

Progress has been made in the cyber space in recent years, with most schemes now assessing the cyber resilience of third-parties. This should be a priority focus for all schemes, with clear business continuity and back-up procedures in place to ensure boards can trust that critical services – and the payment of member benefits – can continue in the face of disruption.

The survey suggests two areas requiring more focus – testing of business continuity and incident response plans, and assessing cyber insurance. Schemes that address these will be better positioned to respond quickly and confidently to operational incidents, supported by dedicated specialist expertise.

Is outsourcing the answer?

Around one in five boards are planning to outsource their risk management function, signalling a shift in how some schemes are approaching governance. This supports wider activity we are seeing in the industry with more schemes considering specialist expertise and outsourcing certain elements of their operating model.

Specialist support can bring deep

expertise and independent challenge, helping trustee boards and other stakeholders to focus their time where it adds most value, while maintaining oversight and remaining accountable.

What next for trustees and other stakeholders?

ESOGs and ORAs are not one-off hurdles for schemes to jump, they are the cornerstones of a shift towards higher standards of governance and risk management. Embedding the ORA into your ongoing operations will ensure that governance and risk management are enhanced and remain appropriate for a scheme's evolving risk profile, adding value rather than simply becoming a compliance exercise.

Boards have to consider if their current operating model is appropriate as the industry continues to grow and develop. It is vital that schemes get this right as strong governance supports better decisions, greater resilience and, ultimately, better outcomes for members. In a shifting risk landscape, governance is the foundation on which effective risk management is built.

Aon's Global Pension Risk Survey can be downloaded here: <https://aon.io/4rf7W0X>.



➤ **Written by Aon senior consultant, Brian Kinlan**

In association with

AON



Alistair Jones
Senior Managing Director
Leadenhall Capital Partners

Francesca Fabrizi
Editor in Chief
Pensions Age

▶ What are Insurance Linked Securities?

Insurance Linked Securities (ILS) are a fixed income type of asset. As with any other fixed income instrument, you aim to invest £100, get £100 back at maturity, and receive regular income along the way. The income here is supported by lots of insurance premiums – in this case typically property insurance premiums. The main issuers of these types of securities are property insurers and reinsurers. Where they're overexposed to risks, they can transfer them to the capital markets and issue Insurance Linked Securities. The portfolios that Leadenhall manages on behalf of pension investors invest in diverse portfolios of Insurance Linked Securities.

There are two main types of Insurance Linked Securities – public liquid ones called catastrophe (or cat) bonds; and private placement ILS, which are less liquid, but which allow investors access to more diverse risks as well as higher returning positions, often requiring to post less collateral due to the structure of the product which also limits tail risk to investors.

The role of ILS in pensions today

▶ Francesca Fabrizi sits down with Leadenhall Capital Partners Senior Managing Director, Alistair Jones, to talk about the role of Insurance Linked Securities (ILS) in pension fund investing today

▶ What are the main characteristics of ILS that make them attractive?

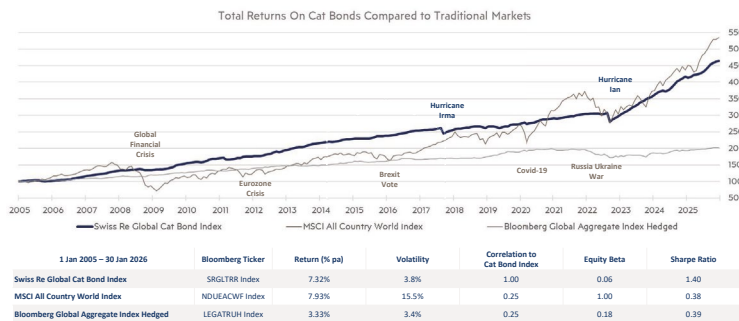
There are a number of characteristics that are attractive to pension funds. Over the long term, the cat bond market has delivered a level of returns similar to equity markets – around cash plus 5% pa. What's been delivered over the last three years has been close to cash plus

9% pa, which has been a great outcome.

Crucially, the pattern of returns is very different to other types of investments. With conventional assets like equities, corporate bonds and property, if you go through a recession or a financial downturn they can fall, often at the same time, and that's a risk for pension investors. What

you're getting here is a fundamentally different type of risk, mostly property insurance risks, such as wind, earthquake, flood events, etc. These are very different types of risks to what you get in other financial markets, so investors typically obtain significant diversification benefits as well as long-term returns. It is a

Liquid ILS - A Historically Significant Diversifier



Source: Bloomberg (30 Jan 2026); returns, volatility and correlation calculated monthly and then annualised. Note that a number of historic risk and return metrics are shown. Investors should consider risk metrics that are relevant to their risk and return objectives and risk preferences. Over the long term, some of the risk metrics which apply to traditional asset classes and are reported through the presentation, may not accurately represent the risk associated with Leadenhall's funds. Past performance is not a guarantee of future results. For institutional use only | 3

genuinely lowly correlated asset class.

The level of return per unit of risk has also been attractive as has the liquidity. That's been important for UK pension funds over the last few years after the gilts crisis and with their LDI collateral needs.

The risk and return benefits of ILS compared to other markets can be seen in the chart on page 26.

➤ How has the market evolved?

It has really come of age. It was a much smaller market 25 or so years ago but it has grown a lot. The global reinsurance market is now around \$750 billion – that's bigger than the UK corporate bonds market. Of that, around \$125 billion is passed to the ILS markets and this proportion also continues to grow.

In 2025, we had record issuance of cat bonds – we're having more and more issuers come to market, and with it more diversification. That strong supply of cat bonds as well as private placement ILS has been supportive of yields. Cat bonds are currently yielding around cash plus 5% pa, so a total yield of around 8%-9% pa. In the private market, you can get even more all the way up to cash plus 13% pa. More diversification is possible here too. So the market has evolved and can meet different pension needs.

➤ How are you seeing pension schemes generally invest in ILS?

ILS has been popular over the last few years, across both DB and DC pension funds. DB and DC are in quite different positions. DB has been de-risking over the years, some now running on and some transferring to pensions buyout. Here cat bonds are liquid and you can come in and out of funds on a weekly or bi-weekly basis. This helps with LDI collateral needs.

Private placement ILS funds generally have around quarterly liquidity. That's pretty good compared to long lock illiquid assets. ILS liquidity is helpful here too and so too are even more efficient returns – important for

funds that continue to run on.

ILS is also high income. Last year, cat bonds yielded income of 11%. That's a good amount that can be used to pay pension cash flows with DB funds continuing to mature. It's been diversifying as well. A lot of DB funds have been de-risking into corporate bonds, gilts, LDI, some adding securitised Asset Backed Securities too. ILS is another type of securitised asset. This diversification is great for DB, such as holding up compared to other assets through last year's liberation day.

On the DC side, big master trusts continue to grow. There's much talk of private assets and Long Term Asset Funds. We're seeing lots of interest here as well. On the growth side, DC funds have been investing a lot in equity over the years. ILS is high yielding and that return has been really good in DC funds' growth accumulation phases. Then, as savers de-risk, the diversification of ILS kicks in and helps protect the value of people's investments.

Everyone's talking about decumulation now – what are you doing when people get to retirement? Here, that high income and cash flow that the asset class produces can kick in, helping pay people's pensions in the decumulation phase as well.

➤ How does ILS fit with the wider sustainability agenda?

ILS has a number of sustainability aspects. Pension funds have been focusing on TCFD, getting their reports done on emissions, climate risks and opportunities. What you're getting with this asset class is you're protecting society from climate and meteorological events. So, if you get a big wind or flood or storm event, Insurance Linked Securities can pay out, helping pay people's insurance claims and rebuilding. Cat bond default rates have generally been reasonably low historically, similar to corporate bonds, loans, high yield and private credit. However, they have

a fundamentally different driver of return making them diversifying. So it's a relatively low level of default, but also there if people need it.

ILS is often recognised as a climate adaptation solution because it protects societies, enabling them to get on with life, residents can continue to consume, companies can continue to invest getting on with their day-to-day business. ILS is there as a backstop, helping to protect them. And if the worst happens, ILS helps rebuild, often to a higher standard.

➤ How do you think about climate risks and opportunities, as well as modelling them?

We try to model climate risks as accurately as possible and continue to develop this. A lot of stress test scenarios are observed, we do a lot of research, both internally and commissioned externally. There's a lot of consideration of climate risks and opportunities.

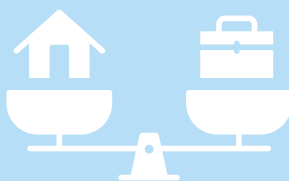
The yield on ILS is a multiple of the losses expected to come through. For example, the total yield on cat bonds is currently around 8%-9% pa, while expected losses are around 2% pa. So the yield is expected to more than cover investors from losses, although you always expect to pay some insurance claims. Over the long term though, actual cat bond losses have been lower than this showing that risks have been well modelled.

All in all, we see this as an opportunity to protect society. This is at the same time as pension fund investors benefiting from a financial return along the way from providing this protection, and gaining valuable diversification.

Please visit [pensionsage.com](https://www.pensionsage.com) for the full video.

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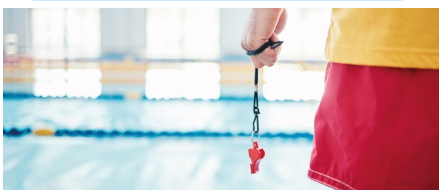




Work/life balance

➤ **People's Partnership, provider of People's Pension chief investment officer, Dan Mikulskis, speaks about his varied experience in the pension space, love of 90s music and a typical week in his life**

Work:



➤ **Do you have any unusual job experience outside of working in the industry?**

My first job as a teenager was a pool lifeguard. I also worked as a beach lifeguard when I lived in Australia.

➤ **How did you end up working in the pensions sector?**

I did an actuarial science course as a part of my master's degree and was quite drawn to it, for my sins. I also considered the professional qualifications to be an attraction – little

did I know how many weekends that meant studying for the actuarial exams!

➤ **What path did your pensions career take that led you to your current role?**

I have been really fortunate to work for some great employers in the sector. Most of my career has been in consulting, which gives a fascinating oversight into so many different aspects of pensions and investment and allows you to work with a really varied set of pension funds.

The nature of the companies I worked for was also really interesting with one being a large global corporate, one a growth startup and finally a UK focused employee-owned partnership, all offering really different insights into the implications of different types of company.

➤ **What's one thing about your job that you particularly enjoy or are proud of?**

The strength of the purpose here at People's Partnership is really unique and special and puts a spring in my step every day, and I know it's the same for a lot of my colleagues.

➤ **If you weren't working in pensions now, what would you be doing?**

Probably something adjacent in the investment industry, such as asset management or wealth management.

➤ **What's the best piece of career wisdom you've been told, or acquired yourself?**

Write. Good writers are better thinkers. There are so many upsides to getting your thoughts down on paper in a structured way and publishing it.

A typical work/life week:

➤ Monday

Typically, I'm up early to get in a gym session or a run every day before the boys wake up. The work week starts in Crawley at our HQ for a morning with the management team. We start with a quick 'standup' meeting to review progress on key strategic projects across the business, followed by a management team meeting where we might be reviewing strategy, financial plans or approving projects. It's a relatively long train ride home from Crawley so I'll be catching up on podcasts. With any luck, I'll be home in time for the boys' bedtime.



➤ Tuesday

I'm in London with the investment team and we start the morning with a scan ahead looking out over all our deliverables as a team over the next few weeks and months. We have 30 in the team and the ability to get everyone in one large conference room and fully aligned on priorities and deliverables is really powerful.

That meeting usually triggers a series of smaller catch-ups and project meetings over the rest of the morning to pick up loose ends and drive things forward to ensure that different parts of the team are coming together to deliver cross-cutting projects. In the afternoon, I might have meetings with managers or providers.

Life:



➤ What do you like to do in your spare time? Any hobbies?

Two young boys (three and five) keep me busy but I like my sports and try to run (targeting Spartan races), play tennis when I can and waterski in the summer (my wife's family are big into waterskiing).

➤ Is there a particular sport/team that you follow?

England rugby and cricket mainly.

➤ If you had to choose one favourite book, which would you recommend people read?

One of the best books I've read in the last decade is *Shoe Dog* by Phil Knight – an absolute page turner and combines my interest in business and sports.

➤ What film/boxset do you most enjoy?

Recent favourite watches have included the *Ambassador*, *White Lotus* and *Industry*.

➤ Do you have any music/band/song suggestions?

My Spotify wrapped suggests an odd mix of Van Morrison, the theme music to *Frozen*, Paul Simon and Justin Bieber. But really the 90s is undefeated in terms of musical appeal and I will not hear any disagreement to that!

➤ What's one of the most interesting places you've travelled to?

About 15 years ago, I backpacked from one end of Java (Indonesia) to the other by myself over the course of about two weeks. I think I had one conversation with another native English-speaker that entire time. A fascinating experience.

➤ What's your go-to comfort food?

Steak frites and a glass of red wine.

➤ Who would be your dream dinner party guests?

Andre Agassi & Steffi Graf, Jonny Wilkinson, Dave Grohl, Toto Wolff, Joe Weisenthal & Tracy Alloway (Bloomberg presenters).

➤ If you could meet any historical figure, who would it be and why?

John Maynard Keynes. A long-term strategic thinker making important decisions in a tricky but pivotal time for the world. He set the scene for many of the long-term institutions that survived for decades afterward and saw things others didn't.

➤ Do you have a favourite quote or saying?

Life can only be understood backwards, but must be lived forwards – Soren Kierkegaard.



➤ Wednesday

I am typically at home and on point for school and nursery drop-offs. During the day, I might have catch-ups with non-exec directors and IC members, as well as progressing my own key working projects.

➤ Thursday

I'm in London again with my team and the day is typically centred around a team meeting where one area in the team updates the rest of the group on performance, recent changes or investment views. We will typically also hold our Management Investment Committee, which is where we arrive at key decisions on which we will advise our trustee.

➤ Friday

Friday is typically working from home and I will often have

one-to-one catch-ups with my direct reports, including our asset class heads, and I might have calls with external parties, introductory meetings or updates on in-flight projects. With any luck, I get some time and space to do some more big picture blue sky thinking. Once work is done, we usually try and have a family pizza and movie night.

➤ Saturday

Saturday is a big one for the boys' activities and we have mini rugby for our eldest followed by swimming lessons. Afternoon we try to relax a bit at home.

➤ Sunday

Sunday morning is junior parkrun and an opportunity for me to grab a quick game of tennis after.



Laura Blows
Editor
Pensions Age

SCOTTISH  WIDOWS

Mithesh Varsani
Head of investment solutions,
Scottish Widows

➤ Private markets have been a major focus for the UK workplace pensions industry in recent years. I imagine this was part of the thought process behind Scottish Widows' launch into private market investment solutions for workplace pension funds?

Mithesh Varsani: Private markets typically come with higher hurdles, such as appetite, understanding, resourcing and costs, but those have started to come down. Access to certain asset classes is now more widely available, and adoption and appetite within the industry have picked up.

However, when we think about the different customer cohorts we have, there are those who, depending on scheme size, appetite, and demographics, may not be ready to go 'both feet in' to private markets. At the other end of the spectrum, there are those with the right governance and understanding to support investment in these new asset classes.

So, we asked: how do we help customers along that journey?

We recently launched our Lifetime Investment Plus strategy, which allocates 10-12.5 per cent to private markets, and our Lifetime Investment Extra strategy, allocating 20-25 per cent, which allow us to integrate private markets in a way that supports where customers are right now

Incorporating private markets into DC funds

➤ **Laura Blows discusses the role of private market investment within pension funds with Scottish Widows' head of investment solutions, Mithesh Varsani**

in their decision-making framework.

For us, private markets are not one-size-fits-all. We've taken a measured approach to integrating them into our lifetime strategy.

➤ **So, you mentioned the increased appetite and focus on private markets, but why is that? What benefits are you seeing?**

Mithesh: If you invest in global equities all companies via an index, it might include around 9,000 companies. But if you look globally, there are over 140,000 private companies with revenues over \$100 million.

DC members just aren't accessing those revenue streams. Having access to different companies and different revenue streams allows for diversification.

However, private markets aren't just one asset class, they include private equity, private credit, infrastructure, and natural

capital. Each have their own different risk and return characteristics, giving us a wider toolkit for managing a member's journey.

DC members have that long-time horizon in terms of being able to invest. So if you're locking up your capital then you want to be rewarded for that. So there's an illiquidity premium.

Private markets provide real economic exposure to real assets, physical assets, such as renewable energy. These assets can provide resilience and contractual cashflows, which is especially important later in life, and can help with inflation linkage.

We also recognise that there's early startups or businesses that can prove themselves, but the capital hasn't been provided for them to scale up. Private markets give members access to these startup and mid-market growth opportunities they otherwise

wouldn't have.

If we think about some of the strategic changes that we're going to be going through, in terms of the energy transition, or thinking about climate, being able to invest in new technologies that help address those is usually putting money into new technologies. However, it could also mean things like social housing. With private markets, you have a greater degree of ownership, so when it comes to things like engagement or navigating the business to recognise their broad responsibilities, you can do that.

➤ These benefits have always been there, but fitting private markets into DC portfolios has typically been considered a challenge. How do you address this?

Mithesh: The obvious challenge is liquidity. Members may want to access benefits, and private assets can't always be realised quickly. But liquidity is also broader than that; it's about cash management across the lifecycle of private market investments.

In a portfolio setting, it's recognising that if you've got a portfolio of these different companies or asset classes, you have to be able to both manage liquidity from the end member perspective and put that money to work as well.

So liquidity is an important part of that puzzle, but so also is the shape and size of the private market exposure.

There is access via secondaries, where you can take stakes off other limited partners. And there's things called co-investments, and direct investments, and all of these mean that the way in which you structure private markets become important.

You also need to have that network to find those companies that you can be able to finance. If you're investing or building airports, bridges or infrastructure, you've got to have the right expertise that understands those sectors, so you go from developing an asset to then it becoming operational.

Finally, dispersion of returns is wider in private markets and therefore manager

selection risk is significant. So, it's not one size fits all. Providers must understand and manage these nuances to harness the benefits effectively.

➤ It sounds like a delicate balance, overcoming challenges while maximising benefits. How does Scottish Widows manage that?

Mithesh: The first thing to consider is structure. We benefit from not being a direct asset manager, so we have complete focus on finding the best experts when it comes to thinking about private markets. We operate an open architecture approach, which we think is really valuable for recognising the different spread of outcomes. We wanted a structure that provides access to primaries, secondaries, co-investments.

We wanted to also have our own bespoke mandates as well, so we opted to sponsor our own Long-Term Asset Fund (LTAF) umbrella structure. So we have launched two LTAFs, giving flexibility and governance control.

Second, we focused on the member journey.

Because private markets encompass a range of different asset types, it enables us to focus on maximising growth during the accumulation phase by allocating to assets like private equity, venture capital, and infrastructure equity. We can allocate to private equity, venture capital, and infrastructure equity.

And then as members start moving towards that later life, into pre-retirement, and through retirement, we shift toward private credit and income-generating assets aligned with preservation and inflation linkage.

And so that's why we have our two LTAFs – a growth focus LTAF, which has got the more 'octane' asset classes, and then a more diversified private credit for those closer to retirement.

I think that allows us to really harness private markets for members to match to where they are in the journey.

Third, liquidity management. If you focus too much on having liquidity, you

could inadvertently put too much liquidity within the structure at the wrong time. So what we wanted, as part of having our own LTAFs, is that transparency of cashflows.

Lastly, we're part of Lloyds Banking Group as well and within the group, we've got Lloyds Development Capital, where they're helping businesses throughout the country in terms of providing equity financing. We have Lloyds Living, which is playing a big role in terms of social housing. We also do lending through the corporate bank, and also our shareholder assets team, as well as already investing directly into private credit.

We're really looking forward to bringing those four different facets to tackle private markets for our clients.

➤ How do you help align investing in private markets with other concerns, such as responsible investing, or the importance of member choice?

Mithesh: Responsible investing is standard for Scottish Widows.

Our exclusions policy applies. We conduct due diligence on managers' processes, assess Sustainable Development Goals alignment, and require transparency in reporting.

Private markets allow greater ownership and engagement, so we're really excited about how we can deliver responsible investing within that.

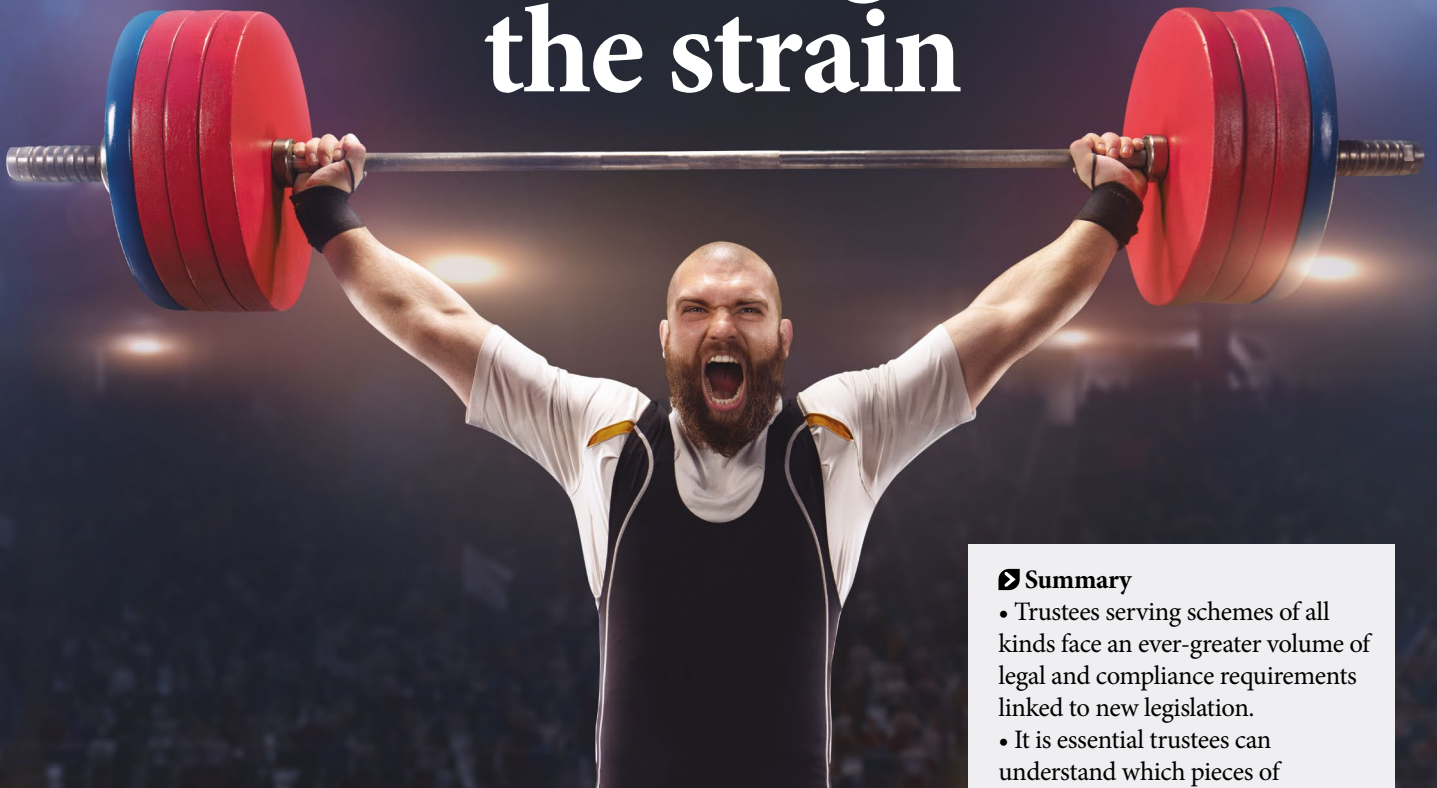
And then, regarding member choice, that was a big part of why we announced our Scottish Widows lifetime investments strategies. These are a way for members to incorporate private markets, if they wish, wherever they are throughout their retirement saving journey.

This is an edited summary. To watch the video in full, please visit [pensionsage.com](https://www.pensionsage.com)

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SCOTTISH WIDOWS

Taking the strain



As the scale and variety of legislation affecting trustees continues to grow, so too do the compliance and complexity risks they face. David Adams considers how trustees can develop approaches to ensure compliance and manage those risks

While pension scheme trusteeship has never been easy, the range of new legislation affecting trustees is remarkably broad, and still growing.

Pensions Management Institute (PMI) chief strategy officer, Helen Forrest Hall, says trustees are telling the PMI that the challenge “isn’t any single reform – it is the cumulative load”. In addition to measures in the Pension Schemes Bill, that load includes work on Guaranteed Minimum Payment (GMP)

equalisation, Own Risk Assessments, preparations for dashboards, value for money (VFM) assessments, and development of guided retirement defaults, as well as multiple other issues affecting different types of schemes.

Trustees need to be able to pick out which of these and other tasks are of greatest and most urgent relevance to their scheme, then “manage the balance between process-driven compliance and member-focused decision-making,” says Forrest Hall. “Because the worst outcome is if the trustee is so focused on

Summary

- Trustees serving schemes of all kinds face an ever-greater volume of legal and compliance requirements linked to new legislation.
- It is essential trustees can understand which pieces of legislation are most relevant to the scheme and prioritise efforts to ensure compliance – but also to manage complexity risks linked to interlocking requirements.
- Some new legislation will require a rethink of schemes’ longer term strategies.
- The support of expert advisers, administrators and other service providers can play a crucial role in supporting advisers. Professional trustees may also play an important role in supporting some schemes.

... [compliance] that they’re not actively considering the impact on members.”

Every trust-based scheme is unique, in terms of type, scale, maturity, membership profile and sponsors. But the endless stream of new legislation makes a focus on long-term objectives and a clear strategic plan, refined and

guided by trustees, absolutely vital.

“For boards that are already having strategy planning days and have a full business plan for the scheme, this is just an extension of what they would be doing anyway,” says Barnett Waddingham partner and head of pensions governance and secretariat, Lucy Cresswell. “But some trustee boards are not necessarily working strategically: They’re more focused on day-to-day issues.”

Even if a board does have a proactive approach to strategic planning, it is still difficult to prioritise compliance work and to minimise risks. One possible starting point is the government’s roadmap for pensions-related legislation, but Forrest Hall believes the order in which the roadmap lists key events and requirements could itself create problems.

“Trustees need clarity, they need proportionality and they need coherent sequencing,” she says. “We think better sequencing might reduce the risks associated with trustees trying to implement too many things at once.”

“At present, key reforms are scheduled to land before the wider ecosystem they depend on. The example we’ve talked about most often is trying to put defaults and guided retirement options in place before you’ve done small pots or dashboards. One sensible thing we think the government and policymakers could do would be to move the guided retirement requirements to the other end of the roadmap.”

Without that change, she suggests, there is a risk that some smaller DC schemes may end up committing significant resources to changes that are not ultimately necessary, because the scheme will be consolidated into a larger vehicle within the next few years anyway.

Different routes to good governance

Trustees of DB schemes will need to consider other elements within the

Pension Schemes Bill, such as the options for sharing scheme surpluses, or for consolidating the scheme into a superfund.

“The surplus rules are something we’re talking about a lot with our clients,” says Burges Salmon director, Helen Woodford. A number of industry organisations, including Pensions UK and the Pensions Policy Institute (PPI), are dedicating significant resources to considering how trustees and sponsoring employers can be supported as they plot a way forward for individual schemes.

“Trustees need clarity, they need proportionality and they need coherent sequencing... better sequencing might reduce the risks associated with trustees trying to implement too many things at once”

Another priority for trustees linked to the bill is the proposal to mandate investment in UK assets. Concerns have been increased because this is ‘framework’ or ‘skeleton’ legislation, which creates reserve powers that might be used in unforeseen ways by a future government, including, in theory, overriding trustees’ fiduciary duty to scheme members. The government has promised provision of statutory guidance for trustees.

This should mean that “if you’ve done everything in good faith, and checked it with your lawyers, you shouldn’t have to worry about being sued,” says Association of Member-Nominated Trustees (AMNT) co-chair, Maggie Rodger. But this issue will continue to occupy trustees’ attention for some time.

The government has also been running a consultation on trustees and governance of trust-based pension schemes, open between December 2025 and immediately after this magazine went to press. Many of the organisations consulted for this article were compiling responses to the consultation at the time of writing.

Pensions UK policy lead, Krista D’Alessandro, is among those who says that at the heart of her organisation’s consultation response will be an emphasis on the need for legislative or regulatory burdens to be “proportionate to the type of scheme” in question, and “outcomes-focused”.

But even if this is the case, trustees will still need to combine a focus on managing business as usual requirements alongside consideration of longer term strategic questions. Pi Partnership professional trustee, Sarah Marshall, who serves as a trustee for several different schemes, says it is possible to run trustee meetings to facilitate this.

We have a big strategic segment within our meetings, then we move onto looking at things happening now, around data, administration, member communications,” she says. “We separate the strategic and operational. That allows us to focus on each of those areas and give them the attention they need.”

D’Alessandro stresses the importance of a strong chair of trustees, but also of expert advisers that deliver effective input.

She suggests schemes need: “A strong chair ... able to ensure that the right expertise is being called upon at the right moment; and that the right advisers are providing information in a clear way that allows trustees to see and understand what is happening.”

Sackers partner, Andy Lewis, highlights the value in delegating work on certain issues to scheme sub-committees or advisers, enabling the board to dedicate more time and effort



to considering strategy.

Hymans Robertson partner and head of pension policy innovation, Calum Cooper, agrees that trustees must be able to filter out the noise to identify which legislation is of greatest relevant to the scheme in order to plan how best to address and prioritise those issues. But, he says, “that’s not a trustee challenge, that’s an adviser challenge”.

“It’s a team game,” says Cooper. “What really good advisory looks like is asking, what are the objectives of the scheme and how can we help you to meet those objectives?”

“If [*trustees*] have a clear focus on the scheme’s objectives they can challenge advisers and ask if the advice they are receiving is really strategic – and therefore whether the scheme is getting value for money from those advisers.” This also applies to key service providers, particularly administrators.

Professional help

The need to comply with the ever-widening range of legislative requirements will prompt some trustee boards, or scheme sponsors, to hire a professional trustee to provide additional support to an existing board – or perhaps to replace it, in the form of a sole professional trustee.

Professional trustees can bring the benefit of any experiences they may have helping other schemes to comply with evolving legislative requirements. But the other side of that coin, Forrest Hall suggests, is that some individual professional or sole trustees may have very large workloads across multiple schemes, or perhaps in other non-executive roles they also hold. This could have a negative impact, or restrict the support they can offer a scheme in the event of a crisis.

“Professional trustees can bring

benefits – it’s about trying to balance that with the benefits of having lay trustees on the board as well, who know the scheme membership and the employer well,” says Cresswell.

In the end, all trustees, whoever they are, need all the help they can get, from advisers, experts, service providers and ongoing training, as they strain to understand and respond to interlocking and ever-changing compliance requirements.

“It’s massively challenging,” says Pi Partnership governance consultant and scheme secretary, Laura Johns. “We have constant legislation, consultations and it’s all entwined. I guess it’s about keeping a heads-up approach and anticipating change.”

 **Written by Dave Adams,**
a freelance journalist



Tackling key person risk in pensions administration

▶ Daniel Taylor explains why reducing reliance on individual expertise and building skills depth across teams is essential to strengthen pension scheme governance

Pensions administration is built on expertise and professional judgement developed over many years. It relies on people who understand scheme rules stretching back decades, who can interpret legislation with care, guide trustees through complex decisions and support members at pivotal moments in their lives.

Yet this reliance on individuals, however capable they may be, brings risk.

Across the industry, we all know the 'go to' person. The technical specialist who understands a scheme's quirks better than anyone else and can spot an anomaly instinctively. The client lead who handles sensitive relationships with calm authority. The operations manager who knows how things really work beneath the process charts.

When knowledge, judgement and relationships sit with individuals rather than being deliberately developed and shared, key person risk builds. The risk is not theoretical. It affects service continuity, governance standards, operational resilience and ultimately member outcomes.

As board sponsor of the PASA Administration and Careers Working Group, I have seen how persistent this challenge is. Career pathways in pensions administration are often unclear, particularly mid-career. Job titles vary widely between employers and skills are not always recognised consistently. Experience can be deep, but not easily portable.

In this environment, capability concentrates. Talented people grow into roles over time, sometimes without a clear framework around them. They become indispensable to colleagues and

clients and, in turn, difficult to replace.

At the same time, expectations are rising. The General Code has sharpened the focus on governance and assurance. Trustees expect clearer accountability and stronger oversight. Digital change and automation are reshaping day-to-day processes, from how calculations are performed to how workflows are managed and data is controlled.

Technology will help by improving accuracy and efficiency, but it doesn't replace professional judgement or remove the need for experienced oversight. It cannot explain a complex issue to a trustee board in balanced terms or decide the right course of action when something goes wrong. As routine activity becomes more automated, the relative importance of human capability increases, and the qualities which will truly differentiate strong administration services are judgement, communication, leadership, risk awareness and ethical decision making.

If those qualities sit with a small number of experienced practitioners and are not developed in others, key person risk intensifies rather than reduces.

This is why the PASA working group has taken a skills first approach to career pathways. Rather than starting with hierarchy or job titles, we're focusing on defining job families by the nature of the work and the skills required. In practice, this means recognising member operations, technical expertise, quality and risk, client relationship management, project delivery, business change, finance and people leadership are distinct but

equally valuable ways of contributing to the profession.

Defining roles by skill balance rather than title shifts the conversation. It makes capability visible, creates a shared language across employers and supports lateral as well as upward progression. It also gives organisations a clearer view of where expertise is concentrated and where succession needs attention.

A skills-based view of careers helps individuals see a sustainable future in pensions administration. A strong technician doesn't need to move into people management to succeed. A client-facing leader may need to deepen behavioural capability rather than accumulate more technical knowledge.

Addressing key person risk isn't about diminishing expertise. It's about respecting it enough to pass it on.

If the industry genuinely wants to strengthen standards and long-term resilience, it needs to invest in structured development and clearer pathways. This means valuing both technical excellence and behavioural capability and creating environments where experienced practitioners are expected and supported to mentor and develop those coming through behind them.

Resilience in our sector will not come from systems alone. It will come from building depth across teams rather than relying on individual brilliance. Depth, not dependency, should define modern pensions administration.

▶ Written by PASA board member, Daniel Taylor

‘Hallucinations’ in AI refer to instances where large language models (LLMs) infer patterns in input data that do not exist, generating confident sounding but incorrect outputs. Because LLMs are designed to produce the most statistically plausible response, not necessarily a factual one, they can replicate errors in their training data or produce entirely fabricated information.

This presents a significant challenge for the pensions sector as AI use expands. Risks are particularly acute when savers interact directly with AI systems, such as chatbots offering personalised financial guidance. Many schemes now deploy AI that uses member and scheme data to generate personalised guidance in conversational chatbot style formats. Good scheme governance should ensure that any third-party AI integrated into scheme operations is enterprise level – i.e. designed for organisational needs and equipped with stronger safety guardrails to reduce inaccurate outputs.

But the risk is never zero. All current generative AI models can produce inaccuracies, and incorrect information provided to scheme members could lead to uninformed decisions with financial consequences.

The risks are heightened for vulnerable consumers. These savers may be less able to recognise mistakes in AI outputs or understand that AI can be unreliable. Inaccuracies also create financial and reputational risks for schemes, which may face liability for consumer detriment if AI driven guidance leads to harm.

However, there is a counterargument: AI tools can improve access to much needed financial guidance to people who might otherwise receive none. For individuals already making important decisions without advice, low-cost, scalable AI chatbots can offer quick, accessible support. In some cases, the small risk of AI error may be outweighed by the broader access and preventative

Confident, but inaccurate

▶ **Olivia Sizeland explains how pension schemes can manage the risk of AI hallucinations**



guidance these tools deliver – for example, helping members avoid harm when making decumulation decisions.

Demand for guidance continues to grow as savers take more responsibility for managing their retirement outcomes. The FCA’s Advice Guidance Boundary Review sought to address these gaps but remains ongoing. In the meantime, there is evidence that consumers are already turning to mass market AI tools such as ChatGPT or Gemini to help with financial decision-making.

This trend will accelerate with pensions dashboards. As savers access more of their own data more easily, LLMs will too. Consumers are already inputting personal financial information into general purpose AI tools, which then generate ‘personalised’ recommendations about contribution levels, retirement income solutions, or investment decisions. This is risky: These models are not designed for regulated financial guidance and are far more likely to produce incorrect outputs. Their training data often includes large volumes of internet scraped content, such as a Wikipedia page, some of which contain inaccuracies. If flawed information enters the model, flawed recommendations follow.

Enterprise level LLMs, by contrast, use carefully curated datasets – such

as pensions legislation and regulated guidance – and therefore tend to be significantly more accurate. But consumers rarely distinguish between the two.

A further challenge arises from exploitative practices. Some nefarious companies are publishing public webpages that are hard for human users to find. They contain exaggerated claims about products, such as asserting that a particular decumulation solution is the best on the market. LLMs ingest this content and may repeat it as fact. As a result, AI models may endorse products without considering an individual’s full financial circumstances, unlike a regulated adviser.

Regulation compounds this disparity. Consumer-facing tools like ChatGPT are bound only by general UK law, such as GDPR. There is no statutory AI regulation specific to financial advice contexts, leaving consumers unprotected if they rely on AI for retirement decisions.

Pension schemes using enterprise AI, however, must meet standards set by regulators such as TPR and the FCA. The General Code requires due diligence on service providers, and FCA rules apply to firms using AI in regulated contexts.

When trained on high-quality data and used within regulated markets, AI can significantly improve saver outcomes. But without accessible, reliable tools, consumers will continue using unregulated mass market AI to support major financial decisions. The sector must consider how to mitigate this growing source of consumer risk.

▶ **Written by Pensions UK senior policy adviser, Olivia Sizeland**

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Summary

- Preparation is essential: Pension schemes should have tested crisis plans in place before problems arise – including clear roles, escalation procedures, draft responses, governance alignment, and contingency plans.
- Act quickly and control the narrative: In a crisis, silence erodes trust. Schemes should respond promptly with open, transparent communication, explain what has happened, outline corrective steps, and proactively shape the story rather than allowing speculation to take over.
- Communicate clearly and rebuild trust: Use plain English, speak directly to members through a single trusted source, maintain an empathetic tone, and continue transparent communication after the crisis to rebuild confidence.

If permaculture was part of the zeitgeist in the 1970s, today, we are surely living in the era of permacrisis. The news is available 24 hours a day, and comes from a wide variety of sources, some more trustworthy than others. Today, news stories are touchpaper; they can ignite what often feels like a starkly divided world.

The possibility of a data security breach is the crisis scenario that is most likely to cause insomnia for pension scheme trustees, says Sackers partner, Joanna Smith. “Cyber is coming up as the number one thing people are worried about,” she reports.

After all, people’s sensitive personal data and money are two extremely emotive subjects, and there are few areas of life where the two overlap in the way that they do in pensions.

In recent years, many other crises have reverberated through the pensions world. Anything that affects pension schemes operationally is a big deal, from the liability-driven investment (LDI) crisis to the Covid-19 pandemic.

As WTW senior director, Lou Harris, points out: “For those members who have pensions in payment, if operations are slowing down or affected, that’s a major crisis.”

As many schemes prepare to submit their Own Risk Assessments (ORAs) for the first time in spring 2026, crisis management will be top of mind for trustee boards.

When the storm hits: How pension schemes can protect trust

▶ **With cyber threats a key risk, crisis preparedness is no longer optional. Industry specialists outline five essential steps for staying in control when the unexpected happens**

So, what happens when your pension fund or company becomes the centre of the storm? Here are five principles to bear in mind.

1. Preparation is key

“The age-old adage is true here: Fail to prepare, and prepare to fail,” says Galene + Partners founder and PR specialist, Georgie Rudkin. “There is a massive piece of work that needs to happen way before a crisis unfolds, which is general crisis scenario planning. Companies sometimes forget this because it can be very uncomfortable. Not intentionally, but sometimes when there are disconnects between leadership, a lot of the problems that might arise do not come to the surface early enough.”

But how can you prepare for the Donald Rumsfeldian ‘unknown unknowns’? “It’s good to have a plan, whatever the crisis is,” says Harris. The experts agree that some principles will

hold true, irrespective of the nature of the emergency. Here are a few pointers.

Rudkin says: “Working out who does what in a crisis is super important. What is the escalation plan when you get that first call, who should be in the room, how do you contact people, what is the code word you need to use? Time is of the essence, and you need to be prepared for that.”

Prepare initial drafts responding to the most likely scenarios you may encounter and keep them updated as the world changes. Then, roleplay those scenarios in real time. That will help you to spot any flaws or gaps in your plans.

This is echoed by consultancy Untamed co-founder, Karen Quinn. “Any plan needs regular testing, not drafting and filing. And it needs an explicit owner. Without this, it probably won’t work under pressure.”

Some other practical points to consider: Who will take charge of what

media channel during a crisis? Know who needs to be informed in which crisis scenario – whether that is The Pensions Regulator or the Information Commissioner’s Office, for instance.

Smith suggests that schemes should consider eventualities like what happens if the internet goes down. Do key stakeholders need a printed out copy of the crisis policy and a call tree? If so, where will they store it?

Assuming the internet is up and running, it’s a good idea to have a quick way for the emergency committee to communicate. “Lots of our clients have set up WhatsApp groups for emergency planning,” adds Smith.

All this should be underpinned by a robust governance procedure, agreed by a committee, which is consistent with the scheme’s wider governance, including its Articles of Association, points out Smith.

2. Take control of the narrative

The worst has happened and there’s a crisis unfolding, with your scheme or company at the centre of it.

The first lesson is to say something wherever possible, KBPR client director, Kate Boyle, says: “As a general principle, I’m a strong believer in open and transparent communication wherever possible. Of course, there are times and circumstances, particularly where legal or regulatory sensitivities apply, where full disclosure is not possible. However, where schemes can ‘own’ the issue, explain what has happened, outline the steps being taken, and demonstrate control of the situation, that approach almost always leads to better long-term outcomes. It’s far better to shape the narrative than to let it be shaped for you.”

“A data security breach is the crisis scenario that is most likely to cause insomnia for pension scheme trustees”



Responding swiftly is critical, Quinn agrees, adding: “Silence damages trust, faster than honesty about an issue. If there’s a void, it will be filled and you’ll lose control.”

3. Speak directly to members, in plain English

What exactly should you say? While there may be technical explanations for a data breach (for example) it is important not to get bogged down in the detail. Rudkin says: “Talk in plain language. Nobody needs to know the ins and outs and complexity of the malware that was on the system, the CTO coming out and explaining XYZ security protocols – people don’t want that. Explain in simple terms what has happened and what you are going to do to fix it. No corporate jargon. When companies are unsure, they bury uncertainty in the language – but people see straight through that.”

4. Make sure your information comes from one, trusted source

Ideally, you would already have built a regular communication channel with members, so that they see you as a trusted source of information, says WTW senior associate, Oshin Sharma. “Be sure that before a crisis arises, you have communicated with your members that this is their source of truth and that if something happens, this is where they should go to for their news updates.

Be careful with social media, she adds; engaging in a conversation can

create more questions and inconsistency. “Members may use social media, and you might have a team that monitors the chatter going on on those platforms. But use your scheme’s website as a way of updating them or giving them answers.”

It is a good idea to train trustees, who may have their own relationships with journalists, in what to say should a crisis happen. Trustees should know the point of contact for journalist enquiries and be confident in what they can – and crucially, cannot – say, explains Sharma.

Sharma finishes: “It’s important for the trustees to put themselves in the members’ shoes. If [a cyber incident] happened to you, you’d probably be feeling panic. So, one of your key principles should be that your tone of voice needs to be empathetic and really reassuring.”

5. Once the storm has passed...

It will take time to recover, but honesty and clarity will be your friends. Rudkin finishes: “Once you’re out of the storm, don’t think it is going to go away. You are going to have to keep rebuilding that trust. Don’t bury it under the carpet once it has happened, use it as a case study for how you are learning, growing and changing the business, modernising systems and not shying away from the fact that there has been a problem in the past.”

Written by Louise Farrand, a freelance journalist



Maria Busca

Unlocking pension potential

➤ **The Association of British Insurers (ABI) manager of long-term savings policy, Maria Busca, talks with Paige Perrin to discuss the association's ambitions for the next three years, the future of defined benefit schemes, and progress on the Mansion House Compact**

The Association of British Insurers (ABI) has recently set out its new three-year strategy, with pension reform as a key priority. Can you outline the main objectives of this strategy and what the ABI is aiming to deliver over the next three years?

Our new three year strategy is built around three overarching objectives: A trusted sector, a sector invested in people and the planet, and an effective market.

Across long-term savings, this translates into a clear set of priorities for the next three years. First, shaping the next phase of pensions reform. We'll work with government, regulators and liaise with the Pension Commission to ensure policy, legislation and regulation support better savings adequacy and provide clarity and stability for future

retirees as the population ages. That includes improving outcomes in DC – building on auto enrolment, strengthening adequacy, and supporting a coherent decumulation framework.

Second, unlocking more long-term, productive investment. We want to help mobilise pension and insurance capital into areas that support UK growth – resilient infrastructure, innovative technology and energy security, whilst ensuring that the interests of savers remain at the forefront of legislative and regulatory changes.

Third, promoting a stable and proportionate regulatory and tax environment. A system that is predictable and well designed gives firms the confidence to innovate and invest, and helps savers navigate their pensions more easily.

➤ **You have launched a new pensions board focused on DB pensions and the bulk purchase annuity (BPA) market. Why is now the right time to establish this board, and what do you want it to achieve?**

We've created the new Pensions Insurance and Investment Board to bring together senior executives of BPA providers and give them a stronger voice in shaping the priorities that matter most to them, and give appropriate weight to this growing market. The DB pensions and BPA markets are central to the UK's

long-term financial security and UK economic growth, and this new board strengthens our policy focus at exactly the moment when these issues are rising up the agenda. The PIIB will also take on oversight of facilitating and tracking the delivery of the sector's pledge to invest £100 billion in productive finance over the next decade.

➤ **The ABI's recent update shows signatories are making 'good progress' on the Mansion House Compact's 5 per cent unlisted equity target, with investments in unlisted equities held through DC default funds doubling between 2024 and 2025. How would you assess the pace of progress, and what more needs to happen – both from industry and policymakers – to sustain momentum?**

Signatories have doubled the value of unlisted equity investments in DC default funds – from around £0.8 billion to £1.6 billion – and increased average allocations from roughly 0.36 per cent to 0.6 per cent, with the ambition of allocating at least 5 per cent in unlisted equities by 2030. The progress has also been evident with signatories establishing new partnerships with asset managers, launching new long-term asset funds or similar vehicles with exposure to unlisted equities, launching new propositions, and addressing operational challenges.

But we're very clear that this is only the beginning. Sustaining and accelerating progress will require continued policy support and a shift across the whole value chain towards judging investments on long-term value, not cost alone. That's why the successful design and implementation of the value for money (VFM) framework is so important. We're working closely with the government and regulators to ensure it creates the right incentives for schemes to invest in a broader range of assets where it is in members' interests, and we expect this to be a key driver of further progress in the years ahead.



➤ **How should policymakers think about the balance between protecting DB members and enabling schemes to use surplus more flexibly, particularly as insurer solutions become more prevalent?**

Policyholders should start from a clear principle that ensuring the security of DB members' benefits remain at the forefront of whichever endgame route a scheme takes. Any greater flexibility over extracting surplus has to sit on top of robust funding standards, strong governance and clear safeguards, so that members' promised pensions are never put at risk.

To do that, policymakers should work towards setting out a robust regime for superfunds, including a gateway test that prioritises security of members, and retaining the threshold for surplus extraction at buyout level. There is value in clearer and more support and guidance to help trustees weigh the trade-offs between the different endgame solutions, so trustees and sponsors can make long-term decisions with confidence. Insurers are constantly innovating to help specific scheme requirements, smoothing the buyout process, catering to smaller schemes,

offering illiquid asset solutions and residual risk cover to protect sponsors from unforeseen liabilities after the scheme has been formally wound up and value-sharing propositions.

➤ **Is the current regulatory framework for DB endgame solutions fit for purpose, or does it need to evolve as consolidation and insurer-led solutions grow?**

Insurers are the biggest DB consolidators, and their scale, expertise, track record of resilience, and key role in supporting the UK economy should not be underestimated, as the framework for endgame solutions is evolving. For instance, in 2025 alone, bulk annuity providers secured £38.3 billion to provide security to over 300,000 people, and roughly 65 per cent of their assets are invested in the UK. The regulatory frameworks governing different endgame solutions are fragmented, and therefore, coherence is crucial to ensuring member security and an efficient market. Fragmented frameworks mean that it is ever more difficult for trustees to compare the security of member benefits across different endgame solutions.

The safeguards to surplus extraction

and the robustness of the gateway are key to ensuring the framework is fit for purpose, as is collaboration and shared understanding between the different regulators. The priority should be to maintain strong, consistent standards on member security and governance, while ensuring the different regimes work smoothly together so trustees and sponsors can make long-term decisions with confidence and clarity.

➤ **What further reforms or policy developments would the ABI like to see from the government to support a sustainable, well-functioning pensions system?**

Looking ahead, we want a stable pensions system that is sustainable for the long term, delivers better outcomes for savers, and supports UK growth. The Pension Schemes Bill is an important step towards that, particularly on consolidation and the VFM framework.

Savers must always be at the heart of pensions policy. We fully support the ambition to channel more long-term capital into productive assets, but it's important that any policy tools used to achieve this must reflect what is right for savers. Mandating pension investments can have detrimental impacts on consumers and is unnecessary.

If the government chooses to retain reserve powers on pension mandation, they should be limited in scope and time, subject to appropriate scrutiny, and used only where there is strong evidence that the market is not delivering good outcomes on its own.

Above all, any approach to mandation needs to sit comfortably within the VFM framework, which is designed to focus on long-term net outcomes rather than allocation targets. That alignment is essential to ensure schemes are not pushed into assets that don't match their risk profile or members' needs.

➤ **Written by Paige Perrin**

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Buyout, run-on or both? Whatever your
scheme's preferred destination, we'll
help you construct the way forward.

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► **Endgame insights – putting theory into practice:** Legal & General showcases the latest combined thinking from its Asset Management and Pension Risk Transfer (PRT) businesses, aiming to provide a comprehensive overview of the latest market conditions and evolving solutions-focus for DB pension schemes approaching their endgame **p44**

Endgame focus: A shifting landscape



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Endgame insights: Putting theory into practice

L&G showcases the latest combined thinking from its Asset Management and Pension Risk Transfer (PRT) businesses, aiming to provide a comprehensive overview of the latest market conditions and evolving solutions-focus for DB pension schemes approaching their endgame

Together with the Pensions Management Institute (PMI), we have surveyed a range of trustee members of the PMI to seek their views on evolving endgame themes. The survey highlights high funding levels, interest in buyout, run-on or both, and a focus on surplus extraction.

Buyout, run-on or both?

The UK's defined benefit (DB) landscape is entering a new phase of maturity. Over the past year, trustees and corporate sponsors have been navigating one of the most significant shifts in endgame planning for decades, shaped by stronger scheme funding, regulatory reform and a widening set of strategic options.

Much of this momentum has been driven by the publication of the draft

Pension Schemes Bill, which has acted as a catalyst for industry wide discussion – from the merits of run on versus buyout (or indeed run on until buyout), to the future treatment of scheme surplus, and the evolving role of superfunds, which will move to a permanent legislative regime under the Pension Schemes Bill with the aim of “consolidating DB schemes that cannot reach buyout, providing greater security to members and supporting economic growth”.

The signing of the Mansion House Accord has added further impetus, signalling renewed focus on UK investment and long-term value creation across the pensions system. Meanwhile, in its guidance note “*New models and options in defined benefit pensions schemes*”, The Pensions Regulator (TPR) has issued a call to action that “Schemes

should have documented policies regarding their long-term objectives and endgame options, including surplus”.

Drawing on joint research with the PMI, alongside insights from our Asset Management and Pension Risk Transfer (PRT) businesses, we explore how trustees are reshaping their long-term strategies and the practical steps schemes are taking as they approach endgame readiness. Our aim is to provide clear, actionable guidance for trustees, grounded in what we are seeing every day across our client base.

The PMI survey results underline just how quickly the landscape is shifting. Almost half of schemes surveyed (49 per cent) are now fully funded on a buyout basis, placing endgame planning firmly at the top of the agenda. These strong funding levels, combined with regulatory steps to make surplus extraction more accessible, are bringing to life the trend we highlighted in our last report: the emergence of three primary endgame routes – buyout, run on, or a combination of both.

While a clear majority of schemes expect insurance to play a central role in their de-risking journey, a meaningful proportion are planning to run on, whether as a long-term strategy or for a period before securing their members' benefits with an insurer. Reflecting this shift, 57 per cent of schemes surveyed are now actively considering surplus extraction – whether during run on,

Endgame Insights – Trustee survey snapshot

Almost half of schemes are fully funded on a buyout basis



Yes 49%
No 51%

Significant cohort of schemes pursuing each endgame option¹



Buyout 43%
Run-on 15%
Both 42%

57% of respondents considering surplus extraction



Yes 28%
Perhaps 29%
No 43%

The Pensions Management Institute (PMI) was commissioned by L&G to conduct the survey. As part of this report, PMI and L&G jointly developed and approved all questions included in the survey and managing the data collection process, while L&G provided the survey link to potential participants. PMI surveyed 228 trustees across 878 pension schemes. They received 75 responses. All responses to the survey were anonymised. The survey captured responses between 25 October 2025 and 28 January 2026. (1) Survey respondents were asked: 'Are you minded to pursue one or more buy-outs but not a full buyout?' 43% responded 'yes', 15% responded 'run-on' and 42% responded 'yes'. If schemes are considering buy-out but not buyout, they are likely to be considering a combination of run-on and PRT. If they are not considering buyouts but are also not looking to run-on, they are likely to be targeting buyout.

L&G

2

at the point of buyout, or in the years leading up to it.

What is clear is that schemes now have more choice than ever. Our role at L&G is to support trustees whichever route they choose and move through their endgame journey with confidence.

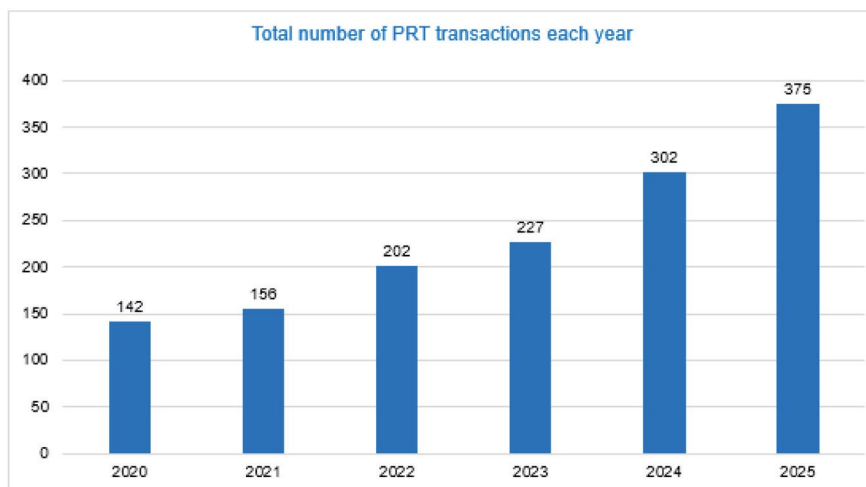
Buyout in focus

The UK PRT market has delivered a record number of transactions for the past two consecutive years, with insurers securing around £40 billion of members’ benefits in 2025. Based on our pipeline, we anticipate that total market volumes in 2026 are likely to be between £40-50 billion. With more than 350 transactions completing across the market last year, pension schemes of all sizes have been able to secure their members benefits for the long term underpinned by the security of the insurance regime.

L&G completed three of the five largest transactions of 2025, including a £1.6 billion buy-in with the BP Pension Fund and a £4.6 billion buy-in with pension schemes sponsored by Ford Motor Company Limited – the largest UK PRT transaction of the year. Other large transactions announced in 2025 included those for schemes sponsored by Rolls-Royce, MMC UK and National Grid.

Pricing and partnerships underscore market momentum*

Buy-in pricing continues to be highly attractive in our view, driven by strong insurer appetite and growing market capacity. The chart below shows how insurers are pricing full buy-ins for a typical pension scheme. The [blue] line compares the return a scheme might get from a buy-in with the return it would get from holding gilts. When the [blue] line is above zero, it means a scheme could potentially expect better long-term value by executing a buy-in, alongside the goal of added potential benefits of removing financial and longevity risks and securing members’ benefits for the



Source: XPS Group, Bulk Annuity Market Tracker, February 2026.

long term. These considerations, and how trustees can navigate the wider set of endgame decisions, are explored further in the section below.

We have increasingly seen a wider mix of insurers enter the PRT market, providing increased choice to trustees and sponsors. At the same time, we have announced long-term strategic partnerships with Meiji Yasuda and Blackstone to support our international growth ambitions and further strengthen our position in the UK PRT market.

What is important beyond price?

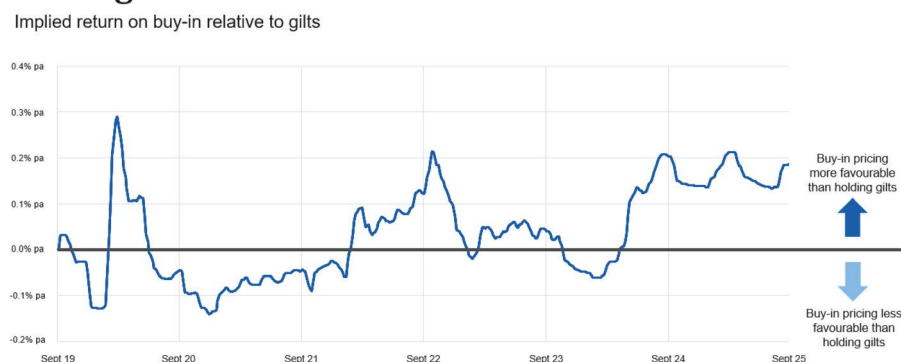
Across the market there is an increasing focus on operational efficiency: in the PMI survey, 34 per cent of respondents

who had already completed a buy-in said they expect to move to buyout within the next two years, with a further 41 per cent planning to do so within three to five years – meaning around 75 per cent anticipate completing their buyout transition within the next five years. The PMI survey also explored trustees’ priorities beyond price, highlighting the importance of insurer financial strength, a high-quality member experience and the credibility of a recognised brand with a strong track record in the market.

A vibrant market for smaller pension schemes

The record number of transactions completed each year is being driven

Pricing chart



Source: LCP pension risk transfer report – November 2025
<https://insights.lcp.com/ra/032-PAO-331/maaes/LCP-PRT-Report:2025.pdf>

largely by schemes with assets of under £100 million. Data from the PMI survey shows that 84 per cent of respondents (Source: L&G data, as at February 2026) do not believe that being a smaller scheme would inhibit their ability to transact, reflecting the strength and vitality of this part of the market. Insurers have innovated to deliver streamlined solutions for smaller pension schemes, including L&G Flow, aiming to provide price certainty, first-class member care and seamless integration with asset management capabilities.

The PRT market's economic role

Bulk annuity providers are not only safeguarding the retirement income of millions of members, but are also acting as major, long-term investors in the real economy. Insurers are directing substantial and growing volumes of capital into UK infrastructure and productive finance – investments that help modernise national assets, stimulate job creation, and enhance regional prosperity. These commitments are being embedded into long-term business strategies, with insurers planning to deploy several more billions in the years ahead.

For trustees and sponsors evaluating endgame options, this reinforces the strength and resilience of the sector and its alignment with broader national priorities. Our Blueprint for Growth report, developed with Oxford Economics, shows how targeted policy reforms could unlock up to £220 billion of additional UK investment over the next decade, adding a permanent 0.7 per cent boost to GDP by 2035**.

Investing for run-on

When considering the recent industry discussions around 'run-on', many trustees may wonder what all the fuss is about. After all, most pension schemes have 'run on' for several decades, often while

maintaining a surplus on their technical provisions basis – is there really anything new to consider here?

Of course, the fundamentals of pension scheme investment haven't really changed – pension schemes are still long-term investors who must meet liabilities. So pension schemes will still need to agree their strategy, define their risk tolerance, and then invest in an efficient portfolio which they believe will generate the highest return while staying within that tolerance. They will still need to diversify rewarded risks, seek to protect against unrewarded risks, and carefully manage liquidity.

Full cashflow matching has undoubted appeal where possible, but it may be challenging for some pension schemes to achieve. Luckily there are a number of other levers that pension investors can pull to target returns within a cashflow-aware framework. A broad range of alternative credit assets such as emerging market debt and various forms of securitised debt can be incorporated into a cashflow-matching mandate alongside sovereign and corporate bonds. For schemes that can tolerate some illiquidity, this can be supplemented by additional exposure to various forms of cashflow-matching private credit.

So will a long-term run-on portfolio look very different to what pension schemes have seen before? Different tolerances for illiquidity, ability to achieve a true cashflow match, and investment beliefs will mean that there is no 'one-

size-fits-all' answer. Certainly some of the asset classes will look familiar, but trustees' investment frameworks will need to be refined, risk models made more robust, and investment considered through the lens of cashflow certainty.

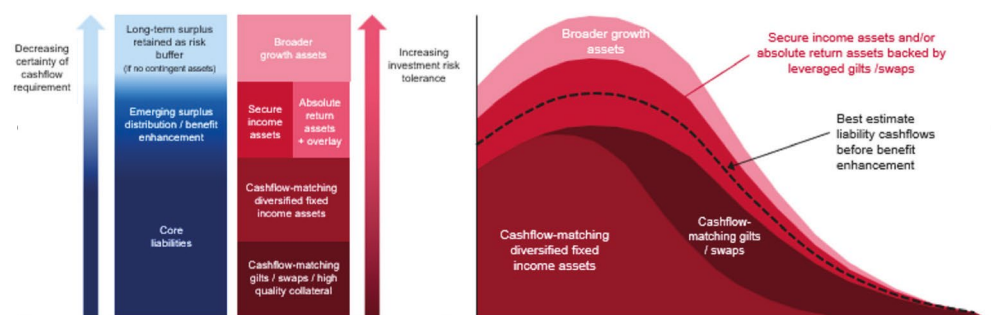
Looking for the 'best of both' run-on and buyout?

With record numbers of well-funded pension schemes ultimately seeking to insure, one thing is certain – it will take several years for fully funded schemes to collectively achieve their buyout objectives. Whilst they are preparing for buyout, schemes will want to seek to preserve affordability, improve pricing and manage any residual asset surplus.

Trying to hedge buyout pricing is easier said than done for three main reasons:

- **Liability target:** Liability cashflows within LDI mandates are typically calculated on a technical provisions basis, from member data as at the latest actuarial valuation and rolled forward over time. By contrast, insurers will project a liability profile using up-to-date member data and by adopting their own views on demographic and other liability risks, resulting in a liability profile with a different shape
- **Discount rate:** A pension scheme may make a prudent assumption on a solvency discount rate – for example 'gilts-flat'. By contrast, live buyout pricing, expressed on a 'gilts+x%' basis is variable over time, primarily because investment

Liability cashflow certainty and investment risk tolerance



Source: L&G, for illustration purposes only. The value of an investment and any income taken from it is not guaranteed and can go down as well as up, and the investor may get back less than the original amount invested. It should be noted that diversification is no guarantee against a loss in a declining market. Assumptions, opinions, and estimates are provided for illustrative purposes only.

opportunities change

• **Differences between insurers:**

While all insurers are bound by the same Solvency UK framework, each will invest and price differently to seek to achieve the most competitive price to win business.

A pragmatic approach? We believe the best way to hedge buyout pricing is to transact, but before that, pragmatic steps include updating the liability cashflow target to better reflect solvency assumptions and hedging to a pragmatic prudent discount rate that evolves over time to reflect current pricing levels, including credit sensitivity.

Surplus extraction

The government is making it easier for well-funded DB schemes to release surplus, when ‘safe to do so’, and trustees will need to set out their proposed approach to surplus extraction as part of their statement of strategy.

What has been announced so far?

The government has set out its intention to amend the rules on surplus extraction, “to allow trustees of well-funded DB schemes to release money back to employers and their scheme members, when ‘safe to do so’, unlocking some of the £160 billion surplus funds to be reinvested across the UK economy and boost business productivity and deliver for members”. (Source: Pension Schemes Bill 2025)

TPR has issued guidance on new models and options in DB schemes to help trustees and employers to assess the range of new endgame models and options available across governance, financial and insurance. Once legislation is enacted, TPR will consult and publish further guidance on releasing surplus.

A purpose for surplus – what are the options?

While, as a long established norm, surplus after buyout has been deployed in accordance with the Scheme Rules (mostly in repayment to the sponsor), the evolving regulatory framework is expanding the options for the use of surplus – to extract it on an ongoing basis, and to consider sharing the surplus with members of the scheme or potentially members of other DB or DC pension schemes.

In the PMI survey, for those trustees that are considering surplus extraction, we asked them to rank their purpose for surplus in order of preference. The response was broadly equal across enhancing member benefits, returning to sponsor or supporting a DC scheme, with a small minority focusing on the ability to invest in UK assets.

DB schemes: Have a plan for endgame and for surplus

TPR has issued a call to action that “schemes should have documented policies regarding their long-term objectives and endgame options, including surplus”.

A key consideration for trustees considering surplus release will be this question of safety, balancing multiple objectives to:

1. **Manage scheme assets** to pay pensions and remain fully funded on a low-dependency basis
2. **Improve security for members** and prepare for contingent events
3. **Release surplus** under a framework agreement with the sponsor to, for example, enhance member benefits, make payments to a DC scheme or make payments to the employer

Managing residual asset surplus – what’s your target?

For schemes that **transact insurance**

there will be a pause between executing a buy-in and then executing a buyout, realising surplus and winding up the scheme. In this period, how might schemes best invest residual assets? This depends on the purpose of the surplus:

• **Augment member benefits:** Where the final benefits paid to members under the buyout policy can be augmented (increased) with any residual surplus assets, then these assets can be invested to hedge the buyout pricing basis that is defined in the augmentation provision. An investment strategy can be implemented to seek to hedge the augmentation pricing provisions specified by the insurance provider.

• **Transfer surplus to DC:** Where the surplus is to be transferred to an associated DC scheme, to be used to fund future contributions, then the associated DB assets could be invested in a similar way to the intended investment strategy to be applied in the DC strategy, preferably so that the assets are easily transferable (or capable of novation) to the DC scheme.

• **Release to the employer:** Finally, if assets are to be repaid to the employer, then these assets could be invested to seek to maintain or grow the expected value to the employer, for example by investing in a low volatility absolute return or short-dated credit investment approach.

Whether you’re looking to buyout, run-on or both, and would like to discover more about how your choice of endgame could be combined with potential surplus extraction, please get in touch <https://am.landg.com/bridge>

In association with



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The journey to endgame has traditionally been the road less travelled for smaller DB pension schemes compared to their larger peers, despite almost 80 per cent of the market comprising schemes with less than £100 million of assets.

But this is changing. “2025 was a record year with around 375 buy-in/buyout transactions completed, and a particular growth in the number of smaller scheme transactions,” says LCP partner, Imogen Cothay.

LCP figures show that in the first half of 2025, buy-ins/outs below £100 million accounted for over 85 per cent of all transactions by number (up from 78 per cent for the whole of 2024).

Choice has increased too. The endgame playbook has exploded with many more options in addition to buy-ins, buyouts and longevity swaps, including alternative options such as DB superfunds, scheme run-on, and other bespoke solutions.

The UK’s first DB superfund, Clara-Pensions, has revealed that it will develop a service to support smaller schemes, and insurers have launched streamlined processes to create efficiencies.

The Department for Work and Pensions also announced that it is exploring the concept of a public-sector DB consolidator for schemes unattractive to commercial providers, although many in the industry question whether such a model is needed, and plans remain on the drawing board.

So, activity aplenty, but does this mean that smaller schemes are finally coming into focus for endgame providers?

A new era for funding levels

Historically, smaller schemes have been held back by weaker funding and structural constraints, making it harder for them to access the best deals.

But stronger funding levels since the 2022 LDI crisis mean that endgame is now within reach for many. Attract-

Summary

- Once overlooked in favour of larger deals, smaller DB schemes are finding their footing in the endgame market.
- Stronger funding, streamlined processes and new alternatives are opening doors once closed.
- Legislative and regulatory developments are adding further momentum.
- Has the industry reached a turning point for smaller schemes realising their endgame ambitions?

Big business for small schemes

Ellie Carric explores how improved funding levels, legislative developments and a wave of insurer – and superfund – innovation are reshaping the endgame landscape for smaller-sized DB schemes

tive pricing has also made it easier for schemes to access options that were previously too expensive or difficult to secure.

BESTrustees professional trustee and director, Bob Hymas, explains the combination of smaller schemes’ higher running costs and growing regulatory demands are prompting some sponsors to consider off-balance-sheet settlements for better value.

“Schemes and sponsors recognise that keeping a DB scheme running only brings more cost and regulation. If they can remove it from the balance sheet now and settle it, that’s a sensible thing to do – especially at the smaller end of the market,” adds Hymas.

An alternative world

Legislative developments have also driven the surge in endgame interest. The Pension Schemes Bill 2025 will create a full legislative framework for DB superfunds, and make it easier for schemes to release surplus, which in turn makes running-on more accessible. The Pensions Regulator has also responded with guidance for trustees on their endgame options.

Clara-Pensions offers schemes a ‘bridge to buyout’, providing capital to secure members’ benefits, and typically at a lower cost than completing a full buyout immediately.

Last year, Clara announced the first ‘connected covenant’ deal with the transfer of the £55 million Church Mission Society, and has since confirmed it is developing a solution to support schemes under £100 million.

Clara-Pensions senior business development manager, Louise Ellisdon, explains: “Part of making this solution successful is to ensure the process is smooth, efficient, and therefore cost effective for the schemes navigating



the clearance process required under a superfund transaction.”

She adds: “During 2026, we are hoping to welcome our first cohort of smaller schemes into Clara.”

Hughes Price Walker director, Ray Hughes, says the transfer of the £55 million scheme “demonstrates that superfund transactions can be executed by schemes towards the smaller end successfully in practice, not just in theory”.

“Looking ahead,” he continues, “further easing and clarification of the regulatory framework would make superfunds more scalable and increasingly attractive to smaller schemes over time. That said, minimum size thresholds and preparation requirements still apply so very small schemes may not find superfund access materially easier than buy-in for the time being”.

The Pension Schemes Bill has also provided the regulatory catalyst behind the increased interest in scheme run-on, and pension provider TPT Retirement Solutions recently announced that it will launch a consolidation vehicle designed to run-on.

For smaller schemes, the expense of continuing costs can make running on less appealing. Even so, it’s worth watching how the market develops because, as Hymas notes, it will “evolve”, and options presently limited to larger schemes are likely to “drip down in time”.

Insurer innovation

Newer insurers in the market have helped to provide capacity for smaller schemes.

However, according to a Hymans Robertson report, the main boost has been provided by established players streamlining their quotation and implementation processes. Currently three insurers – Just, Aviva and L&G – offer a streamlined solution for schemes in the pension risk transfer space.

Just Group’s Beacon tool allows small schemes to upload a simple data template and receive real-time pricing, giving them an immediate sense of affordability

without committing to a transaction at that time. If the initial pricing looks viable, schemes can transact quickly with Just, go to market or continue monitoring their position, gaining clarity from the sponsor on required contributions and the right moment to transact.

“Of the 130 transactions we did last year”, explains Just Group director of commercial, Rob Mechem, “half were under £10 million”.

“For too long, smaller schemes have been told to wait their turn while larger deals take priority”

Aviva recently hit the milestone of 100 scheme transactions through its streamlined service, Aviva Clarity. One of the deals was the £4 million buy-in of Watts Clift Holding Limited Retirement Benefits Scheme. Chair of the trustees, Andrew McKinnon, said that for a scheme of its size, “having a solution that removed uncertainty and reduced administrative burden was invaluable”.

Sticking points

Consultancies are also streamlining their processes. For example, Isio’s fully bundled PenUltimate services are designed to help small, medium and micro-DB schemes overcome operational barriers to buyout.

“For too long, smaller schemes have been told to wait their turn while larger deals take priority,” comments Isio partner, insurance and settlement, Nick Johnson. “In reality, many are financially ready, but face delays caused by outdated processes or a lack of joined-up support.”

LCP research found that smaller schemes most often highlighted data, benefit and legal issues as the main obstacles to progressing their endgame journey.

“The past few years have seen a particular crunch point for administrators who have needed to

prioritise projects like GMP equalisation and preparing for pensions dashboards, resulting in less spare capacity to work on getting schemes ready for buy-in or buyout transactions,” explains Cothay.

A turning point?

Today, the avenues for smaller schemes looking to satisfy their endgame ambitions have opened considerably. It will be vital for the industry to continue evolving and developing to meet the needs of smaller and particularly micro schemes – especially if this wave of favourable conditions settles.

Small schemes may finally be moving from the margins to the mainstream of endgame planning, but it “will take time”, explains Hymas.

Sponsors often view the time between buy-in and buyout as a drawback because they don’t immediately see the return on investment in savings on running the scheme. “Some small schemes will now be thinking: at what point do we want to go? Do we want to wait for the backlog of admin, data cleanse and data processes to be completed before we transact?”

From an insurer’s perspective, Mechem explains that pricing remains broadly attractive with only minor fluctuations, and that strong demand, new market entrants and schemes having hedged interest-rate rises mean the bulk annuity market “is here to stay”, even if rates fall in the months ahead.

According to Hughes, the most effective steps for smaller schemes assessing their endgame options right now are practical: Focus on pricing relevant data quality rather than perfection, clarify benefit specifications early, monitor affordability, and take a staged, proportionate approach to market engagement.

He says: “Ultimately, the schemes that transact successfully are not necessarily the largest, they are the ones that are most prepared.”

 Written by Ellie Carric, a freelance journalist

Despite being one of the most significant financial decisions of people's lives – often only second in monetary terms to buying a home – retirement income planning is often shaped by fear aversion and emotional connections rather than purely rational calculations.

Figures from Oxford Risk show that over 10.5 million people aged 55 and over fear their retirement savings will not last their lifetime. Meanwhile, data from the Money and Pensions Service (Maps) *MoneyView2025* survey shows that 49 per cent of working-age adults say they do not understand enough to make retirement decisions.

Inertia vs impulse

Broadstone head of policy, David Brooks, notes that emotional biases “undoubtedly play a significant role in retirement income decisions”.

“Fear is a major influence, especially the fear of running out of money, the fear of poor health in later life and the fear of making a mistake that cannot be corrected,” says Hymans Robertson head of DC consulting, Kathryn Flemming.

Maps pensions policy and propositions manager, Tim Sheppard, adds that these pressures appear differently for each person, and can influence both indecision and impulsive choices.

“For some people, *[these pressures]* lead to inertia: delaying decisions, defaulting into drawdown without a clear plan, or avoiding options that feel final. For others, they result in more decisive but potentially poorly understood actions, such as taking the maximum tax-free cash simply because it is available or fully cashing in a pension without a clear long-term plan for how the money will be used,” he continues.

Standard Life head of smoothed funds, Mark Baldwin, notes that the shift between work and retirement affects spending patterns, while Flemming emphasises the challenge of



Summary

- Emotional biases, particularly fear of running out of money, poor health, or making irreversible mistakes, strongly influence retirement income decisions, often overriding rational planning.
- Retirement triggers major psychological shifts, changing how individuals relate to money, prioritise immediate decisions, and understand long-term consequences.
- Industry experts advocate for a human-centred approach: Simplified communication, staged interventions, tailored digital support, and the acknowledgement of emotional impacts.

Decumulation dilemma

Paige Perrin investigates how emotional biases and fear of loss influence the way individuals make retirement income decisions

understanding irreversible choices.

“People tend to treat retirement as a financial event rather than a major life transition, which limits how well people understand the long-term consequences of irreversible choices such as annuity purchases,” Flemming says.

LCP head of financial wellbeing, Heidi Allan, highlights the terminology used around retirement decisions as another challenge that can contribute to increased fear and anxiety.

And despite suggesting that “provider communications are far superior to what they used to be years ago – plain English, things spelt out and more accessible”, she argues that there is still an issue with financial literacy and understanding,

some of the terminology used and putting time stamps on when people need to make a decision.

“We’ve come a long way, but there is still a way to go to make that easier for people so that when they do make those decisions, they’re comfortable and understand the implications of the choices that they’ve taken,” she says.

Bridging the understanding gap

Despite these challenges, progress is evident. Regulatory interventions have begun to address the need for pause points before irreversible decisions are made.

Sheppard highlights the introduction of stronger nudge requirements and the

Financial Conduct Authority's current consultation on proposals to require a standardised pensions fact sheet to be provided before certain transfers, as examples of this.

Yet, "evidence suggests understanding remains uneven, and the decision environment remains challenging as many people still make retirement income choices without engaging with basic sustainability questions", he says.

Flemming suggests that recognising the profound influence of emotions on decision-making should be the industry's starting point.

"A helpful first step for the industry is to acknowledge that emotions significantly affect retirement decisions, rather than by financial reasoning alone," she continues.

People's Pension proposition director, Kirsty Ross, advocates for a system designed with human behaviour in mind.

"Opt-out structures are more effective than opt-in ones, particularly at a stage of life when individuals may feel uncertain about making irreversible decisions. A phased approach that allows flexibility in early retirement, followed by a clearer transition to longevity protection later in life, reflects how spending patterns and risk tolerance tend to evolve," Ross adds.

She also stresses the importance of making communication simpler and better timed. "Short, sequenced interventions that warm people up to the decision are more likely to influence behaviour than lengthy, generic packs issued too late in the process," she says.

Like many aspects of today's rapidly evolving landscape, digital innovations are enhancing retirement planning by providing personalised insights and guidance that bring the consequences of financial choices to life.

"Digital tools have an important role to play, particularly when they are powered by personalisation and scenario-modelling that bring long-term consequences to life," Fidelity International head of workplace investing

"People tend to treat retirement as a financial event rather than a major life transition, which limits how well people understand the long-term consequences of irreversible choices"

distribution, Daniel Smith, says.

However, Smith argues that digital experiences aren't sufficient alone to build the level of confidence needed to support "such significant choices".

He acknowledges that many savers continue to value personal support and that people require blends of digital and personal support at different moments.

Echoing this, Brooks cautions against oversimplifying retirement as a purely mathematical problem to be solved. "Technology should support, not replace, human judgement, especially where emotions and irreversible commitments are involved," he argues.

People-first retirement

In a shift of normal industry behaviour, experts did not call for governmental or policy intervention, but instead, advocated for awareness and early engagement to help this issue.

Baldwin warns that "behavioural mistakes can be more damaging to retirement than they can be in accumulation, due to lower flexibility, perhaps, and even less time to recover from investment downfalls at a time when money is being spent". However, he stresses that "a singular solution is not the panacea for everybody".

Brooks advocates for stronger financial education throughout working lives, alongside better signposting to impartial guidance, and more integrated support between providers and advisers. "Retirement decisions should not feel

like a one-off transaction but part of a structured journey," he suggests.

Another challenge, Allan notes, is clarifying the boundaries between information, education, guidance and advice.

"As an industry, we need to focus on how all those elements fit together, think of it from a scheme member's journey and make those boundaries a lot clearer for people so that they know what they're getting and when they're getting it," she adds.

Meanwhile, Sheppard argues that better alignment is needed between when people are offered support and when they "actually need to make a decision".

"A more supportive system needs to focus beyond providing generic scheme information and more on actively helping people understand their choices at the point decisions are made," he continues.

"Retirement decisions are often complex and emotionally charged, and education delivered too early or in generic terms does not always translate into confidence or good outcomes later on."

Ultimately, as Brooks puts it, "the industry needs to shift the narrative away from viewing retirement planning as a single rational calculation. It is a life transition".

He argues that a more integrated approach, which combines financial clarity, behavioural understanding, and empathetic communication, could lead to more confident, sustainable retirement outcomes.

And as Ross advocates, retirement journeys are rarely neat or linear. If support is to be effective, it must be designed around how people truly live and decide, not how policy assumes they will.

The task ahead, then, is not simply refining calculations, but reshaping the system to reflect the human realities at the heart of retirement.

 **Written by Paige Perrin**

In late 2025, regulators intensified their efforts on pension scams. The Financial Conduct Authority (FCA) introduced a Firm Checker tool to help consumers verify whether a financial firm is authorised, in response to research revealing that around 800,000 people reported losses to investment or pension-related scams in the 12 months to May 2024.

At the same time, The Pensions Regulator (TPR) urged trustees to ‘step up’ and protect savers as part of its campaign encouraging organisations that hadn’t done so yet to sign up to the Pledge to Combat Pension Scams. Since then, TPR has also outlined plans to strengthen its defences by enhancing multi-agency collaboration, strategic partnerships, and intelligence sharing.

Yet despite these initiatives, the scale of the problem remains daunting. Action Fraud reported that £17.7 million in pension savings were lost to fraud in 2024, with individuals losing an average of £33,848 each.

While awareness and regulatory action have increased, these figures underscore the persistence of pension scams. The question is not whether regulators are acting, but whether their measures are sufficient to keep pace with increasingly sophisticated scams.

“In a system that is already complex, we have to be careful not to create unnecessary friction. The balance is between being robust and being thoughtful and protecting members’ life savings without making legitimate transactions unduly complicated or adversarial”

Summary

- The Financial Conduct Authority and The Pensions Regulator have intensified anti-scam efforts through new tools, campaigns and industry pledges aimed at protecting savers.
- Pension scams are becoming more sophisticated, with impersonation, overseas investments and technology-driven scams on the rise.
- Greater education, clearer legislative support and tougher action against fraudsters are seen as essential to delivering long-term protection.

Fighting to stay ahead

As pension scammers deploy increasingly sophisticated tactics to target retirement savings, regulators and industry are stepping up their response, but can rules, technology and awareness campaigns truly keep pace with this evolving threat? Paige Perrin explores

Understanding the problem

“There are many types of pension scams in operation”, Pension Scams Industry Group (PSIG) chair, Margaret Snowdon, explains, “but many of the ‘traditional’ ones have been made more difficult by legislation and, of course, by the PSIG Code.”

“Typically, we are now finding that pension scams are more prevalent in self-invested personal pensions and small self-administered scheme arrangements, especially involving overseas advisers and bonds,” she says.

Meanwhile, Trafalgar House director, Daniel Taylor, suggests that the most frequent activity in the past 12-24 months centres on impersonation and process manipulation, which have become “noticeably more sophisticated”.

“Impersonation attempts are increasingly polished, supported by convincing documentation and well-prepared responses to due diligence questions,” he says.

Taylor goes on to explain that there are significant barriers to tackling pension scams, with the largest one being

that “pension scam is a bucket term, and the blockers vary depending on which scam you’re dealing with. There’s a whole menu of approaches, and they hit the process at different points”.

“In a system that is already complex, we have to be careful not to create unnecessary friction. The balance is between being robust and being thoughtful and protecting members’ life savings without making legitimate transactions unduly complicated or adversarial,” Taylor says.

Snowdon adds that the “sheer scale” of scams is also a major challenge, and although she suggests that technology can help, she emphasises the importance of the root causes needing to be tackled.

“Technology is a powerful tool for fraud prevention, but it is also a powerful tool for fraudsters. The biggest threats today come from impersonation fraud and the vast reach of social media to spread misleading adverts and misinformation. Schemes and providers must use technology to combat these risks,” she says.

Another technological development



that could expose individuals to pension scams is the use of pension dashboards, with Dalriada trustee director, Claire Sidebottom, stressing that the biggest risk associated with pensions dashboards is the threat of data being hacked.

She also describes pension freedoms as a “double-edged sword”, as, despite providing members with flexibility in accessing their benefits, they also create an opportunity for scammers to target members over the age of 55 who have a pot of easily accessible money.

There are also risks associated with pension transfers, as Taylor points out. He explains that the current system has been built in a way that treats every transfer as suspicious by default, with a “frustrating” number of checks layered through the journey.

This makes it harder to spot real scams, Taylor argues, as warning signals “get lost in the sheer volume of routine interventions and standardised questions”. “If everything triggers a stop and check, nothing stands out,” he states.

Meanwhile, PensionBee chief business officer UK, Lisa Picardo, warns that scam regulation can carry unintended consequences. While the 2021 Transfer Regulations have been effective in tackling pension fraud, she highlights growing industry evidence that suggests these regulations are also contributing to excessive delays in legitimate pension transfers.

“In particular, there are issues with the practical application of certain provisions in the regulations, namely the incentives red flag and the overseas

investments amber flags. In too many cases, flags are misapplied, resulting in straightforward transfers being delayed for extended periods, leaving savers in limbo,” she says.

Regulation

However, regulation is constantly evolving, with both the FCA and TPR stepping up their efforts to tackle pension scams. For instance, the FCA has developed a Financial Services Register, which enables consumers to verify the legitimacy of firms and individuals offering financial services.

TPR, meanwhile, chairs the Pension Scams Action Group (PSAG), bringing together experts to combat pension fraud and protect savers and also previously collaborated with the BBC in 2024 on an *EastEnders* scam storyline that reached more than three million people. Even just last month, the regulator launched a new reporting campaign, urging trustees and administrators to report suspected scams through the new Report Fraud service.

“Pension scams are evolving, and so is our response. We’re using intelligence-led monitoring, finding creative ways to help people spot scams sooner and upholding our strong regulatory standards,” an FCA spokesperson says.

Adding to this, TPR PSAG business lead, Paul Sweeney, says: “Fraudsters wreck people’s lives, and their techniques are evolving. To stay ahead, we and our PSAG partners are enhancing our intelligence and using artificial intelligence technology to detect and disrupt emerging threats, including taking down more than 30 high-risk websites.

“We want to raise awareness and, through campaigns like our BBC *EastEnders* storyline collaboration, TPR has reached millions of savers since 2024. More than 31 million memberships are now better protected thanks to our Pledge [*to Combat Pension Scams*], which all trustees should consider.” Society of Pension Professionals (SPP)

Administration Committee member and Aptia head of pensions technical, John Wilson, says the regulators' measures are having an impact, and that both FCA and TPR have demonstrated a "strong commitment" to combating scams.

However, he cautions that "there is still work to be done and part of the solution needs to be legislative".

In particular, he notes that PSIG would like to see more official support for TPR and FCA's efforts and guidance, as well as engagement from other bodies such as HMRC and the Department for Work and Pensions (DWP).

Supporting this, Snowdon says that when it comes to scams, every little helps.

"Campaigns do their bit to raise public awareness, but many people often place too much trust in adverts or social media influencers," she says.

She acknowledges that regulators are in a "difficult" position, as they "need to allow freedom of choice and foster a vibrant investment market while at the same time protecting people from fraud", which are "inherently contradictory".

But, when we consider not only the



work of regulators but the regulations themselves, are scams evolving faster than regulation can respond?

"Scams always evolve faster than regulation can keep up, and regulations, as a result, tend to be a blunt instrument to try and capture all, while simultaneously balancing multiple, sometimes conflicting, objectives," Snowdon says.

If this is the case, the challenge for regulators is not to eliminate scams entirely, which arguably is an impossible task, but instead to implement measures that adapt as scam tactics change.

Similarly, Wilson believes that the industry has "come a long way" since the early days of trust-busting but argues there is "no room for complacency".

"Technology, social media, and identity theft require new forms of vigilance, but it is not just about regulation; individuals need to embrace the message that if something seems too good to be true, then it probably is," Wilson adds.

Snowdon stresses that we can "never be completely ahead of fraud innovation", but "can use what we know to anticipate likely threats, put protective measures in

place, and act on them".

"Ultimately, taking down scams and seizing fraudsters' assets is the only long-term preventative solution," she says. "In an ideal world, everyone would have secure, end-to-end later-life income provision, for example, stronger state provision, but that's expensive and would conflict with commercial competition and market growth, so it's not realistic."

Solutions

Different industry groups have different views on how to tackle this fight against pension scammers.

Taylor suggests that "policymakers, regulators and the industry need to pivot towards a more genuinely risk-based approach, because the current blanket, process-heavy model is creating too much friction and too much noise".

Meanwhile, Snowdon emphasises the necessity of a "zero tolerance for fraud on people's savings", meaning going after and punishing the perpetrators, and rapid takedown of fraudulent websites.

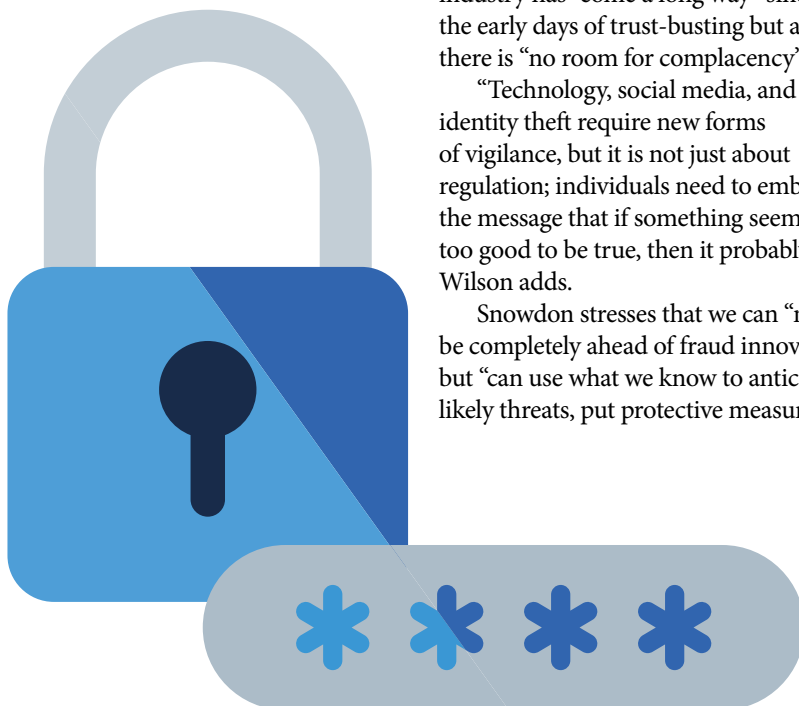
"Remove the sources, and you remove much of the temptation," she urges.

"One of the biggest barriers to stopping scams earlier is the lack of education around pensions and the lack of engagement of members – if members did not fall for the scams, they wouldn't get the traction the scammers need. The fraudsters will not waste time and effort if they are not getting the results they want," Sidebottom argues.

Regulators have undoubtedly intensified their efforts, deploying innovations and campaigns. Yet, the persistence and sophistication of scams suggest that the battle is far from won.

If pension scams continue to evolve at speed, regulatory innovation must do the same. The true test is not the introduction of measures but instead the capability of these measures in tackling scams and protecting savers' futures.

 Written by Paige Perrin



“**G**od helps those who help themselves.”
The proverb describes the broad

sentiment of many religions, whereby planning for the future – including for old age and retirement – are framed not merely as practical considerations, but as moral duties.

“Retirement planning is not only a technical or actuarial exercise, but also a moral and ethical one,” Spencer West partner, Ishtiaq Nawaz-Chechi, says.

“Traditions in religions such as Islam, Christianity, and Judaism hold a strong emphasis on stewardship as well as intergenerational responsibility. Thus, it is not viewed as a lack of faith when an individual plans for retirement, but rather an expression of responsible guardianship over resources entrusted to us.

“Pensions continue to be a mechanism for dignity and independence in later life, representing more than future income. Faith traditions consistently stress the importance of not becoming an unnecessary burden on

Keep the faith

✦ **Laura Blows explores the influence of religious beliefs on retirement saving, and how the pensions industry can demonstrate its alignment to drive greater engagement**

family or community where reasonable planning can prevent this. In that context, contributing to a pension is aligned with the principle of foresight and self-reliance,” he explains.

With retirement planning and religious belief so harmoniously intertwined, one could arguably expect people of faith to be overrepresented as a proportion of savers within the pensions industry.

Yet, the evidence seems to point more to the opposite scenario.

Last year, research from the Institute for Fiscal Studies (IFS) found that over a quarter of Muslim employees reported that their religious beliefs affect their saving and investment decisions a lot, with almost another quarter reporting that their religious beliefs affect these

decisions a little, both of which being far higher than for other religions.

It also discovered that 20 per cent of Muslims who report that religion makes a great difference to their life (‘more religious’ Muslims) opt out of workplace pension participation, compared with 12 per cent of ‘less religious’ Muslims and 6 per cent of Christian or non-religious employees.

Industry awareness

According to Quietroom consultant, Isla MacFarlane, “in many schemes, faith-aligned options exist but aren’t always clearly signposted or explained”.

“For some savers, particularly Muslim savers, that lack of awareness and clarity can lead to disengagement or opting out altogether,” she adds.

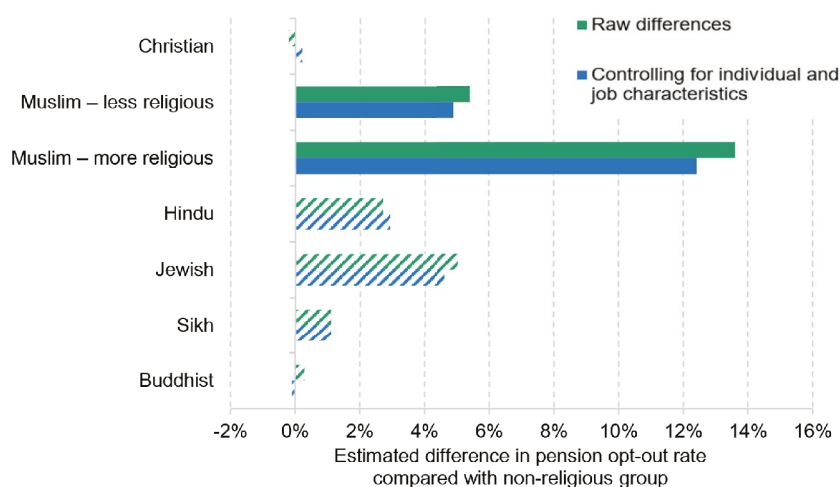
Nawaz-Chechi agrees, noting that some faith communities, such as migrant communities, have had lower pension participation rates, which sometimes can be attributed to unfamiliarity with either the system, concerns regarding interest-based returns, or a cultural reliance on support structures within the family.

“A culturally informed financial education and clearer communication from providers is required to address these barriers,” he states.

The UK pensions sector does seem to be making gradual progress in this area though, Nawaz-Chechi says, as faith-based investing has grown in awareness, “whether it involves Sharia-compliant structures in Islamic finance, or broader ethical screening that avoids sectors such as gambling, alcohol, arms manufacturing, or environmentally harmful industries”.

“Pension providers are gradually

Figure 3. Percentage-point differences in pension opt-out rates of employees compared with non-religious employees, by religion



Source: Institute for Financial Studies, *Ethnic differences in private pension participation after automatic enrolment*, January 2025

adapting to the demand, offering ethical or faith-based investment funds. However, there is still a need for greater transparency and accessibility,” he adds.

One such example of these greater efforts come from Smart Pension, which in 2024 launched its Halal Workplace Pension, in conjunction with Islamic digital investment platform Wahed, offering a Sharia-compliant managed investment glidepath as the default investment option.

Nest’s research into this area also found that some Muslim savers would have felt unable to participate in auto-enrolment if there was not a Sharia investment option, making it a “clear inclusion and compliance issue for employers”, which was why Nest introduced a Sharia option as an additional, specific fund choice,” Nest Invest senior investment manager, fund proposition, Georgia Smith, says.

However, she notes that its research didn’t find the same widespread or systematic opt-out risk among other UK



faith groups.

“Instead, across faiths and belief systems, we see broadly shared expectations around avoiding certain sectors like weapons, gambling, pornography and alcohol, and around ensuring strong standards of stewardship, worker treatment, environmental responsibility and supporting wider

positive outcomes for society. Nest meets these shared expectations through our Ethical Fund and through the design of our sophisticated default funds, which embed responsible investment, stewardship and ESG integration,” Smith adds.

Although there is overlap, faith-based investing and ESG are “fundamentally different”, Barnett Waddingham partner and senior investment consultant, Reena Tanna, warns.

“ESG is typically framed around financially material risks and opportunities, whereas faith-based investing is rooted in moral, ethical or religious prohibitions that may apply regardless of financial impact.

“A Sharia-compliant fund, for example, excludes interest-based finance, which is something that cannot be addressed through ESG integration alone. Faith-based investing should therefore be treated as a distinct consideration, not simply folded into ESG by default,” she explains.

Balance of considerations

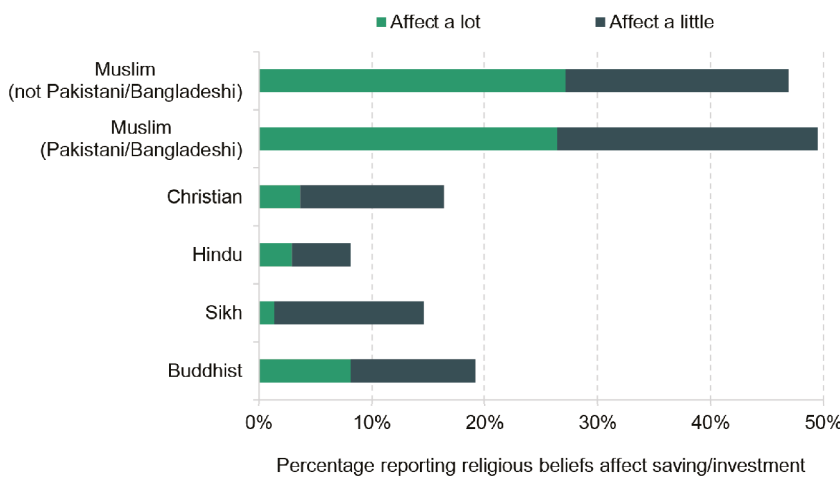
It may be a distinct consideration, but that does not mean that trustees must consider every religious distinction.

“Trustees are not expected to create bespoke solutions for every faith group,” Tanna states.

She highlights how The Pensions Regulator gives trustees flexibility to take steps that are “reasonable and proportionate for their scheme”. This enables trustees to balance fiduciary duties with member-driven preferences, including religious beliefs, without compromising outcomes or imposing disproportionate costs.

According to Tanna, trustees are not under an obligation to tailor investments to every individual belief, “but they are required to exercise judgement

Figure 4. How religious beliefs reportedly affect saving and investment decisions, by religion



Source: Institute for Financial Studies, *Ethnic differences in private pension participation after automatic enrolment*, January 2025



✦ Examples of religions' views on investing

Christianity: Opposes usury (excessive interest) and exploitation; favours ethical investments.

Islam: Shariah-compliant investing avoids riba (interest), gharar (excessive uncertainty), and maysir (speculation), and excludes industries such as alcohol, gambling, and tobacco.

Hinduism: Encourages wealth (Artha) pursued with ethical duty (Dharma).

Sikhism: Emphasises honest labour (Kirat Karna), sharing (Vand Chhakna), and rejecting immoral gains.

Judaism: Sees wealth as Tikkun Olam (for repairing the world), requires ethics, risk diversification, and forbids charging interest between Jews (Ribit) or unethical investments.

Buddhism: Avoids harm; wealth supports family, society, and charity.

when setting investment strategy and governance, taking account of their membership profile and acting in members' best financial interests".

For this, she suggests that trustees focus on offering a "thoughtfully designed self-select range that allows members to opt into suitable funds".

Arguably the main challenge here for trustees and pension managers is balancing inclusivity with good governance.

"Offering faith aligned investment options can be valuable, but it comes with practical constraints. For example, trustees cannot ask members to disclose protected characteristics such as religion, so demand must be inferred from broader workforce insights rather than hard data," Tanna says.

"Trustees also need to ensure that any faith aligned fund meets the scheme's standards on cost, liquidity and governance, which can be more difficult where funds have specialist mandates or narrower universes... Documentation, evidence based reasoning and regular reviews help ensure that fiduciary duties remain at the forefront while still making space for faith aligned preferences where appropriate," she adds.

Getting this balance 'wrong' between fiduciary duty and faith considerations may risk lower participation or higher opt out rates; disengagement from pensions more broadly, with members

viewing schemes as misaligned with their values; and reputational risk for employers seeking to promote inclusion and diversity, Tanna warns.

However, get the balance 'right' and trustees may see improved member engagement and confidence in the scheme; reduced opt outs, particularly in auto-enrolment contexts; and stronger alignment with employer diversity and inclusion objectives.

"Even where take up of faith aligned funds is relatively low, the existence of the option can itself be valuable in demonstrating inclusivity," she adds.

Communications

Communicating the faith-based considerations being made by pension schemes can foster engagement with more-religiously minded employees – but only if done correctly.

According to MacFarlane, there aren't any specific UK pension regulations that tell schemes how to talk about religion, but there are several legal and regulatory principles that shape what good practice looks like.

Religion is a protected characteristic under the Equality Act, which means "communications should avoid assumptions, stereotypes or language that could disadvantage or alienate people based on belief", she states.

In practice, this means being careful with imagery, examples and tone.

"Communications should avoid clichés or tokenistic representations of faith groups. A single image of someone in religious dress cannot stand in for an entire community. Inclusive imagery works best when it's part of everyday content, rather than confined to materials about faith-aligned funds, where it can feel bolted on rather than baked in," MacFarlane explains.

"Religion is deeply personal, complex and rarely binary. Communications should never imply that all members of a faith think the same way, or that a particular fund is only for a particular religion... Levels of observance vary, and people's investment choices don't always align cleanly with their outward beliefs," she adds.

Therefore, it is generally better to talk about the characteristics of a fund, rather than the individuals who might choose it, MacFarlane suggests.

"Clear, neutral signposting helps members understand what options are available, without assumptions being made about who they are or what they believe," she explains.

Ultimately, as MacFarlane says, "visible faith-aligned options reassure members that the scheme is designed for a diverse workforce, and that they are not being asked to compromise deeply held beliefs by default".

✦ Written by Laura Blows



Anchored to America?

➤ **Callum Conway examines whether rising US political uncertainty, market concentration, and ESG divergence are prompting UK pension schemes to reconsider their dependence on the world's largest capital market**

The US economy is the largest in the world, with a projected nominal GDP of around \$30-31 trillion in 2026 – more than a quarter of global output.

US capital markets are also deeper and more liquid than those of any other country, with companies dominating global equity benchmarks and accounting for roughly two-thirds of the MSCI World index.

Therefore, for UK DB and DC pension schemes, exposure to US assets is not a short-term allocation, but a core component in long-term investment strategies.

Yet, despite the size and results of the US market, a quiet discontent has grown over the past 18 months.

Political unpredictability, trade tensions, environmental, social and governance (ESG) policy reversals, and increasing market concentration have prompted questions about whether UK schemes are overexposed to US assets, and whether remaining so poses a risk.

Climate clash

One of the most immediate sources of unease relates to ESG divergence.

Since Donald Trump's return as President in January 2025, the US administration has overseen the rollback of several climate and regulatory measures, including renewed withdrawal from the Paris Agreement, efforts to reverse Environmental Protection Agency emissions rules, and support for expanded fossil fuel production.

For UK pension schemes that have formalised climate commitments

➤ Summary

- The US accounts for roughly two-thirds of global developed equity indices, making divestment structurally difficult for UK DB and DC schemes.
- Trustees face growing tension between ESG obligations and US policy direction.
- Market concentration in large-cap technology stocks and rising political risk premiums are increasing scrutiny, but a significant withdrawal remains unlikely.

over the past decade, this shift creates significant tension.

Isio chief investment officer, Barry Jones, describes UK schemes' exposure to US assets as an increasingly uncomfortable contradiction for trustees: "Pro-business policies, fiscal support and capital incentives all strengthen the investment case. However, fiduciary duty does not exist in isolation from the beliefs and frameworks trustees have committed to on behalf of members."

Jones adds that while leaving US assets is unrealistic given the market's scale, trustees must reassess how to apply ESG principles in practice.

"This is less about making dramatic allocation shifts and more about reassessing trade-offs," he says.

"Trustees need to be clear-eyed about where engagement, selective exposure or tilting can genuinely align portfolios with ESG objectives, and where tensions may need to be acknowledged.

"The US may be too big to ignore, but it is also too important not to scrutinise."

The People's Pension provides a recent example of this tension coming to the fore – the master trust cut back on its investments with US manager State Street, citing misalignment on climate stewardship as one of the factors influencing the decision.

It had previously led an initiative among long-term asset owners to push managers to uphold their climate pledges and align with the Paris Agreement goal.

By contrast, several US asset managers have stepped back from climate collaborations. BlackRock, Vanguard, State Street and Northern Trust have exited the Net Zero Asset Managers initiative and Climate Action 100+, amid growing anti-sustainability sentiment in parts of the US.

The Magnificent 7 dilemma

Alongside ESG tensions is the issue of market concentration. America's 'Magnificent 7' – Alphabet, Amazon, Apple, Meta, Microsoft, Nvidia and Tesla – have driven a significant share of recent global equity returns.

The 10 largest stocks now account for around 23 per cent of the MSCI World index, well above historical norms.

For UK DC schemes, this exposure is significant. Younger savers, often decades from retirement, can have the majority of their assets in global equities, meaning US large-cap performance plays a significant role in outcomes.

In this context, concerns have been raised about the scale of investment concentrated in a small number of US technology stocks, particularly given

their growing reliance on stakes in AI-related infrastructure and applications.

Some warn an 'AI bubble' could unwind sharply, exposing index-focused investors to severe sell-offs.

However, XPS chief investment officer, Simeon Willis, stresses that concentration risk is not new: "In the early 2000s, some schemes sought to manage the concentration risk of the UK market using 5 per cent capped indices. The thinking behind this was rudimentary, and ultimately it didn't catch on."

With this in mind, Willis argues that responses to concentration risk need to be more sophisticated than simply capping exposures.

"Concentration is a practical example of the limits of diversification. But the key is that this undiversifiable risk should be priced into the asset, and the overall risk level needs to be appropriate," he says.

LCP investment team principal, Anais Caldwell-Jones, acknowledges the inherent risks in market-cap weighted allocations, but claims the picture differs sharply between DB and DC schemes.

"For many UK DB pension schemes, their exposure to US stocks is now relatively low. Years of de-risking have reduced overall equity allocations significantly," she says.

"For schemes that retain meaningful allocations to growth assets, including equities, the concentration does present a risk, but we would characterise it more as a potential source of volatility rather than a fundamental structural threat."

Meanwhile, Isio head of portfolio management and research, Ajith Nair, warns that focusing solely on listing location can be misleading.

"What matters is where companies actually generate their revenues," he adds, noting that many US-listed firms derive substantial revenues internationally.

Echoing this, Zedra client director, Payam Kazemian, says that US exposure typically forms part of a diversified mix aligned to schemes' funding plans.

"Aside from specific cases where concentrated US market investments had been made specifically, which we believe would be a minority, these should not generally represent a structural risk for UK pension schemes at large," he argues.

Geopolitics in the portfolio

Donald Trump's second term has been characterised by assertive economic and geopolitical rhetoric, including tariff measures and renewed debate around US trade and foreign policy. These developments have increased perceptions of US political risk for investors.

Caldwell-Jones notes that geopolitical considerations are becoming more prominent in long-term strategy discussions: "We are operating in an environment where geopolitical events are more frequent and potentially more extreme," she says.

However, she stresses that it is neither possible nor practical to construct a portfolio fully insulated from every geopolitical shock.

"The US may be too big to ignore, but it is also too important not to scrutinise"

"What investors can do is avoid complacency," she suggests, advocating stress-testing portfolios against extreme scenarios and potential vulnerabilities.

Echoing this, Kazemian says that sovereign governance risk has historically been considered within broader strategy reviews, but indicates that explicitly incorporating it as a formal decision metric may become more common.

Nair, meanwhile, argues against making short-term macro or political calls as part of portfolio choices.

"Strategic decisions typically rest on long-term fundamentals – valuations, diversification, earnings growth, risk premia and liquidity – rather than reacting to political cycles."

Reducing US exposure, he warns, could increase tracking error relative to global market-cap benchmarks and create governance challenges if underperformance persisted.

Rebalancing, not retreat

In light of these challenges, a 2025 survey by WTW found that almost one-quarter of UK DB funds were reconsidering their investments in US assets amid tariff uncertainty and global volatility.

However, Caldwell-Jones says it is too early to identify a clear long-term reallocation trend, even though some clients and managers have begun tilting portfolios towards other regions.

Nair agrees, stating that he does not observe long-term strategic investors making significant reallocations purely in response to recent political developments, though he notes that interest in emerging markets and small-cap equities has increased, offering diversification away from large-cap US technology exposure.

Willis, though, says he is aware of at least two DC master trusts that have reduced their targeted US equity weights due to political risk, but agrees that we are not seeing broad swathes of capital reallocated away from the US.

"The debate isn't theoretical so much as nuanced, and could lead to allocation to different asset classes," he adds.

A measured response

The US remains the world's largest capital market, yet ESG divergence, geopolitical volatility and market concentration has led some schemes to trim equity exposure, introduce currency hedging or implement tail-risk strategies.

For UK pension schemes, the US is neither a straightforward risk to abandon nor a market to own without scrutiny.

Despite a clear increase in risk, the world's largest market remains, quite simply, too big to leave.

 **Written Callum Conway**

Summary

- ESG is a (relatively) recent term for an old approach to values-driven investment.
- Within pensions, regulatory changes and a general increase in understanding have pushed ESG to the centre of investment strategies.
- ESG is in constant evolution and stewardship now takes the place of exclusionary tactics.
- Fiduciary duties and ESG approaches often go hand in hand – investing sustainably makes sense in financial terms as well as environmental or ethical terms.
- A US pushback against climate- and DEI-related policies has raised questions about ESG's future.
- Risk management and long-term thinking still hold ESG at the heart of UK pensions investment.

It was more than 20 years ago, in 2004, that the UN first used the term environmental, social and governance (ESG), but the history of this investment ideology goes much further back, and funds have long been opting out of investments that run counter to their values. In 1971, investment took the form of protest with the launch of the Pax Fund in the US, which explicitly refused to invest in companies linked to the Vietnam War. In 1984, Friends Provident launched the UK's ethical unit trust, the Stewardship Fund.

ESG is today integral to pension schemes' decision-making processes, and with the urgency of the climate crisis, increasingly complex social and governance matters, and an unpredictable global geopolitical situation, it's also an area of constant change.

Evolution in action

"In the past decade, attitudes have shifted massively," says XPS Group

Embedding ESG into UK pension schemes

Sandra Haurant traces ESG's evolution from ethical niche to fiduciary imperative for pension schemes, arguing that despite political backlash, UK investors see it as core risk management rather than ideology

head of responsible investment, Alex Quant. "Widespread interest in ESG and sustainability has grown significantly since key milestones like the Paris Agreement and creation of the UN Sustainability Goals in 2015, supported by broad consensus recognition that ESG factors are financial material that grew in subsequent years."

Awareness of climate change and sustainability are now mainstream concerns, and the industry has moved to meet demand, says Mercer UK wealth strategy leader, Tess Page: "Where many trustees and investment committees once viewed ESG primarily as a values-driven or reputational concern, it is now increasingly recognised and supported by evolving regulatory guidance as an essential component of fulfilling fiduciary duties".

L&G global head of DC, Lesley-Ann Morgan, adds: "ESG has moved decisively from a niche consideration to a core expectation, particularly within DC defaults, where the vast majority embed ESG screens or tilts." Member preferences have helped drive the shift, says Morgan; L&G's research has shown that DC savers "increasingly see sustainability as part of long-term value, not an optional extra".

Regulatory requirements have also played a large part in the shift, says Quant. "For pension schemes, there were key regulatory updates in 2019 and 2020 with Statement of Investment Principles changes – requiring schemes to state whether they thought ESG was financially material – and the

introduction of Implementation Statements and taskforce on climate-related financial disclosures (TCFD) reporting requirements, all pushing ESG, climate change and stewardship up the trustee agenda," says Quant.

Changing times

However, the world looks quite different in 2026, and challenges in global markets and geopolitical relationships have kept the ESG story in motion. "It could be said that Covid shifted attention elsewhere, not necessarily because people didn't think that it was still important, but because you had a lot on your plate when managing investment decisions in a pension scheme after Covid," says Travers Smith senior counsel, pensions, Harriet Sayer. "Trying to manage the impact of inflation, and credit spreads, and then everything that is happening with AI and the Magnificent 7 [*the big tech companies, Alphabet, Amazon, Apple, Meta Platforms, Microsoft, Nvidia, and Tesla*], and the impact on valuations and CapEx spending. I think that shifted some of the focus and momentum away from ESG."

However, she adds: "I always say that ESG should sit within pension scheme priorities; it's a very useful set of tools for dealing with those issues."

Engaging for change

In the early days of ESG, funds would opt out of a list of so-called sin stocks from sectors which did not align with core values. Today, says Sayer: "There is

an increase in focus on stewardship, and how that can be material to achieving or maintaining or improving the balance of risk and return,” says Sayer.

The United Nations’ Principles for Responsible Investment defines stewardship as: “The use of investor rights and influence to protect and enhance overall long-term value for clients and beneficiaries, including the common economic, social and environmental assets on which their interests depend.” Stewardship involves an active relationship with investee companies, and, says Page: “This approach allows for a more granular evaluation of companies, reflecting the complexity of ESG issues.”

“ [ESG] is now increasingly recognised and supported by evolving regulatory guidance as an essential component of fulfilling fiduciary duties”

As a result, Morgan adds: “Companies are increasingly assessed on governance quality, credible climate pathways and their role in long term resilience, rather than by sector label alone.” At the same time, she says: “Companies that would fall within the conventional ESG sphere, such as climate transition technologies and sustainable infrastructure, are continuing to gain prominence.”

The greater good?

Pension schemes must, above all, adhere to their duties to members, and the good news is, says Page: “Balancing ESG obligations with fiduciary duties is clearer today than in the past. Financially material ESG factors are now explicitly recognised as part of trustees’ fiduciary responsibilities. Regulatory guidance from The Pensions Regulator, alongside statutory climate-related disclosure



requirements for larger schemes, has reinforced that managing long-term systemic risks – including climate change, biodiversity loss, social issues and governance failures – is consistent with acting in members’ best financial interests.”

And Morgan agrees: “The perceived tension between ESG considerations and fiduciary duty is a misnomer. The financial materiality of climate and sustainability risks is now well established, and we have a duty to protect our clients against these risks, making ESG considerations a core part of fiduciary duty, not something in conflict with it.”

The backlash fallacy

Recent policy decisions, particularly across the Atlantic, have led to questions about future developments for ESG investing. The Securities and Exchange Commission (SEC) voted to end its defence of rules on the disclosure of climate-related risks and greenhouse gas emissions; the SEC acting chairman Mark T. Uyeda called the rules “costly and unnecessarily intrusive”. The US administration has been enthusiastic about pushing fossil fuels, and the country’s withdrawal from the Paris Agreement took effect in January 2026.

Added to this, the US administration has made a concerted push against diversity, equity and inclusion (DEI) policies, a mainstay of the ‘G’ in ESG. Talk of a more generalised pushback against ESG has been in the headlines.

But according to Page: “The reality within the UK pensions industry is more nuanced than the headlines suggest,” she says. “ESG continues to be primarily framed through fiduciary duty and risk management. This means that there has been a limited impact upon investors’ integration of financially material ESG factors into their investment decision making and makes a future retreat unlikely.”

Quant adds: “I think ultimately European and UK investors have a stronger view that sustainability issues like climate change and other ESG risks are financial risks, and so they will continue to be taken into account. In fairness, I think that’s probably true of many US investors, but the issue has just become so highly politicised there, it’s hard for them to be vocal about that. Lots of large European/UK investors have set their own net-zero targets, and we’re not seeing them step back from those commitments.” Still, Quant says: “XPS carried out a poll last year of asset managers and the results showed of the 90 attendees who responded to a poll, over half (52.2 per cent) of fund managers expect the US pushback on ESG and climate change initiatives to spill over to European markets.”

Nonetheless, Morgan argues, the purely practical arguments for ESG still hold: “The splintering of sentiment we are seeing across different regions doesn’t take away the core issue of portfolios being exposed to financially material risks. [...] Industry analysis points to a period of recalibration rather than retreat, with a greater focus on evidence, clarity and realistic transition pathways.”

Written by Sandra Huarnt, a freelance journalist



The right move?

➤ Recently, a thinktank suggested that public sector workers should be moved from DB to DC schemes. *Pensions Age* asks for your views as to the pros and cons of such a proposal



The LGPS is a major part of the economy, and so it is crucial that its finances remain stable and predictable. Moving to DC would cause some major disruption for local authorities, impact and the wider economy, while failing to provide a reliable retirement income for employees. DB schemes delivers a predictable income at retirement – but often at unsustainable cost. By comparison, DC schemes don't guarantee a level of income; instead it leaves individuals to manage complex decisions such as investment choice and decumulation.

An alternative better solution – if fundamental reform is required – would be to shift LGPS to collective DC (CDC). This would provide a steady retirement income at a more predictable and affordable cost, without the rigid guarantees that made DB expensive. Adopting a model like Royal Mail's [*CDC solution*] would maintain members' expectations with minimal disruption, and existing employees could transition to it for future service, achieving the desired cost control more quickly and with less upheaval than a move to DC.

➤ Aptia UK president, Malcolm Reynolds

Discussions around transitioning public sector pension arrangements from DB to DC schemes presents a complex mixture of advantages and disadvantages. On the positive side, funding all public sector schemes would lessen the long-term liabilities currently faced, as most schemes outside the LGPS remain unfunded. DC schemes offer much greater flexibility to members, allowing them to access their pension in varying amounts each year and making it easier to phase retirement, take tax-free cash while working, and even pass on pension wealth. Employers would benefit from more predictable costs, facilitating better financial planning and modelling.

However, there are notable downsides. Such a move would likely face strong opposition from public sector staff. Employees may see a reduction in employer contributions compared to the existing DB arrangements, and public sector employers would bear double funding costs for decades, covering both current pensioners and active employees. The introduction of a two-tier pension system, with DB benefits for earlier service and DC benefits thereafter, could cause confusion. Most importantly, DC pensions lack the guarantee of lifelong income for members and their families, introducing a level of uncertainty not present in DB schemes.

➤ Royal London technical and pensions expert, Justin Corliss



Moving public sector workers from DB to DC schemes would fundamentally shift where risk sits in the UK retirement system and the trade-offs need to be considered carefully.

From a fiscal perspective, DC schemes would offer the government greater cost predictability by transferring longevity, inflation and investment risk away from the taxpayer. It would bring pension benefit design closer to the private sector which some argue would create a fairer system.

However, this must be balanced against the fact that public sector workers often make substantially higher pension contributions and receive lower incomes. Their pension package is a key element of talent retention so a shift to a DC model, without increasing salary accordingly to compensate, could risk a brain drain to the private sector.

There are also practical considerations to take into account, as debate often overlooks the fact that most public service schemes are unfunded: pay-as-you-go, with no pot of assets to invest and no ability to benefit from higher market rates. The fiscal cost of those past promises doesn't disappear and so switching new accrual to DC still requires the government to carry a huge legacy of unfunded DB promises for decades.

➤ Broadstone head of policy, David Brooks



Pensions history

Pensions fairness

Fairness' is a word often bandied about when pensions are being discussed, particularly when changes are contemplated. It is rarely an adequate description of the competing pressures which lead to change, because while everyone has an opinion on what is fair or not, we don't all mean the same thing. The case of the so-called Waspi women – those born in the 1950s whose state pension age (SPA) was increased – is a case in point.

Men and women had different SPAs (65 for men and 60 for women) from the 1940s until April 2010, when the

Pensions Act 1995 introduced staged increases to female SPA, brought forward by the Pensions Act 2011.

The Waspi women argue that they had insufficient notification of the changes, that this was unfair and that they deserve compensation. Legal challenges failed, until a report by the Parliamentary and Health Service Ombudsman published in March 2024 concluded that some women had lost opportunities to make informed decisions about their finances and should be compensated. Twice rejecting the report, the government argued that a compensation scheme would be neither “fair nor feasible” (that word again) “and would not represent good

value for taxpayers”. Further legal action may follow.

What an individual thinks fair usually depends on their own circumstances. It isn't the best way to make decisions on public policy. And how fair would it be anyway to follow the Ombudsman's reasoning and create new classes of Waspi women – those who deserve compensation and those who don't?

www.pensionsarchivetrust.org.uk/ourcollections

➤ **Pensions Archive Trust director, Jane Marshall**

☑ The bright side

Pensions Age takes a closer look at some of the recent good news stories in the pensions industry...

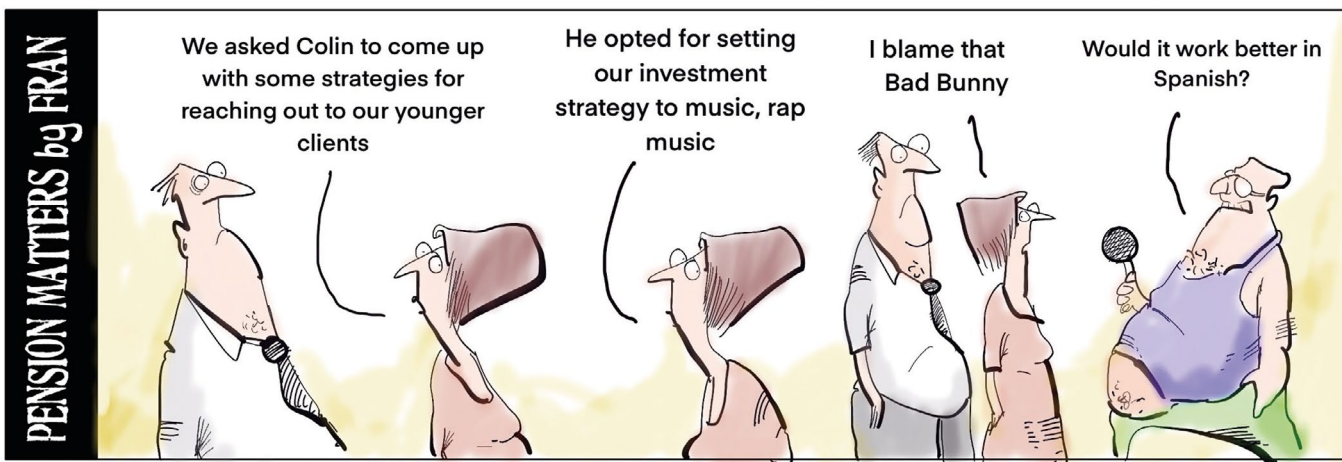
➤ The **Quilter** Foundation, the charitable arm of Quilter plc, has made a £4 million pledge of support for UK financial education over five years, with £3 million allocated to financial education and £1 million to grants that will support a variety of charitable organisations. The foundation has also



launched a new strategy, which will see it launch a 'Financial Education in Schools' initiative to deliver curriculum-aligned financial education to UK primary, secondary, and sixth form students from the 2026/27 academic year, in

partnership with its charity partner, Money Ready.

In addition to this, Quilter Foundation will offer grants of up to £1 million to support large-scale UK financial education programmes delivered by specialist charities. These programmes are designed to provide financial education to people at key life moments, from entering the workforce to periods of financial hardship and retirement planning.



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Pensions Age JOBS service – getting the best candidates for your key roles

PENSIONS**Age** JOBS

Some of the latest roles at www.pensionsage.com/jobs ...

HEAD OF PENSIONS

Location: Stevenage / Hybrid
Salary: 84,421 to £93,565 plus benefits and relocation support

PENSIONS UK CHAIR

IN-HOUSE PENSIONS MANAGER, GOVERNANCE

Location: Hybrid/Glasgow office 3 days per week
Salary: superb compensation package

PENSIONS SYSTEM DEVELOPER

Location: Either 100% remote or hybrid working in London or South East
Salary: Salary depended on experience

DEPUTY PENSIONS MANAGER, IN-HOUSE

Location: Hybrid/Surrey offices 2 days a week
Salary: Competitive package + comprehensive benefits

PENSION ANALYST

Location: London at least twice per week
Salary: Up to c£45,000pa plus excellent benefits including generous pension

PRINCIPAL PENSIONS ADMINISTRATOR

Location: Hybrid/Northern Ireland, Scotland or Greater Manchester
Salary: Competitive

PENSIONS COMMUNICATIONS & CHANGE PROJECTS MANAGER

Location: Home working other than 2 days per month visit to office
Salary: Up to £66,000 per annum

PENSIONS PROPOSITION MANAGER

Location: Hybrid/Cheltenham or Glasgow office
Salary: Competitive + excellent benefits

SENIOR PENSIONS ADMINISTRATOR, DATA QUALITY, MEMBER LIAISON, JUNIOR SUPPORT ROLE

Location: London 2 days, homeworking 3 days
Salary: Dependent on experience

PENSIONS TECHNICAL LEAD

Location: Hybrid/London
Salary: £50000 - £60000 per annum + Car allowance



Pensions Specialist Consultant - DC

Hybrid/London/Birmingham

£in line with experience

Lead and support a series of targeted pension consolidation, compliance, and governance improvement activities across predominantly DC based pension schemes. Ref: 119035 JW

Pensions Client Relationship Manager, Operations

Hybrid/Derbyshire

£excellent package

Act as the main point of contact for senior stakeholders, ensuring service delivery meets regulatory standards and exceeds expectations. Ref: 119695 SB

Deputy Pensions Manager, in-house

Hybrid/Surrey

£competitive

Exceptional, progressive in-house appointment for a motivated Pensions professional. M&A and TUPE knowledge beneficial. Work in centrally-located, modern offices for a forward-thinking, supportive employer Ref: 71351 SB

Propositions Manager

Hybrid/South West or Scotland offices

£in line with experience

Join a growing SIPP team within a leading pensions provider, with ambitious plans to continue expanding its customer base. Ref: 122700 BC

Senior Communications Manager

Work from home

£excellent

Lead the delivery of multi-channel campaigns that engage members, support scheme governance, and meet regulatory standards. Ref: 116494 BC

Pensions Trustee Consultant

Hybrid/North West/London or Scotland

£excellent

Are you a pensions professional looking to take the next step in your career? Join a growing and dynamic team delivering high-quality trustee services to a diverse portfolio of pension schemes. Ref: 113656 BC

Pensions Technical Specialist

Work from home

up to £55000 per annum

A great opportunity to join a specialist pensions team supporting the accurate and compliant administration of major UK pension schemes. Ref: 116032 BC

Pensions Officer

Office-based/Greater Manchester

£52000 per annum

An established national union is seeking an experienced Pensions Officer to lead its pensions work, shape policy, support members and officials, and drive pensions awareness across the organisation. Ref: 122931 JW

Senior Pensions Administrator

Office-based/Birmingham

up to £40000 per annum

A superb opportunity for an experienced DB pensions professional with a good level of technical knowledge who is now ready to progress. Ref: 74322 BC

Pensions Administrator

Hybrid/London

c.£35000 - £40000 per annum

Excellent opportunity to join this large in-house pensions team. You will work on all aspects of DB & DC scheme administration. Ref: 81728 JW

Director, Pensions Strategic Change, in-house

Hybrid/London or Scotland offices

£six figure

This is a rare opportunity to influence the future of a large, complex pension scheme and shape how it adapts to an evolving regulatory, operational, and technological landscape. Ref: 105865 SB

Professional Trustee

Hybrid 3 days a week London or North West offices

£six figure

Superb opportunities with this highly reputable Professional Trustee business, for skilled Pensions professionals seeking a progressive career move. Ref: 70402 SB

International Pensions & Benefits Manager

Office-based/London

£six figure

Varied and rewarding in-house appointment to manage international pensions, employee benefits and wellness plans. Ref: 72659 SB

Senior Consultant, Outsourced Scheme Management

Remote

£six figure package

Lead the delivery of a wide range of pension projects and services for a leading Pensions Specialist firm. Ref: 118111 SB

In-House Pensions Manager, Governance

Hybrid/Glasgow

£six figure package

Lead risk oversight and governance for one of the UK's largest occupational pension schemes. This is a high-impact role offering the chance to drive governance at the highest level. Ref: 119233 SB

Senior/Investment Consultant (DC Pensions)

Hybrid/UK Wide

£excellent

This leading consultancy is looking for a Senior / Investment Consultant to join its expert UK DC Pensions team. Ref: 123426 BC

Programme Manager

Hybrid/London

£competitive

An exciting opportunity for an experienced Programme Manager with a strong background in the UK pensions industry, to lead delivery of the business plan and oversee a portfolio of business-critical projects. Ref: 123294 JW

Is your salary in line with the market?

2025 Salary Survey now published.
Comprehensive insight into current salaries and trends in the pensions industry.

If you would like to discuss our findings or specific benchmarking, please contact us.

**HAPPY EASTER FROM ALL OF THE TEAM AT
SAMMONS PENSIONS**



Abenefit2u

Recruitment Specialist



Spring into a new job

www.abenefit2u.com

contactus@abenefit2u.com

Assistant Trustee Executive

Home working +4 days per year office only

You may already be in a similar role but not able to progress or perhaps you are currently in pensions administration and have been searching for a step out of admin but still in pensions. As the new trustee support assistant you can do just that!

£DOE

DB15931

Programme Manager

Flexible hybrid working

You'll be responsible for providing and supporting project management across the whole business, ensuring that all projects have appropriate documentation, risk management, a control framework and effective reporting processes.

£DOE

TD15935

In-House Technical Specialist

London 3 days/Home 2 days per wk.

You will lead complex DB, DC Master Trust & LGPS matters across a diverse pension portfolio, driving regulatory compliance, strategic projects, & high-quality scheme administration while mentoring & supporting cross-functional pension leadership.

£OTE over 78K

DB15906

Analyst /Senior Analyst

London / 2 days per week in office

In this important role, and at an exciting time of growth for this well-regarded administrator, you will be involved in Business Procedures; collecting and documenting the business processes for data, workflows, interfaces, communications and calculations.

Up to circa£58k

TD15881

Experienced Professional Trustees

London /Manchester 2 days office per wk.

You will act as a Professional Trustee, or Trustee Director to a portfolio of pensions schemes. You are a people person who enjoys building client relationships to stand the test of time and working with integrity for a company with high values.

£Six figure +

DB Trustees

Experienced Pensions Administrator

Leeds / 2 days per week in office

Work collaboratively with a supportive team to deliver an excellent service to members and employers. Together, the teams support over 60 pension schemes across both DB and DC arrangements, offering a varied mix of day-to-day casework and project activity.

Up to £38k

TD15920

Asst. Online Support Manager

London 2 days/Home 3 days per week.

Lead scheme operations, driving reconciliation excellence, supporting & developing team performance, improving systems and processes, & delivering outstanding service to employers and members in a dynamic, collaborative environment.

£DOE

DB15915

Pensions Developer

Hybrid London / 100% remote

You'll play a central role in developing, enhancing and supporting business-critical systems focussed on pensions administration data and processes. Develop, configure and support core software systems. Analyse complex pensions data using SQL Server.

£DOE

TD15933

Pensions Admin. Consultant

London or Hants x 2 days per week only

Oversee pensions administration for clients and teams, managing relationships, reviewing work, ensuring compliance, staying updated on legislation, monitoring budgets, & supporting the delivery of accurate and timely services.

Competitive

DB15848/15855

Pensions Calculations Analyst

Hybrid in London or 100% Remote

Work closely with other pensions experts to translate complex scheme rules into precise specifications and ensure quality delivery. Grow your technical expertise while contributing to innovative solutions in a dynamic pensions environment.

Circa£50k

TD15916

Pensions Admin. Data roles

London or Hants x 2 days per week only

You enjoy delivering data-focused solutions for DB schemes, including buy in/buy-out preparation, GMP projects, dashboards readiness, and data cleansing. Your role also involves managing complex pensions data projects, collaborating with internal teams and clients, and ensuring high-quality, compliant outcomes.

£Excellent

DB15876

Pensions Projects Administrator

Leeds / 2 days in office

Want something outside of BAU Admin? This role is ideal for someone who enjoys working on complex pension projects, thrives on accuracy, and is motivated by delivering high-quality outcomes for members and employers. You'll play a key part in delivering annual pension scheme events and various other projects.

Up to £35k

TD15924

Contact Dianne Beer (DB) dianne@abenefit2u.com
0207 243 3201 / 07747 800 740

Contact Tasha Davidson (TD) tasha@abenefit2u.com
0208 274 2842 / 07958 958 626

Are you a Hiring Manager in need of urgent resource to clear a backlog or take ownership of a project? We have a growing list of excellent contractors who are specialists in Scheme Administration, GMP & Data Projects and Project Management. For information about how temporary staff can help you meet critical deadlines please contact us now to find out the simple process of bringing quality contractors on board!



REASONS TO CHOOSE A PENSION WITH PURPOSE.



ONE

Over 7 million members
save with us.

TWO

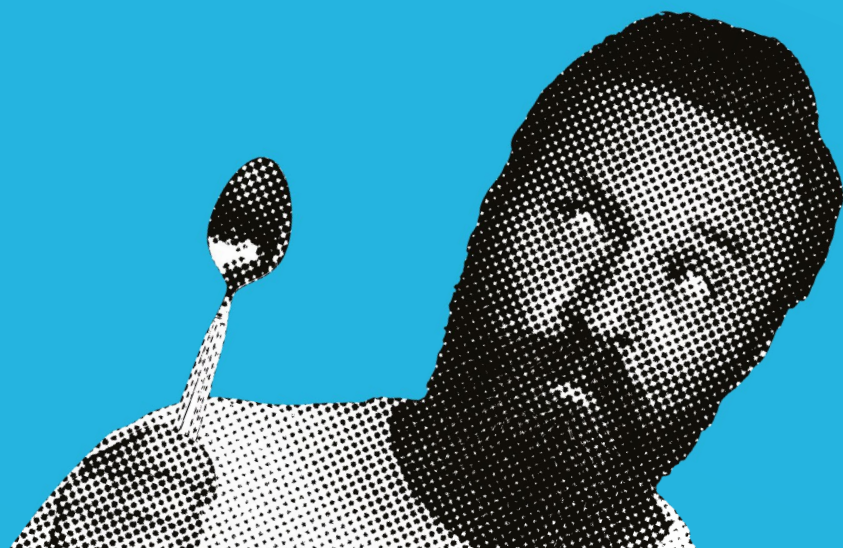
We give back nearly
£4 million to our
members each month.

THREE

We have more than £36 billion
in climate aware investments.

people's
pension

**NOT ALL
PENSIONS
USE SIZE
TO RAISE
STANDARDS.
WE DO.**



people's
pension