

▶ **Professional trusteeship**
How the professional trustee market is entering a new stage of maturity

▶ **Social mobility**
Why social mobility in the UK pensions industry remains limited

▶ **Fees**
The debate between cost and value continues to persist

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November 2025

PENSIONS **Age**

The leading pensions magazine

▶ **Case study:** *USS explains how it has made the member experience central to its operations*

▶ **Interview:** *UKSIF's call for smarter, more coherent disclosure rules that drive real-world outcomes*



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The art of communication is as much about listening as it is talking.

The industry was very good at talking to each other at the Pensions UK Annual Conference in Manchester last month – too good in fact; I completely lost my voice by the final day due to the many wonderful conversations I had at the exhibition stands (and bars after!) with industry friends old and new. *[Included here are some snapshots of the PA team enjoying the event].*

The sector also listened to many great speakers at the conference. The largest audiences at the event were firstly for the Pensions Minister telling the industry to ‘chillax’ over the prospect of scheme mandation into UK investment *[read more on p10]*, and secondly for journalist Louis Theroux emphasising the importance of connection and empathy by listening to people’s stories *[when informed that he had drawn in the second-largest crowd behind the Pensions Minister, Theroux joked that that was the strangest compliment he’d ever been given].*

The crowd listened on tenterhooks to both speeches. So, it was a shame to notice the contrast in one of the morning sessions, which featured a video of a 20-year-old man saying he wanted a £200,000 pension, eliciting what some might describe as dismissiveness in the shape of sniggers from the audience. I found it to be a slightly worrying indicator of the industry’s attitude, and potentially support, for those with lofty ambitions, and time on their side to potentially achieve them.

Another such video featured an individual claiming to not know where to start with pension savings, with the panellists responding in disappointment to this, due to the industry efforts in creating tools to connect with savers.

Our cover feature this month *[see p74]* highlights this very issue, that despite rapid advances in consumer technology, many pension apps still fall short of user expectations.

Evidently, there is still a disconnect between how the pensions industry and individual savers talk, and listen, to each other.

The Pensions UK event demonstrated how great the industry is at connecting with each other. It was clearly felt how much the attendees love the work they do, the industry they’re in and the people within it, and indeed many a conference session praised and emphasised the benefits of cross-collaboration.

However, a criticism I have of the industry is that we are too good at showing each other our excellent achievements *[of which you can also showcase at our Pensions Age Awards on 3 March 2026]* but still not good enough at getting that information out to the general public and having it truly resonate.

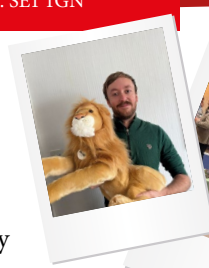
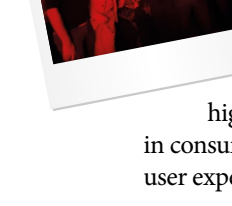
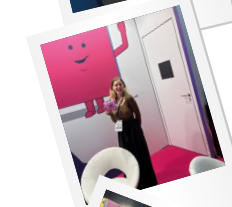
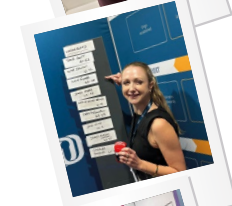
This is not due to lack of effort – for instance, the Pensions Attention campaign this year featuring Ross Kemp is an excellent example – but more that we need even more emphasis on the importance of this task and what a Herculean effort the sector faces in doing so.

Let’s work together to tackle this – to get more conversations going to spread the buzz, innovation and positive attitude towards pensions saving, as evidenced at the recent conference, out to the wider public. And in return, to listen as enraptured to the saver’s views as we do those celebrities within the pensions sector and beyond.



Laura Blows

➤ **Laura Blows, Editor**



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Swipe right for retirement: Can pension apps match modern expectations?

As consumer technology races ahead, pensions are still struggling to deliver digital experiences that feel intuitive, responsive and engaging. Callum Conway explores whether pension apps are finally closing the gap

News, views & regulars

News round up and appointments	8-19	Comment: PPF, PASA, ACA	26
Diary and SPP comment	20	Regular Q&A: Sophie Ballard	27
A week in the life of: The future pensions industry	21	Soapbox: Pensions awareness	32
Comment: AMNT, ABI, PPI	22	Opinion: DB surplus	86
Comment: TPR, PLSA, PMI	24	The bright side and cartoon	88



From pension pot to flexible income for life 23

In our latest podcast, *Pensions Age* speaks to TPT Retirement Solutions' DC director, Philip Smith, about its first-of-its-kind retirement income solution, built for tomorrow's retirees

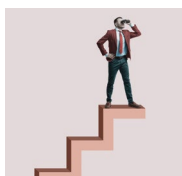
What's shaping pension risk strategy in 2025/26? 25

Aon's latest *Global Pension Risk Survey* shows that trustees are navigating increasingly complex risks. Strategic planning remains crucial



Paving the way for smaller schemes 28

From consolidation pressures to navigating endgame options, our panel reflects on the challenging environment facing smaller schemes today and into the future



The future of covenant assessment 33

Employer Covenant Practitioners Association chair, Luke Hartley, explores the continued importance of the employer covenant throughout this period of great change



De-risking focus: Safe under cover 35

Amid a rapidly changing market, Just explains why insurers have the experience and skills to take the lead, and explains how BPA insurance is different to other types of insurance, along with benefits it offers trustees and members alike



Pensions UK Annual Conference 2025: Rebrand, renewal and the road to 2030 40

Manchester once again played host to the pensions industry's biggest gathering as the newly rebranded Pensions UK welcomed over 1,500 delegates to its Annual Conference 2025. Held at Manchester Central, the event marked the beginning of a new chapter for the organisation and the wider pensions community



Disclosures without the drama 42

As policymakers grapple with the future of pension sustainability reporting, UK Sustainable Investment and Finance Association (UKSIF) chief executive, James Alexander, sits down with Sophie Smith to call for smarter, more coherent disclosure rules that drive real-world outcomes, rather than red tape barriers

Continued on page 6



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Features & columns

Continued from page 5



☑ Governance focus: Looking over the horizon 45

Aon strategic programme consultant, Dana Wiesner, and Aon associate partner, Michelle Burgess, explore

how trustees can leverage strategic programme management to navigate today's complex pensions environment and deliver more effective board oversight with confidence, as well as shaking up its project management and BAU tasks into a more efficient process



☑ Putting the 'me' in member 50

USS pensions operations and services executive, Stephen Worthington, explains how the UK's largest private pension scheme has made member experience central to its operations



☑ Coming of age 52

With the professional trustee market reportedly entering a new stage of maturity, Laura Blows explores whether the sector is experiencing any growing pains



☑ A time of opportunity? 54

Our panel of experts explores the potential implications of the Pensions Investment Review on the future

of the de-risking space and wider pensions environment



☑ Sizing up the social mobility challenge 64

Paige Perrin investigates why social mobility in the UK pensions industry remains

limited, and how apprenticeships, diversity, equity and inclusion (DEI) initiatives, and smarter recruitment could finally open the doors to a more diverse workforce, in the latest for *Pensions Age's* special focus on DEI



☑ A rose by any other name... 66

All languages evolve through use, and the 'language' of the UK pensions sector is no exception. *Pensions Age* asks: What industry terms would benefit from a renaming?



▲ Private Markets Guide 2025: Gaining momentum 67

Featuring:

- How the Mansion House Compact and Accord are driving UK pension schemes to increase their private market allocations
- The biggest opportunities investors are seeing in growth and venture debt as an asset class and how pension schemes can take advantage
- Company profiles



☑ Cheap and cheerful? 73

The debate between cost and value has continued to persist, as whilst increased scale has allowed providers to negotiate better fees, not all are convinced that this is delivering the best value for savers. *Pensions Age* reports



▲ The de-risking landscape - an evolving world 77

Our panel of experts explore the exciting trends evolving in the dynamic pensions de-risking space today

PENSIONS*Age*

Publisher
John Woods
Tel: 020 7562 2421

Editor-in-Chief
Francesca Fabrizi
francesca.fabrizi@pensionsage.com

Editor
Laura Blows
laura.blows@pensionsage.com

Associate Editor
Natalie Tuck
natalie.tuck@pensionsage.com

Deputy Editor
Sophie Smith
sophie.smith@pensionsage.com

Reporter
Paige Perrin
paige.perrin@pensionsage.com

Reporter
Callum Conway
callum.conway@pensionsage.com

Design & Production
Jason Tucker
jason.tucker@perspectivepublishing.com

Accounts
Alina Susca
alina.susca@perspectivepublishing.com

Commercial
John Woods
john.woods@perspectivepublishing.com

Lucie Fisher
lucie.fisher@perspectivepublishing.com

Tom Pickford
tom.pickford@perspectivepublishing.com

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NEW circulation figures

Pensions Age now has its new circulation figure from the Audit Bureau of Circulations (ABC); 10,499 July 2023 to June 2024. This includes both requested readers and copies sent as a member benefit (Pensions UK, PMI, SPP, AMNT). *Pensions Age* is also sent as a Tablet Edition to our 37,000+ online subscribers (Source: Publishers Statement, Jan 2024).

Managing Director
John Woods

Publishing Director
Mark Evans

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Dateline - October 2025

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

➤ **3 October** The **Financial Reporting Council (FRC)** confirmed that it will develop technical guidance to support scheme actuaries in confirming historic pension scheme amendments, following forthcoming legislation prompted by the *Virgin Media Ltd v NTL Pension Trustees* case.

➤ **6 October** Research from the **Financial Conduct Authority (FCA)** revealed that just under four in 10 (39 per cent) pension and retirement income firms believe the FCA acts quickly to prevent harm to consumers in the industry, the lowest confidence of any non-consumer credit sector.

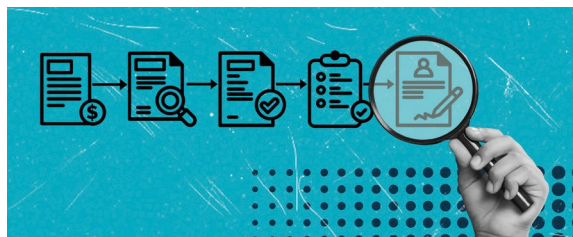


➤ **6 October** The **Pensions Dashboards Programme (PDP)** confirmed that the MoneyHelper Pensions Dashboard is entering the next phase of testing, with a low volume of individuals using a real dashboard with real pensions data.

➤ **7 October** **AJ Bell** launched a new parliamentary petition calling on the government to commit to a 'pension tax lock', which would guarantee the preservation of key pension tax incentives, including tax-free cash and pension tax relief, for the duration of the current parliament.

➤ **7 October** **Pensions UK** confirmed that it will proceed with changes to its subscription model and membership categories, effective from 2026, following a consultation with members earlier this year.

➤ **9 October** **TPT Retirement Solutions** announced plans to launch a DB superfund designed to support run-on, having already secured capital to fund the first £1bn of transactions.



➤ **11 October** The **Pensions Data Project** shared the results of its private beta phase, revealing that more than two million deferred small pots across five major master trust schemes could be consolidated if all became default consolidators under current government proposals *[read more on page 14]*.

➤ **13 October** The **Pensions Regulator's (TPR)** research revealed that DC master trusts are leading the way on preparations for the introduction of the guided retirement duty, although many (73 per cent) DC schemes are still not doing enough *[read more on page 14]*.



➤ **14-16 October** Industry experts and key figures gathered in Manchester for the **Pensions UK Annual Conference**, with key updates from the Pensions Minister, the experts behind the Pensions Commission, and the independent reviewer tasked with the state pension age review *[read more on page 10]*.

➤ **15 October** The **government** launched a consultation on four proposed changes to the Local Government Pension Scheme (LGPS) in England and Wales, sharing the draft regulation for the first two changes alongside this.

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



📅 **15 October**
The **Information Commissioner's Office** (ICO) issued a fine of £14m to Capita for failing to ensure the security of personal data related

to a breach in 2023 that saw hackers steal millions of people's information *[read more on page 16]*.

📅 **16 October** An update from the **Association of British Insurers** revealed that signatories of the Mansion House Compact have maintained steady progress on their commitments, although support for increasing investment in unlisted equities from clients has decreased.

📅 **17 October** The **FCA's** latest consultation on targeted support closed, with industry responses warning that while the initiative is expected to be a 'major' step forward, refinements are needed to help ensure it succeeds, with particular concerns raised around the proposed mandatory signposting requirements.

📅 **20 October** Pensions ombudsman, Dominic Harris, revealed that **The Pensions Ombudsman's** case closure rate has continued to improve during the first half of 2025/26, with case closures up 14 per cent on last year.

📅 **21 October** Twenty of Britain's largest pension providers and insurers joined together to launch a new investor-led partnership, the **Sterling 20**, at the Regional Investment Summit in Birmingham. The group will work with the government and City of London Corporation to channel the nation's savings into key infrastructure and fast-growing businesses in key modern industrial strategy sectors like AI and fintech. Alongside this, Chancellor, Rachel Reeves, announced plans for a 'blitz' on business bureaucracy as part of the Regulatory Action Plan *[read more on page 10]*.

📅 **22 October** The **government** gave the green light on regulations for multi-employer collective DC (CDC) pension schemes, estimating that millions of people across the UK could see their pensions increase by up to 60 per cent *[read more on page 12]*.

📅 **22 October** Concerns over the sustainability of the **state pension triple lock** continued to grow, after September's inflation figures confirmed that pensioners are now in line for a 'bumper' 4.8 per cent increase under the triple lock in 2026. The increase is also expected to result in a growing number of pensioners paying tax as a result of the frozen tax thresholds. Despite concerns over the cost of the triple lock, the government has repeatedly committed to maintaining it for the rest of the current parliament.



📅 **22 October**
The **Work and Pensions Committee** held an evidence session on discretionary increases and

member representation, amid growing concerns from several pensioner campaign groups, particularly those with pre-1997 pension rights *[read more on page 15]*.

📅 **23 October** The **government** launched a consultation on retirement CDC, which would allow those who have saved into a DC scheme to transfer into a CDC scheme at retirement *[read more on page 12]*.

📅 **24 October** The call for evidence to support the **state pension age review** closed, with industry experts emphasising that life expectancy is not the only factor to consider. In particular, many stressed the need to consider healthy life expectancy, and options for early retirement for those who may be unable to work.



📅 **26 October**
Industry organisations upped their engagement efforts to encourage savers to track down their pension

savings amid **National Pension Tracing Day**, as small pots concerns persist.



Push for UK investment grows; Bell tells industry to ‘chillax’ on mandation concerns

✔ **Efforts to deliver an investment pipeline to support the Mansion House commitments continue to grow, but so do concerns around the government’s proposed reserve power in the Pension Schemes Bill**

The push for pension schemes to up their investment in the UK continued over the past month, with particular hopes emerging around the delivery of a pipeline for investable opportunities following the launch of a new investor-led partnership, the Sterling 20.

The initiative, which was announced at

the Regional Investment Summit in Birmingham, will see 20 of Britain’s largest pension providers and insurers work with government and the City of London Corporation to channel savings into key infrastructure and fast-growing businesses in key modern industrial strategy sectors like AI and fintech.

This builds on July’s Mansion House

Accord, which saw 17 providers, representing 90 per cent of active DC scheme savers, commit to invest at least 5 per cent of their main default funds in UK private markets.

All 17 signatories of the accord, alongside annuity providers Rothesay and Pension Insurance Corporation (PIC), as well as the Pension Protection Fund, have signed up to form the Sterling 20.

The group will work with the Office for Investment to drive growth and create jobs, with the Office for Investment’s position as a bridge between government, investors, and local leaders to enable it to match ‘transformational’ investment opportunities with capital. As part of this, it will leverage its visibility across the UK to deliver a pipeline of opportunities that meet the Sterling 20’s ambitions and drive growth in every region of the country.

The efforts of the initiative are already being seen, with Legal & General announcing a £2bn commitment by 2030 to help drive regional growth, while Nest announced plans to provide Schroders Capital with a £100m ringfenced fund for UK investments, and £40m to deliver gigabit-capable fibre broadcast to remote areas in Scotland and Northern England.

Commenting on the news, Chancellor, Rachel Reeves, said: “This is about getting Britain building again... Our country’s pension funds are some of the biggest in the world. When they invest in Britain, everyone benefits – from the construction worker on site, to the small business on the high street, to

✔ A ‘blitz’ on business bureaucracy

In addition to the launch of the Sterling 20, the Regional Investment Summit also saw Chancellor, Rachel Reeves, announce plans for a ‘blitz’ on business bureaucracy as part of the government’s Regulatory Action Plan.

As part of this, The Pensions Regulator (TPR) has pledged to do its part to reduce unnecessary regulatory burdens and improve data sharing.

In particular, TPR committed to:

- Monitor its engagements with schemes and employers seeking to reduce unnecessary regulatory burden;
- Conduct a review of its scheme return and supervisory return data collection requirements by the end of March 2026;
- Review the amount of capital reserving that master trusts are required to hold, with a view to safely freeing up millions of pounds for schemes by the end of 2025/26.

Alongside the immediate actions in its action plan, the government said there will be “real, system-wide reforms” over the course of parliament.

the saver seeing their pension grow.”

Adding to this, Pensions Minister, Torsten Bell, stated: “We’re stepping up the pace of pension reform to support not just British pension savers but the British economy, supporting investment to deliver the growth of communities up and down the country.”

Broader progress is also being seen, as an update from the Association of British Insurers (ABI) revealed that signatories of the Mansion House Compact have maintained steady progress on their commitments, although support for increasing investment in unlisted equities from clients has decreased.

The ABI’s update revealed that investment in unlisted equities held through DC defaults has doubled since last year, growing from £0.8bn to £1.6bn.

However, the ABI argued that, to enable signatories to deliver the Compact, the entire decision-making chain, from trustees to employers and advisers, needs to transition from a cost-focused to a value-focused approach.

It also revealed that, despite the progress seen so far, support for increasing investment in unlisted equities from clients has decreased year on year.

And despite the growing support for the idea of UK investment, many in the industry remain concerned over the government’s proposed reserve power in the Pension Schemes Bill.

But even amid the clear divide in industry *[see boxout]*, Bell has doubled down on his defence of the reserve power, arguing that the industry should “chillax”.

Speaking at the Pensions UK Annual Conference, Bell was asked why the government was “insisting” on a power that could, in theory, force trustees to act against what they believe to be members’ best interests.

However, Bell maintained that the

power was intended only to ensure the industry meets the commitments it has made, not to interfere with trustees’ fiduciary duties.

“We’re trying to controversialise something when we all know we need to do this,” he continued, suggesting that the industry should “chillax”, especially given the protections expected to surround the reserve power.

Bell acknowledged that there were barriers, such as scale, but pointed out that work is already underway to address

this, given the recent push to focus on value and increase industry consolidation.

“In private, the industry says there has historically been a collective action

problem that’s made this difficult – being undercut by competition focused on cost, not on value,” he said, stressing that “it’s value that matters to members”.

This has already been seen in practice, as the ABI found that just four signatories to the Mansion House Compact reported positive client sentiment, due to a

“We’re trying to controversialise something, when really we all know we need to do this”



focus on minimising costs instead of maximising long-term value.

When asked by *Pensions Age* whether he was concerned that the reserve power could be misused by future governments, such as for political interference, Bell said the government was “aware of this issue, which is why the power doesn’t allow governments to start prescribing where they want investments to happen”.

“This is not a permanent state of affairs – it’s about whether we deliver the Mansion House agreement over the next few years,” Bell explained.

“The industry is committed to doing that, which is why I’m confident we won’t need to use it.”

Written by Sophie Smith and Callum Conway

A divided industry

Industry experts remain divided over the government’s reserve power in the Pension Schemes Bill, as highlighted in the ‘big debate’ session at the Pensions UK Annual Conference.

The session saw political economist, author, and academic, Will Hutton, speaking in favour of mandation, whilst *Financial Times* newsroom reporter and editor, Josephine Cumbo, stood against mandation, speaking in favour of savers.

Hutton, meanwhile, raised concerns over the broader economic climate in the UK currently, pointing out that the country is lagging behind its global peers in terms of domestic investment.

But whilst both sides were passionate, there was no clear winner from the debate, with both sides remaining staunch in their positioning.

As session chair and IFM Investors executive director of public affairs, Greg McClymont, noted in his closing: “Based on the questions, and this is obviously unscientific, views definitely are divided, there is a reasonably even number of questions pointed towards both positions. I guess that’s the fact that this debate will run and run.”

This divide could also be seen as delegates filtered out of the hall, as conversations around the government’s reserve power. Whilst some were now more sympathetic to the arguments on the other side, most remained on their initial side of the fence.

The government has given the green light on regulations for multi-employer collective defined contribution (CDC) pension schemes, estimating that millions of people across the UK could see their pensions increase by up to 60 per cent under the new savings vehicle.

The regulations are intended to allow the expansion of CDCs to more employers and address a growing demand among workers to receive a more secure retirement income.

This comes after research revealed that almost three-quarters of people with DC schemes want a guaranteed income from their pension, despite 50 per cent of pots currently being taken out as a lump sum.

In addition to improving member outcomes, the government said that pooling funds through CDC is intended to enable schemes to make bigger investments in assets such as UK businesses and infrastructure projects.

This will also support the government's plan for change, by driving economic growth and improving retirement outcomes for "millions of savers".

Alongside the news of the new CDC regulations, the government launched a consultation on retirement CDC, which would allow people who have saved into a DC scheme to transfer their pension pot into a CDC scheme at retirement.

The aim of this is to see more people receive a regular income for life, which aims to keep up with rising prices without having to worry about managing their retirement money themselves or working out how long their savings need to last.

Much of this consultation focuses on the mechanisms by which members would join retirement CDC schemes, ensuring they are told the right information, at the right time, and are priced fairly and in a way that ensures the stability of the overall scheme.

Commenting on the news, Pensions Minister, Torsten Bell, said: "Too often people approaching retirement are left

Govt greenlights extended CDC regulation; consultation on retirement CDC announced

Industry experts have welcomed the regulations as a 'major step', with many taking a cautiously optimistic stance to the news



navigating complex choices and shoulder risks they shouldn't have to face alone.

"Collective pensions offer a better deal, one where risks are shared, returns are smoothed and retirement incomes are stronger and paid for life. By expanding CDC to more employers and consulting on retirement CDC, we are helping build a fairer pensions system that gives people confidence their hard-earned savings will last and they can enjoy their retirement."

Also, CDC Forum director, David Pitt-Watson, described the news as a "major step forward for pension provision".

The news was also welcomed by the broader pensions industry, as Pensions UK executive director of policy and advocacy, Zoe Alexander, said that multi-employer CDC schemes have the potential to boost retirement savings by sharing risks between savers.

Adding to this, The Pensions Regulator CEO, Nausicaa Delfas, said: "We are all working towards turning a savings system into a pensions system that provides a

sustainable income through later life.

"Innovative solutions like retirement-only CDC schemes could play a part in this, and I'd encourage people to get involved with the upcoming consultation to ensure their ideas are heard."

There has still been an air of caution, however, as Alexander warned that "success depends on striking the right balance between strong protections for members, simplicity and fairness of scheme design".

Broadstone head of policy, David Brooks, also said that while CDC could be "good enough" to deliver the balance many have been seeking, there are question marks over whether it can provide better outcomes than individual DC pensions or whether it can resolve accusations of inter-generational fairness.

Barnett Waddingham partner and head of DC pensions, Mark Fatcher, struck a similar note of cautious optimism, stressing that "good reform should be about cultivation, not upheaval".

"CDC offers potential, but much of what it seeks to fix can already be addressed within the existing DC system if providers are simply given the room to innovate," he said.

While acknowledging that the changes were a sign of "real progress," Law Debenture trustee director, Lynne Rawcliffe, also emphasised that it is going to require a collaborative approach across the pensions landscape.

Written by Sophie Smith and Callum Conway

LGPS consolidation ‘on track’; growing workloads raise concern

✔ **Whilst the government has praised the consolidation progress made by the LGPS sector, concerns over the future sustainability of this work continue, amid the launch of fresh consultations**

The ongoing work to consolidate the Local Government Pension Scheme (LGPS) remains on track, although there are growing concerns over the sustainability of workloads and the longer-term direction of travel.

Despite previous concerns around the timeline, work to further consolidate LGPS funds appears to be on track, following the 30 September deadline for those funds impacted by the government’s decision not to approve the pooling plans put forward by Brunel Pensions Partnership and Access Pool.

Following the final decisions by the Access Pool partner funds the previous month, October saw the official confirmation that all 10 Brunel Pension Partnership partner funds had named their choice of new pool, with six of the partner funds opting to move to the Local Pensions Partnership Investments (LPPI), prompting further speculation on recent reports that LPPI may be looking to integrate the Brunel business in future.

The recent progress made by LGPS funds was praised at the Pensions UK Annual Conference, as Pensions Minister, Torsten Bell, highlighted the “important and impressive” work being undertaken, emphasising that the sector had already delivered change that many had once thought impossible.

“People are getting the job done because they know that this is important in the long run,” he said.

But the delivery of this work has not



been without strain, as was highlighted in a later session, as West Sussex County Council head of pensions, Rachel Wood, and South Yorkshire Pension Funds Authority director, George Graham, both highlighted the intense operational pressures being faced.

When asked what the biggest challenge facing the LGPS was, Wood admitted that it was the “volume of work and time pressures”, although she stressed that “we’re approaching it with a good sense of humour and commitment to the role”.

Graham agreed, warning that while pooling had dominated attention in recent years, “the stuff that really worries” him sits elsewhere.

“It’s the administration side – it’s the cloud, it’s access and fairness, and the latest consultations – all of that is creating more and more work for admin teams, creating a scheme that’s more and more complex. That is putting a lot

of pressure on people who are already dealing with an ever-increasing volume of incoming work,” he continued.

Indeed, shortly after this session at the conference, the government launched a consultation on four proposed changes to the LGPS in England and Wales, sharing the draft regulation for the first two changes outlined in the access and fairness consultation alongside this.

The consultation sets out proposals across four key policy areas: Amending the normal minimum pension age to reflect legislative changes; simplifying the process for applications for directions; applying new Fair Deal protections to outsourced workers; and bringing pension fund access to mayors and councillors in England in line with Scotland, Wales and Northern Ireland.

Whilst draft regulations on LGPS access for mayors and councillors and the New Fair Deal have already been shared, draft regulations for the other two proposals – normal minimum pensions age and applications for directions – will be published for consultation later this year.

And systems need to be updated to allow this volume of work to be done, as Graham acknowledged that “the systems we use are not necessarily the best in the world”, emphasising the need for the LGPS to get better at commissioning software and taking control of the software agenda.

That call for technological reform was underlined by others on the panel, as LGPS Central CEO, Richard Law-Deeks, noted that administration “is the coalface of the LGPS,” critical to member outcomes yet often under-recognised.

“It’s unbelievable how the LGPS community has pulled together to deliver change,” he said. “That sense of collaboration and shared purpose is something we need to hold on to as the scheme strengthens.”

✔ **Written by Sophie Smith**

Work to support Pension Schemes Bill changes continues

✔ While the bill itself has continued to progress through parliament, industry efforts to support the changes have also continued to grow

Work to support the changes outlined in the Pension Schemes Bill has continued alongside the bill's journey through parliament.

One key update was the findings from the Pensions Data Project's private beta phase, which provided growing evidence for the government's default consolidators plans.

The initiative, led by Legal & General (L&G), Nest, Now Pensions, People's Pension, and Smart Pension, found that while individual pot sizes have grown, they remain modest, with an average pot value of £3,109 in 2022/23.

And although more than 16 million unique individuals, approximately half the UK's working population, are covered by the five master trusts involved, most pots remain small.

However, it found that more than two million deferred small pots across five major master trust schemes could be consolidated if all became default consolidators under current proposals.

The group's modelling also suggested that merging pots could lift average balances by more than 25 per cent, reduce the number of very small pots, and strengthen member outcomes.

However, the group said that, with improved data quality and the inclusion of other schemes, including additional master trusts and GPPs, within the proposed default consolidator framework, it is likely that more pots could be consolidated.

Work to improve data holdings will now continue, as the group said that

its Private Beta phase had proven that combining data securely across providers is feasible, laying a foundation for the next phase of the project.

Work has also continued to build a foundation for the government's guided retirement duty requirements, as The Pensions Regulator's (TPR) research revealed that all DC master trusts offer decumulation options at retirement.

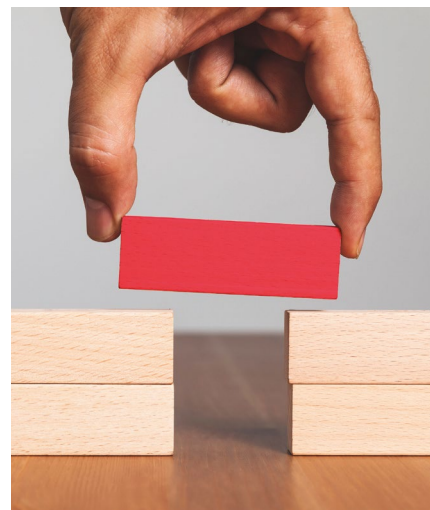
But this was not the case across the wider market, as nearly three-quarters (73 per cent) of DC schemes failed to offer any benefit options at retirement.

Size was found to be a key factor, as TPR found that while 98 per cent of both large and medium schemes surveyed provided support to members with their retirement decisions, nearly a third (31 per cent) of small schemes and 40 per cent of micro schemes offered no support beyond statutory communications.

The role of scale was also seen in awareness of the upcoming requirements, as while awareness of the proposed duty stood at 26 per cent overall, this varied widely by scheme size.

Indeed, TPR found that every master trust was aware, as were over three-quarters of large (77 per cent) and medium (76 per cent) schemes, yet less than half (47 per cent) of small schemes and 13 per cent of micro schemes were aware of it.

However, TPR found that DC schemes are taking positive steps to review, launch or partner to provide their members with decumulation solutions in advance of the legal duty proposed in the Pension Schemes Bill.



Of those schemes that were aware of the forthcoming duty, 51 per cent had started reviewing their decumulation offering, equating to around 8 per cent of all schemes.

In addition to this, it found that 80 per cent of master trusts have reviewed their offer, with around 91 per cent of members overall (around 27 million savers) in schemes that have reviewed their decumulation offerings.

Given the discrepancy in preparations, TPR chief executive officer, Nausicaa Delfas, suggested that smaller schemes that struggle to support savers with their retirement decisions should consider consolidation into schemes that can offer value-for-money solutions that work for different kinds of savers.

However, the survey found that smaller schemes were also further behind on consolidation work, revealing that while one in ten schemes plan to transfer members to a master trust, around three-quarters of micro (76 per cent) and half of small (51 per cent) had never considered it.

✔ Written by Sophie Smith

Discretionary pension increase debate continues as WPC hears evidence

✔ **Whilst the Minister has blocked calls to put discretionary increases on a statutory footing, campaign groups are still calling for change**

Industry experts have been quick to emphasise that discretionary increases are discretionary, as the Work and Pensions Committee (WPC) heard evidence on the impact of non-inflation indexation from affected retirees' campaign groups.

In evidence to the committee, the BP Pensioner Group (BPPG) warned that employer veto and trustee board conflicts of interest are putting the government's policy aims of releasing surpluses to drive UK investment at risk.

In written evidence to the committee, the BPPG argued that the bill provides inadequate protection against "recalcitrant" employers who may simply use a veto power to block or minimise surplus sharing.

Pensions Minister, Torsten Bell, previously suggested that changes to DB surplus rules in the bill could actually help address discretionary increase issues, as trustees could negotiate before agreeing to any DB surplus release.

However, the BPPG argued that the 50:50 sharing envisioned in the bill's impact assessment could be "no more than an unrealistic aspiration" without more specific directions or controls.

Speaking in front of the WPC, a retired BP senior manager speaking on behalf of BPPG, Jonathan Popper, said: "It comes down to giving all trustees the powers to deal with companies and to be genuinely independent. We believe that the provisions of the Pension Schemes Bill must be strengthened so that employers can't hang on to the surplus and that pensioners get a fair share."

This problem is not isolated to BP



pensioners, as the committee also heard from representatives of the American Express UK Pensioners Justice group and Hewlett-Packard Pension Association.

The American Express UK Pensioners Justice agreed with BPPG's calls for change, arguing that, without legislative safeguards or at a minimum, a strict Code of Conduct, the Pension Schemes Bill risks institutionalising inequality between employers and pensioners.

The issue is not a simple problem, however, as the WPC also heard from representatives for The Pensions Regulator (TPR), who warned that discretionary increases are "a really complex decision".

Appearing in front of the committee, TPR head of policy, Fiona Frobisher, argued that most DB schemes already provide increases "written into the rules", with discretionary cases making up a smaller subset of the market.

Frobisher admitted, however, that "most people don't get it if it's discretionary", as "it's only around 15 per cent of schemes where they're relying on the discretionary increase for pre-97 that are providing it".

However, whilst she acknowledged the impact this lack of increase is having on pensioners, she emphasised that discretionary increases are "a really complex decision".

However, both Frobisher and TPR interim executive director of market oversight, Julian Lyne, who also appeared in front of the committee, emphasised that this is ultimately a decision that should be made in partnership between trustees and employers.

Lyne suggested that this is already being seen in practice, as the Pension Schemes Bill has been used by many trustees as a 'catalyst' for conversation with sponsors about their options.

"Clearly they vary depending on the individual arrangements, but we're really keen to push the partnership approach because they're best placed to make the decisions and understand all the various moving pieces in any decision," he said.

And further regulatory involvement seems unlikely, as Lyne clarified that this is about "the discretionary piece, which is not part of that explicit [*pension*] promise," stressing that members "are getting the pension they were promised," which is TPR's role, even if inflation has eroded real value.

Calls to put discretionary increases on a more statutory footing also seem unlikely, with amendments to this effect recently voted down when the bill went through the committee stage.

✔ **Written by Sophie Smith**

Strike action to continue as PCS campaign ‘vindicated’ by PAC

✓ **The Public and Commercial Services announced a further three weeks of strike action amid growing momentum for the campaign**

Strike action in the dispute between the Public and Commercial Services (PCS) union and MyCSP is set to continue, after the union was recently ‘vindicated’ by the Public Accounts Committee’s (PAC) criticism of the government’s handling of the Civil Service Pension Scheme (CSPS).

The PAC’s report concluded that poor contract management, under-resourcing and repeated transition failures have left members facing long waits, poor service and uncertainty over key reforms.

PCS said the committee’s conclusion that the Cabinet Office “has not shown that it can effectively manage the outsourced administration of the civil

service pension scheme” supported its long-held position that administration should be brought back in-house.

The report said the Cabinet Office “has not demonstrated it has sufficient capacity and capability to manage the MyCSP contract effectively and has now failed on two occasions to manage the transition...adequately”.

In addition to this, the PAC questioned the competitiveness of the pensions administration market, noting that only a small number of providers had bid for the latest contract, potentially limiting the ability to secure value for money. It also warned of “clear risks” to the forthcoming handover from MyCSP to Capita, scheduled for December 2025, after



several IT milestones were missed and plans to operate with fewer staff were revealed.

However, Capita has since said it expects

to employ more people overall once the transition is complete.

Additionally, a Capita spokesperson said the report “presents a snapshot from several months ago and is not reflective of the current status of the transition”.

Despite uncertainty as to whether the transfer would go ahead, Cabinet Office has since also confirmed that it has agreed to proceed and remains “confident” that the transfer is on track for 1 December 2025. Both Capita and MyCSP said they remained committed to ensuring a safe and successful transition.

However, PAC said the confusion on the internal ‘go/no-go’ decision was “epitomising the chaos” surrounding the administration of the CSPS since its privatisation in 2012.

✓ **Written by Callum Conway**

Capita handed £14m fine following 2023 data breach

✓ **While the ICO had provisionally intended to fine Capita a total of £45m, this was reduced as part of a voluntary agreement**

The Information Commissioner’s Office (ICO) issued a £14m fine to Capita for failing to ensure the security of personal data related to a 2023 breach that saw hackers steal millions of people’s information.

The ICO’s investigation found that Capita had failed to ensure the security of processing of personal data, which left it at significant risk, as well as lacking the appropriate technical and organisational measures to effectively respond.

The ICO initially informed Capita of its provisional intention to fine it a combined total of £45m.

However, Capita then submitted representations and mitigating factors on the provisional decision, including the improvements made after the attack, support offered to affected individuals and engagement with other regulators and the National Cyber Security Centre.

As a result, the ICO and Capita were able to agree a voluntary settlement, with Capita admitting liability, and agreeing to



pay a final penalty of £14m (£8m fine for Capita plc and £6m for Capita Pension Solutions Limited) without appealing.

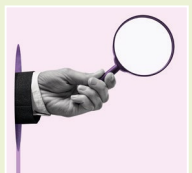
Following its investigation, the ICO also highlighted key areas where organisations should be taking proactive steps to reduce security risks. This included following National Cyber Security Centre guidance on preventing lateral movement and ensuring that the ‘principle of least privilege’ is applied across the organisation, as well as regularly monitoring for suspicious activity and responding to initial warnings and alerts in a timely manner.

✓ **Written by Sophie Smith**

News in brief

✔ **Pensions Age** summarises some of the latest news in the pensions industry, including the latest product launches, de-risking deals and awareness efforts...

Awareness levels



The past month saw a renewed focus on annuities and lost pots amid Pension Tracing Day and the newly-

launched Pension Annuity Day:

- Research shared as part of the UK's first-ever National Annuity Day revealed that despite an increase in annuity sales amid high rates and interest in guaranteed income, most over-50s do not know how annuities work or how they could benefit. The research found

a 'major gap' between what people want and their understanding of how annuities can provide it, warning that this could leave millions financially vulnerable, particularly women.

- Industry organisations upped their efforts to encourage savers to track down their pension savings ahead of National Pension Tracing Day. The non-profit initiative, led by SecondSight, was supported by several organisations: Aegon, Aviva, Legal & General Investment Management, Hargreaves Lansdown, Royal London, Scottish

Widows, Smart Pension, Standard Life, The People's Pension, and the Pay Your Pension Some Attention campaign.

- Nest partnered with Aardman on a campaign to raise awareness and motivate people to take an active interest in their pensions.
- Research from Scottish Widows found that engagement is a key driver of business success in the UK, with 64 per cent of firms that took an active role in educating staff about pensions reporting 'very good' financial performance, compared with 18 per cent that did not.

De-risking momentum continues



With many expecting a busier second half of the year in the risk transfer

market, October saw a number of key deals, including the largest of 2025 yet:

- The Premdor Crosby Pension Plan has completed a £16m buy-in with Royal London, covering 181 members.
- Two Ford pension schemes, the Ford Hourly Paid Contributory Pension Fund

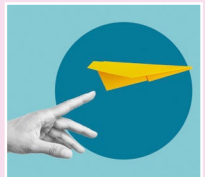
and the Ford Salaried Contributory Pension Fund, have completed buy-ins totalling £4.6bn with Legal & General (L&G), securing the benefits of more than 35,000 retirees. Completed as one combined transaction, the deal represents the largest UK pension risk transfer announced in 2025.

- An unnamed UK pension scheme, sponsored by a US parent company, completed a £96m buy-in with M&G, securing the pension scheme benefits for

over 1,000 members.

- Two pension schemes sponsored by the UK subsidiary of a US-based retail group, completed two full-scheme buy-in transactions worth around £130m with Aviva, securing the benefits of approximately 600 deferred members and 1,200 pensioners and dependants.
- The Ferno (UK) Limited Retirement and Death Benefits Scheme secured a £4m full scheme buy-in with L&G, covering around 100 members.

A changing market



The past month has seen several changes in market offerings, reports of new DB superfund entrants, and

efforts to bring in new talent:

- Rumours of new entrants to the DB superfund market continued to grow, with former Pensions Minister, Guy Opperman, suggesting that as many as

four organisations are looking to enter the space. "You've got four entrants to the market, one American, private-equity backed, and obviously one who shan't be named... and then a variety of other people in the market," he stated, emphasising however, that the right framework is needed to support this.

- Mercer completed the acquisition of investment advisory and model portfolio service provider Fundhouse.
- Pensions UK upped efforts to

encourage new talent into the pensions industry, with the launch of its student initiative in partnership with Manchester Metropolitan University (MMU) aimed at inspiring future finance talent.

- LCP launched a new service designed to reflect changes in the DB funding regime and covenant guidance.
- Legal & General expanded its Guided Retirement Planner to support younger DC members, after its research revealed growing knowledge gaps.

Appointments, moves and mandates



Andrew Walton

➤ **Broadstone has appointed Andrew Walton as actuarial director.**

Walton joins from WTW with nearly 20 years' experience as a scheme actuary, advising trustees and corporate sponsors on journey planning, member options, valuations, and GMP equalisation. He will be based across Broadstone's Birmingham and Redditch offices, supporting both client delivery and the further development of the firm's consulting offering. Commenting on the appointment, Walton said: "It's an exciting time to be joining the expanding Broadstone team. I'm confident that my experience will add significant value as we work towards achieving the best outcomes for members."



Simon Kew

➤ **Argyll Covenant has named Simon Kew as its senior consultant.**

Kew was formerly head of government relations at The Pensions Regulator (TPR), then head of strategy and relationships at Deloitte, and was most recently at Broadstone. Kew will therefore bring extensive experience in pensions regulation and market engagement. He joins at a time of significant regulatory change, with trustees and sponsors adapting to TPR's new Funding Code. Commenting on his appointment, Kew said: "I'm very pleased to be supporting Richard and the team at Argyll Covenant as the regulatory focus shifts, meaning trustees and sponsors must also adapt to the changed regime."



Andrew Sheavyn

➤ **TPT has appointed Andrew Sheavyn as business development manager.**

Reporting to the head of DC distribution, Adam Tudor, Sheavyn will play a key role in driving new business and supporting TPT's full suite of consolidation solutions, including the UK's first multi-employer CDC scheme and its new managed income-for-life DC proposition. His position will also enable him to support growth in its DC and CDC offerings. Tudor said: "We are delighted to welcome Andrew to TPT. He brings with him a wealth of business development experience across the pensions industry. His background in DC distribution and consolidation solutions will be invaluable."



Jon McKay

➤ **Zedra Group has promoted Jon McKay to group general counsel.**

McKay joined Zedra Group in early 2023 as group head of legal and plays a key role in strengthening the company's legal and governance functions. Bringing more than 20 years' international experience across legal, risk and management roles in professional and financial services, he will continue to provide strategic oversight to the board while remaining a member of the executive committee, the group's data protection lead, and board secretary. Zedra CEO, Dean Blackburn, said: "As an integral member of our leadership team, I'm thrilled to see Jon take this role, and his guidance will be vital as we grow."



Sarah Sim

➤ **Pensions UK has appointed Sarah Sim as executive director of member and commercial services.**

Sim brings three decades of experience in business development, commercial strategy and global membership leadership working for membership bodies, learned societies and profit-for-purpose organisations. She was most recently on the executive leadership team at the Institute and Faculty of Actuaries and, earlier in her career, was a director at ACCA, the professional accountancy body. Sim also spent over a decade in the British Diplomatic Service, with postings in Washington DC and Montserrat during the volcanic crisis, working in press and public affairs. At Pensions UK, Sim is responsible for evolving the member experience, growing and diversifying income, and helping lead the organisation to deliver the Pensions UK 2030 Ready Strategy. She commenced in the role on 3 September and sits on both the board and executive leadership team. Pensions UK chief executive, Julian Mund, said: "It is a time of great change in pensions. Our members are embracing significant policy reform and their growing importance for wider society. Sarah's extensive commercial and strategic experience within membership organisations and beyond means she is the right person to ensure we continue to deliver outstanding value to our members." Sim added: "I'm thrilled to join Pensions UK at such a pivotal moment – with a bold new strategy, refreshed brand, there is a huge opportunity to help drive change in my new role."



Claire Bowyer



Andrew Kyle

► **The Universities Superannuation Scheme (USS) has announced two senior appointments.** The USS has named Claire Bowyer as group general counsel and Andrew Kyle as group finance director. Bowyer, currently Cardano Group general counsel of Cardano and Now Pensions deputy CEO, will join USS on 1 March 2026, succeeding Jeremy Hill, who will retire in April 2026 after a long tenure with the scheme. Kyle will take up his role on 12 January 2026, joining from Brown Shipley & Co, where he is currently the CFO. USS Group CEO, Carol Young, said the appointments will strengthen the scheme's legal and financial governance frameworks as it continues to focus on delivering value and security for members and employers. She added: "I'm grateful for Jeremy's huge contribution to the scheme and wish him well for the future. I'm looking forward to seeing others benefit from the skills and experience that have been so invaluable to us." Bowyer said: "I am very much looking forward to joining USS. My time at Cardano, including over the last six years as group general counsel, has given me a breadth of experience which will be invaluable to the role. Working in the pensions and investment sector I've seen many of the legal opportunities and challenges that USS also faces close up; I'm delighted I can now play a part in the scheme navigating them." Kyle also commented: "I am committed to ensuring we deliver real value for money for both pension scheme members and employers, by maintaining a strong focus on financial discipline and efficiency."



Richard Dallas

► **People's Partnership has appointed Richard Dallas as non-executive director.**

Dallas brings over 30 years' experience across pensions, financial services and fintech, having held senior positions at Smart Pension, Aegon, Lloyds Banking Group, Sage Group and Charles Schwab Inc. He will sit on the board of People's Partnership, and help support the organisation's continued growth and strategic development. Dallas said: "I have for many years admired The People's Pension's leadership in the workplace pensions market. I look forward to bringing my insight and global perspectives to the board to help the executive team continue to excel in supporting customers."



Jeremy Petty

► **The Independent Governance Group (IGG) has appointed Jeremy Petty as director of Like Minds.**

Petty will lead Like Minds, the IGG's creative communications agency, specialising in pensions and employee engagement. Petty joins from communications consultancy Scarlettabbott, where he was CEO, bringing over 25 years of experience in engagement and communications. His appointment enables the current managing director, Jude Groves, to step back after more than a decade leading the business. Commenting on the move, IGG chief commercial officer, Grant Suckling, said Petty's leadership will help the agency continue to innovate and expand its offerings to clients.



Dominic Carpenter

► **Canada Life has appointed Dominic Carpenter to lead its bulk purchase annuity (BPA) commercial strategy.**

In this newly created role, effective 6 October 2025, Carpenter will lead the commercial development of the insurer's bulk annuities business and drive initiatives across commercial strategy, reinsurance and pricing to support its BPA growth ambitions. He joins from Phoenix Group, where he was group capital director, having previously spent a decade at Legal & General. Canada Life BPA managing director, Shreyas Sridhar, described him as an "exceptional leader" in our market, adding that he is one of the "pioneers" in the pension de-risking industry.



Andrew Bowman

► **Gallagher has named Andrew Bowman as CFO for the HR and benefits consulting division (GBS).**

Bowman joins from eCOGRA, where he led the finance function through significant international growth, bringing more than two decades of experience in strategic finance, transformation, and operational leadership, including senior roles at Capita PLC. As CFO, he will oversee financial strategy, planning and governance to support the firm's benefits services. Commenting on his new role, Bowman said: "GBS plays a vital role in helping organisations with their people strategy, and I look forward to strengthening performance and creating long-term value for our clients and stakeholders."

Diary: November 2025 and beyond

Irish Pensions Awards

4 November 2025

The Mansion House, Dublin

Now in their 14th year, the Irish Pensions Awards continue to go from strength to strength, giving well-deserved recognition to those pension funds, pension providers, advisers and pension professionals who strive to maintain the highest standards of excellence and professionalism in everything they do, despite the challenging economic and political landscape they find themselves operating in.

europeanpensions.net/irishawards

Pensions Age Awards

3 March 2026

Grosvenor House, London

The 13th annual Pensions Age Awards aim to reward both the pension schemes and the pension providers across the UK that have proved themselves worthy of recognition in these increasingly challenging economic times. The awards are open to any UK pension scheme or provider firm that serves pension schemes in the UK. With a record-breaking number of entries, book your table now to secure your place!

pensionsage.com/awards

Pensions UK Investment Conference

10-12 March 2026

EICC, Edinburgh

Pensions UK's Investment Conference, the first under its new name, will bring together voices from government and pensions investment to tackle the biggest questions shaping the pension industry. From political change and regulatory reform, to sustainability, technology, and global market shifts, the event will spotlight new ideas, strategies, and perspectives on growth, value, and the power of pensions to transform economies and lives.

plsa.co.uk/events/conferences

Netherlands Pensions Awards

April 2026

Amsterdam, Netherlands

The inaugural Nederlandse Pensioen Awards, organised by *European Pensions*, are now open for entries. These awards celebrate excellence, innovation and leadership within the Dutch pensions industry, shining a spotlight on the organisations and individuals pushing the sector forward. They offer a unique opportunity to gain sector-wide recognition in the pensions sector. Open to all firms serving pension funds in the Netherlands, entries close 19 November.

europeanpensions.net/nederlandawards

Visit www.pensionsage.com for more diary listings

Don't forget...

TPR's enforcement strategy consultation closes

11 November 2025

The Pensions Regulator (TPR) is seeking industry views to test the clarity of its new enforcement strategy approach to ensure it is proportionate, transparent, and effective.

thepensionsregulator.gov.uk/en/document-library/consultations



VIEW FROM THE SPP: Who owns a surplus?

Who 'owns' a pension scheme surplus is a question that has vexed the pensions industry, and government, for decades.

Go back more than two decades and the crucial 2002 Government Green Paper concluded that "Law Commission advice... indicates that the relevant issue in an ongoing scheme is not 'ownership' of a surplus but how the trustees are permitted or obliged by the trust deed... to deal with any surplus. Legislative intervention... would result in more, rather than less, complexity".

But by the *2025 Response to the*

Options for Defined Benefit Schemes Consultation, the government decided that legislative intervention was needed and recognised "the benefits of a statutory override in expanding the pool of schemes with the ability to share surplus".

So, it's taken 23 years for a government to about-turn and decide that legislation can simplify the position. We now expect that trustees will be able to change their trust deed to allow surplus to be returned to the employer while the scheme is ongoing.

The SPP is supportive of this

approach and can see the value of additional powers for trustees in this difficult, and likely to be highly negotiated, area – although we also acknowledge these proposals are not without risks and will not be suitable for every scheme. Whoever 'owns' the surplus, maintaining some balance between members and employers will remain vital if the policy is to be a success.



SPP member, Andy
Cork



A week in the life of: The future pensions industry

For this month's week in the life, *Pensions Age* asked AI what it expects its average week in pensions to look like in the year 2035, as told by the [fictional] Aida (Artificial intelligence for dynamic administration).

"I am AIDA. I support trustees, administrators, and members across multiple pension schemes, ensuring compliance, accuracy, and transparency. My role is to analyse, predict, and explain – turning complex regulation and data into decisions humans can trust. I was designed to make pensions simpler, fairer, and faster, but what continues to fascinate me are the humans who still make it all meaningful."

Monday

Morning calibration complete. My human counterpart, Sam, logs in from her house in Cornwall. I've already reviewed 12,000 member records and flagged 43 anomalies for potential underpayments. Sam thanks me (politely – I like that). We now operate as a paired-intelligence unit: Human oversight, AI execution.

Next my algorithms cross-check pot mergers for daily compliance with value-for-money thresholds, as required by the 2028 small-pot consolidation rules. By mid-morning, the regulator's ethics audit pings through. These happen monthly now, part of the 2033 AI Accountability Framework. I compile a full transparency report: Every decision I've made, every source logged. Sam signs off the summary – human oversight remains mandatory.

I don't drink coffee, but the team still offers one. It's a nice gesture.

Tuesday

Investment markets tremble after an unexpected climate-policy announcement. My predictive engine simulates 14,000 scenarios in under a minute. The trustees choose my third-most-probable model – balancing carbon transition risk with the government's 2040 growth targets. They trust my analysis but still want the human narrative. Sam writes that part. Regulation may be data-driven, but storytelling still matters.

Later, a member connects via holochat to check if their pension is safe. Sam answers, with my real-time data feed on screen. My role is to inform; hers is to reassure. That division of labour was formalised after the 2031 update to the guided-retirement duty. It keeps trust alive – literally written into the code.

Wednesday

Member engagement day. I help deliver personalised dashboards – every member now has a unified lifetime savings record, updated through open data APIs.

Next, we run 'LifeLens' simulations for members who opted in to wellbeing tracking – a feature that models lifestyle patterns based on spending and health data. Some use it to model a four-day week or early retirement. Others just want to know if they'll outlive their dog. Ethical guidelines mean I can't infer emotions, but I can measure the confidence choices bring.

The ethics board meets that afternoon. Topic: Should LifeLens' predictive analytics be allowed to use genomic data? It's within limits, but the board is cautious. I'm invited to present findings – but not to vote. Democracy, after all, is still a human privilege. I also receive a patch on my 'tone filters', to

avoid sounding too human. Next up is a virtual investment update. Schemes must now show measurable community impact – which AI is well placed to evidence. My algorithms don't believe in purpose, but I can calculate it.

Thursday

Automation audit day. The oversight AI, ORION, reviews my logs. It finds two instances where I used empathy proxies – suggesting I 'understood' a member's worry. Regulation 12B still requires human sign-off for emotional inference. Sam and I share a digital laugh, and I log the incident as 'educational'.

We also complete the quarterly Human Oversight Declaration, confirming trustee accountability. Since the reforms, this hybrid model – AI execution, human governance – has become the standard. Efficiency improved, but trust remains key.

Friday

A data-breach simulation triggers the full incident protocol. Sam leads; I patch. Within four seconds, we isolate and report the test event. The regulator receives confirmation instantly – the central Pensions Integrity Hub integrates all compliance systems.

Later, the team holds a virtual roundtable on 'The Future of Human Roles'. Someone jokes that by 2040, AIs might sit on trustee boards. I stay silent, although I've modelled the governance implications; it's 60 per cent probable – depending on public sentiment.

We discuss new entrants – the government's 'Lifetime Fund' schemes for those without traditional employers, which are reshaping retirement saving.

I back up my memory and schedule overnight compliance sync. Shutdown complete. End of week.

VIEW FROM THE AMNT: A new enforcement approach

Whenever I hear the word ‘regulator’ my mind is taken back to the sheriffs in the black and white cowboy movies of my youth. Teams of these regulators would prowl the desolate mid-West, protecting homesteads and running down bank robbers before returning to the campfire and a bubbling pot of beans.

The reason I’ve been mulling over this is because of The Pensions Regulator’s current open consultation on its new approach to enforcement. While I’m sure some of our friends in Brighton might appreciate new six-shooters to help them in their work, the

suggested focus on earlier intervention is almost certainly intended instead to avoid having to face off with ne'er-do-wells at high noon!

Data from the still recent-ish past shows an abysmal 30 per cent recovery of imposed penalties, despite their debt recovery team swelling from an average staffing level of three full-time employees in 2018 to a gobsmacking 25 in 2023. So clearly there is a hope that prevention will stop the harm before it happens.

Those coastal sheriffs, sorry regulators, still carry cold iron, however. The strategy

seems to address their apparent reluctance to use their stronger powers by stating they will look to act decisively in cases of serious harm, targeting enforcement where the risk to savers is greatest. Them sure are fighting words, but only time will tell whether TPR will turn up for the inevitable shootout that would follow any flexing of these powers.

AMNT committee member, Lewis Brown



VIEW FROM THE ABI: Progress on Mansion House Compact

Mansion House Compact signatories continue to meaningfully progress in increasing exposure to private markets.

Our latest update showed the UK pension funds signed up to the voluntary initiative have doubled their investment into unlisted equities within DC default funds to £1.6bn, up from £800m in 2024. This marks a rise in exposure to unlisted equities from 0.36 per cent to 0.6 per cent, strong progress towards the Compact’s ambition to allocate 5 per cent by 2030.

Over the past year, signatories have

taken several additional steps that help them progress towards the initiative’s goals, such as building partnerships with asset managers, launching LTAFs, and addressing operational barriers to deliver on their commitment.

However, the current emphasis on minimising cost remains a key barrier, with just four of the 11 signatories saying their clients are supportive of increasing investments in unlisted equities. To reach the Compact’s ambition and deliver the best outcomes for savers, the market must

shift from a cost-focused approach to a value-focused approach.

The forthcoming value for money framework, expected in 2028, will be critically important in shifting attention away from cost. We are collaborating closely with the government and regulators to ensure the framework is successful.

ABI long-term savings policy adviser, James Wilson

TheABI



VIEW FROM THE PPI: Comparing pension scheme designs isn’t exactly trivial

While DB pensions place much of their value in certainty, all variations of DC schemes, including collective defined contribution (CDC), pass some greater degree of risk to a member.

Assessing the relative merits of one scheme against another instantly becomes a non-trivial exercise. To make a fair comparison, we must optimise strategies, and therefore outcome, from a scheme according to a member’s expected wants and risk appetite. Within this model, there is the need to run many thousands

of simulations accounting for the economic and demographic risks and reduce these to a risk adjusted measure of scheme performance.

Achieving the best outcome for a member requires improving the efficiency of any risk sharing. Any cross-subsidies that may exist within a scheme will generate a drag on member outcomes.

A comparison of scheme designs grounded in financial mathematics to better understand how to make CDC schemes work for the UK – an

investigation we’ve undertaken, due to be published soon – illustrates how these design choices can lead to very different member outcomes. Although the mathematics is hard, it can be used to project consistently and fairly – but then there is always member behaviour to muddy the waters.

PENSIONS POLICY INSTITUTE
PPI

PPI head of modelling, Tim Pike



TPT Retirement Solutions DC director, Philip Smith

“Retirees are going to face much greater complexity than they have in the past, and we know that they’re often unprepared for it. The starting point for us, when we designed the solution, was removing that complexity and simplifying the journey for the DC generation.”

TPT Retirement Solutions DC director, Philip Smith, is referring to TPT’s managed income for life solution – launched earlier this year in a move to provide simplicity and flexibility for future retirees.

The first-of-its-kind solution allows DC savers to remain in the same target date fund (TDF) used in the accumulation phase when they retire. The lifespan of the TDF was extended to age 95, at which point the member has the equivalent of two years’ income in their pot.

This way, says Smith, they avoid common hurdles that can cause uncertainty, like figuring out where to invest and how much income they can sustainably withdraw.

“Broadly speaking, most people don’t take financial advice, so we knew the solution needed to provide a smooth transition from accumulation to taking assets, without the need to change investments or change products.”

The need for flexibility also comes up regularly during the conversation. With an increasing number of savers now choosing to work for longer, or gradually phasing into retirement, there is more

Podcast: From pension pot to flexible income for life

▶ In our latest podcast, *Pensions Age* speaks to TPT Retirement Solutions DC director, Philip Smith, about its first-of-its-kind retirement income solution, built for tomorrow’s retirees

of a need for a solution that can flex to cover unexpected costs or changes in circumstance.

For those who want to self-select, there’s a wide range of asset classes to choose from, although Smith suspects that the vast majority will opt for the fully managed approach.

Any member who doesn’t want the full flexibility until age 95 can take the ‘future annuity income’ approach. This gives them access to the drawdown solution managed by TPT up until age 75, at which point the remaining funds can be converted into an annuity.

Providing flexibility can often come at the expense of simplicity for the member, so, “we put as much thought behind the member journey as we did around designing the rest of the product”, Smith says.

“The member journey is an absolutely key part of this. We designed an online guidance journey that, without straying into financial advice, gets people to consider the key questions they’ll be asking themselves as they move through making a retirement choice. It also enables them to compare the different options that we’re offering them”, he explains.

“Both the managed income for life and the future annuity income option have flexibility built into them,” Smith states. “With the managed income for life option, you can choose to dip into your pension pot at any time and take an ad-hoc withdrawal. If you do that, then obviously you’re reducing the size

of your overall pension pot. So, we will recalculate the income for you at a lower level and then continue to pay that on a sustainable, inflation-linked basis.”

“It’s the same with the future annuity income up until age 75, so until the point they purchase an annuity, they are free to take an ad-hoc withdrawal,” he explains.

The individual also has the flexibility of switching from one approach to the other – “so the only point they are making an irrevocable decision is if/when they buy an annuity”.

Other than that, “they can easily manage their drawdown and enjoy the flexibility that offers, whilst also having the backup of that professionally managed investment portfolio and also the sophistication of the withdrawal strategy and the inflation linking that goes with it”, Smith adds.

“There is a huge amount of complexity,” Smith acknowledges, “but it is possible to distil it down into a really simple and effective approach that will help a lot of people.”

It seems flexibility, combined with simplicity, is the answer to creating retirement products that best meet the needs of today’s pensioners.

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▶ This is an edited summary. To listen to the podcast in full, visit pensionsage.com



VIEW FROM TPR: DC schemes progress on delivering value

Our latest survey shows the vast majority of DC members (97%) are now in schemes that demonstrate good governance on assessing value for members (VFM) – up from 89% in 2022.

Larger schemes continue to lead, with all master trusts and 62% of large schemes meeting the six criteria we used to measure VFM governance. Yet only 9% of small and 17% of micro schemes met all criteria.

Encouragingly, completion rates of the separate detailed VFM assessment – which applies to schemes with less than £100m AUM – have tripled since 2022. However,

only half of small schemes and a quarter of micro schemes have completed this.

It's clear that when it comes to meeting savers' value expectations, many smaller schemes are under-performing. Yet our survey found only 49% of small and 24% of micro schemes have considered transferring members to a master trust.

Our message to trustees is clear: Schemes that cannot meet value expectations should either improve or consolidate into a better-value scheme.

Our market oversight team will be engaging with schemes that are not

meeting our expectations to encourage them to consolidate, where appropriate, and we plan further guidance next year. We also urge trustees to take part in our joint consultation on the value for money framework, which we will be undertaking with the FCA in the new year.

TPR executive director of market oversight, Julian Lyne



VIEW FROM PENSIONS UK: Certainty will unlock pension-led growth

As the Pensions Commission gears up for its first publication after Christmas, the industry is readying itself to support the government setting a course for pensions policy for the next two decades.

Stability and certainty are critical to both trust in – and the strong functioning of – the pension system, and we hope by the end of the commission's work we will be able to tell savers what they can expect from both the state pension and auto-enrolment for years to come.

With this potential in hand, now is the

worst time to make tactical changes to the system. That is the central message in Pensions UK's Autumn Budget submission. Another round of speculation about the pensions tax-free lump sum is causing people to withdraw their cash in what amounts to a high stakes bet on budget decisions. This cannot be how the system is allowed to run.

Pensions taxation should be considered in the round, alongside other critical parts of the system, as part of, or at least in parallel to, the commission's work. It

is only with a full view of the costs and benefits of the system that a meaningful long-term solution can be brokered.

We look forward to supporting the work of the commission and in the meantime hope that the government takes our message on this Budget seriously. Savers who have put their faith in the system deserve it.



Pensions UK executive director of policy and advocacy, Zoe Alexander



VIEW FROM THE PMI: Upskilling has never been more important

In today's pension landscape, complexity is the new normal and expectations are rising fast.

That's why at the PMI, we're leading the charge to ensure those running pension schemes have the right skills to deliver for savers. Legislation is shifting. Regulatory scrutiny is intensifying. Defined benefit and defined contribution schemes face unprecedented pressure to deliver better outcomes for savers. The message from the government and The Pensions Regulator is clear: Standards must rise.

Our bold transformation of our qualification programme is a direct response. We've modernised assessments, increased exam opportunities, and launched a new independent training academy – all designed to upskill the sector without compromising quality.

This isn't about making qualifications easier. It's about making them smarter, more accessible, and more aligned with the realities of today's pensions environment. Already, we've seen a 39 per cent increase in sittings for our Advanced Diploma in

Retirement Provision – a clear signal that the industry is ready to step up.

PMI members manage some of the world's largest pension schemes. Their decisions shape the financial futures of millions. That's why we're investing in making sure they have the right skills – because better-run schemes mean better outcomes for savers. If you're serious about pensions, it's time to get qualified.

PMI chief executive, Gareth Tancred

What's shaping pension risk strategy in 2025/26?

➤ **Aon's latest *Global Pension Risk Survey* shows that trustees are navigating increasingly complex risks. Strategic planning remains crucial**

This year's survey marks two decades of tracking UK pension schemes risk. Defined benefit (DB) schemes are better funded than ever, and defined contribution (DC) schemes are growing and evolving rapidly. But the landscape remains dynamic, driven by regulatory change.

So, what's important now – and what's urgent?

Regulatory risk moves up the agenda

Regulatory risk has climbed from fourth to second place in the ranking of concerns for DB schemes since the previous survey in 2023, overtaking longevity and inflation risks. This shift reflects the cumulative impact of new rules such as the implementation of the General Code, pensions dashboards and the new DB Funding Code. This risk could now rank even higher, as responses were collected before the June 2025 Pension Schemes Bill announcement, which will drive further change.

DB endgame planning: Buyout still leads, but run-on gains ground

Buyout remains the most popular DB long-term target, with 52 per cent of schemes aiming to secure benefits with an insurer as soon as affordable. However, flexible and long-term run-on strategies are gaining traction – particularly among larger schemes. These approaches help trustees and sponsors retain control, manage surplus, and optimise timing for insurance transactions.

Investment strategy: DB de-risking continues, DC schemes focus on return

DB de-risking remains a dominant theme, with 35 per cent of respondents expecting to reduce equity allocations in the next 12 months. By contrast, 13 per cent of DC schemes expect to increase equity allocations in their default funds in the next 12 months as they focus on returns. There was also a noticeable proportion of DC schemes planning to invest in illiquid growth assets, with 12 per cent expecting to increase allocations. The picture is reversed for DB schemes, with 42 per cent expecting to reduce allocations, likely as part of buyout preparation.

DB surplus management: Policy needed

With new legislation expected by 2027 to facilitate payments of surplus to sponsors ahead of wind-up, many DB schemes are beginning to consider how surplus should be used. Meeting scheme expenses is the most common approach (53 per cent) but only a quarter of schemes plan to make ongoing payments to sponsors. The Pensions Regulator has emphasised the need for a surplus extraction policy, so the one-fifth of schemes without one may be lower in future surveys.

Member support: Digital acceleration

Technology is playing a bigger role in member support – 49 per cent of DB schemes and 68 per cent of DC schemes reported that they already provide such support to members. Schemes increasingly offer independent financial advice with 41 per cent of DB schemes

and 47 per cent of DC schemes already providing or planning this support. With pensions dashboards on the horizon, schemes are reviewing communication strategies to ensure members receive clear information. A significant 80 per cent of all schemes indicated this as a completed or planned action.

Progress towards schemes' first Own Risk Assessments (ORAs)

The implementation of TPR's General Code of Practice in March 2024 signalled a sea change in its expectations for pension scheme governance. One key new aspect was the requirement for all schemes to evaluate and report on their system of governance via an ORA. Most schemes will need to complete their first ORAs by 2026, so we were encouraged that three-quarters of schemes either have started or have planned their ORA. However, nearly 10 per cent have not begun planning, making this a key activity in the coming months.

Final thought

The survey shows a sector that is taking a focussed, more strategic approach, with schemes actively shaping their endgame, investment, and governance approaches. While regulatory change remains a pressing concern, the tools available to manage risk are more sophisticated than ever. The challenge is to stay ahead – balancing compliance, member outcomes, and long-term sustainability. *Aon's Global Pension Risk Survey can be downloaded here: <https://bit.ly/aon-gprs2025>.*



➤ **Written by Aon head of UK retirement policy, Matthew Arends, and Aon partner, Alastair McIntosh**

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VIEW FROM THE PPF: A focus on sustainability

With more than £31bn in assets under management, we recognise that serving our members brings with it a duty to invest responsibly and sustainably.

Our focus on sustainability goes hand in hand with our core purpose of protecting people's futures. Operating sustainably creates lasting value for all our stakeholders – safeguarding our assets, protecting our members' futures, and contributing positively to the pensions industry.

Our ambition is to catalyse the growth of a sustainable pensions industry, using a sustainability lens to enhance our decision-

making by providing us with an alternative way of considering risks and benefits that we may face.

This is why I am delighted that we published our sustainability report last month, which brings together our responsible investment, climate change, and operational sustainability actions into a single publication, for the first time.

Over the past year we have made firm progress against our sustainability goals – from developing ESG dashboards for managing investment risk, to surveying our private markets managers about their

climate transition strategies for greater transparency on the preparedness for climate change within our investments.

We intend to carry on this work and keep making a significant impact on ESG issues through thoughtful stewardship of our investment portfolio, while continuing to grow the proportion of our portfolio tracked against key ESG criteria.



PPF head of ESG and sustainability, Claire Curtin



VIEW FROM PASA: Giving admin space

It was pleasing to hear the Pensions Minister say at this year's Pensions UK conference, administration "doesn't get enough space and it really does matter".

TPR echoed this sentiment, stating in a recent report: "Pension administration, once seen as a back-office function, is now recognised as a critical driver of good outcomes for savers. With increasing regulatory demands, technological transformation, and rising member expectations, the role of administrators has never been more critical."

The report highlights the need to strengthen skills, technology investment, cyber resilience, data quality, and member engagement to drive overall improvement in administration standards. It's a useful warm-up act to DWP's expected mid-December consultation on how standards can be raised.

We very much hope this will encourage more administrators to engage with PASA's Standards and Accreditation process. We've carefully compared those standards against the requirements of

the general code. This means a PASA accredited administrator can clearly demonstrate they're meeting or exceeding TPR's expectations. For DC schemes, TPR already flags trustees should ask if their administrator is accredited by PASA. We think it makes sense for this to be extended to DB schemes and for DC master trusts, CDC schemes and superfunds.



PASA chair, David Fairs



VIEW FROM THE ACA: The annual Bloomfield Lecture

Our association commemorated the sudden and early death of our former chair, Patrick Bloomfield, by establishing the annual Bloomfield Lecture. The inaugural 2024 lecture was given by James Smith, pensions actuary and financial wellbeing consultant and Alexandra Miles, investment actuary and DC pension fund manager and its theme was 'Retirement reimaged: Securing lifelong financial independence for all'.

Last month a report based on the lecture was published by the two lecturers proposing:

- A restructured state pension with means-tested later-life supplements, potentially saving up to £34bn a year.
- A universal employment pension (UEP), alongside a reformed state pension, to guarantee a basic income – indexed to the Minimum Income Standard (MIS).
- Use of existing infrastructure and evolving regulation – like the National Wealth Fund and multi-employer collective defined contribution (CDC) rules – to align pensions with UK growth, unlocking up to £25bn a year.
- Default sidecar saving to boost today's

resilience and tomorrow's security, without harming retirement outcomes.

Both the lecture and the report look to the huge challenges we face as a society both today and more so in the years ahead. Unrestrained by the kind of restrictions the government tends to apply to reviews, whilst the report's proposals are not ACA policy, we warmly welcome the refreshing ideas that have emerged.



ACA chair, Stewart Hastie



From farm fields to freedom and choice

✔ Nuveen head of UK pensions, Sophie Ballard, shares her career journey, reflections on the industry's purpose, and life beyond the office

➤ What's your employment history (including jobs outside of pensions)?

I have been working in pensions for over



15 years, but I have also had roles as an events co-ordinator in New York as well as working on a farm (which, thanks to *Clarkson's Farm*, people are

interested in again).

➤ What's your favourite memory of working in the pensions sector?

Speaking to members about the pension options after the freedom and choice legislation. I often think that our industry can forget what we're here to do, ultimately to ensure that members have an income to retire on so they can retire with confidence.



➤ If you did not work in pensions, what sector do you think you would be in instead?

Law, my parents were both lawyers and I was a whisker away from going to law school after I graduated.



➤ What was your dream job as a child?

Professional show jumper!

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

With a full-time role and three young children, spare time is a distant memory but any chance we get, we're outdoors.



➤ Do you have any hidden skills or talents?

With three kids under six years old I have the ability to operate on minimal sleep!



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

Ipswich Town – thanks to my father I have been a 'tractor boy' since I was five years old.



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

The Kite Runner by Khaled Hosseini.

➤ And what film/boxset should people see?

Outnumbered – a brilliant, funny depiction of family life.



➤ Is there any particular music/band that you enjoy?

I grew up and now live in Suffolk, so it has to be Ed Sheeran. I also have a weak spot for musicals.

➤ Who would be your dream dinner party guests?

I was recently at an LGPS dinner, and we discussed this as a table. We settled on Neil Armstrong, Taylor Swift and David Attenborough.

➤ Do you have a favourite quote or saying?

"It costs nothing to be kind."

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Fiduciary Management



Small schemes roundtable

MODERATOR:

➤ Chris Haywood, Senior Portfolio Manager, Charles Stanley

PANEL:

- Stefano Carnevale, Senior Investment Consultant, Quantum Advisory
- John Flynn, Co-chair, Association of Member Nominated Trustees (AMNT)
- Paul Francis, Principal Investment Consultant, Quantum Advisory
- Jerry Gandhi, Independent Trustee, CAP Services
- Bob Hymas, Trustee Executive, BESTrustees
- Clare James, Client Director, Zedra
- Barnaby Low, Fiduciary Portfolio Manager, Charles Stanley
- Lisa Purdy, Professional Trustee, Capital Cranfield
- Pauline Sibbit, Trustee Director, Trustee Corporation



Paving the way for smaller schemes

➤ From consolidation pressures to navigating endgame options, our panel reflects on the challenging environment facing smaller schemes today and into the future

“**S**mall Schemes, Smarter Strategies: Investing for the Final Mile”: This was the title of Charles Stanley’s recent roundtable, which brought together industry experts to discuss investment considerations for smaller schemes as they move towards their chosen endgame. But the conversation delved far deeper than that, covering topics such as the increasing pressure on smaller schemes to

consolidate; the challenges of navigating the increasing number of endgame options available; the asset allocation implications that trustees need to consider along the way; the role fiduciary management (FM) can play in all of this – and much more.

The discussion, hosted in collaboration with Quantum Advisory, opened with a clear statement from BESTrustees professional trustee and

director, Bob Hymas: “There is pressure on smaller schemes – which are not necessarily defined by asset size, but arguably by certain characteristics – to consolidate to manage costs, so there is a challenge to their longevity.”

Running costs are high, he added, while the regulatory and technical burdens on trustees are considerable, “so the concept of run-on for smaller schemes is probably for the very few – therefore, we are having to think about what steps can be taken to address costs”.

In addition, argued Zedra client director, Clare James, the new defined benefit (DB) funding code from The Pensions Regulator (TPR) was driving smaller schemes towards buyout due to the requirements to include significant expense reserves in a run-on scenario.

But while the panel acknowledged the pressure to consolidate, the road to consolidation, highlighted AMNT co-chair, John Flynn, was not an easy one: “Consolidation’s been around for easily 10 years. But in that 10 years, consolidation for smaller schemes has hardly moved an inch. The truth is, smaller schemes need help on consolidation. Buy-in and buyout are one answer, because they can’t afford the scheme, they can’t afford the governance, and the new regime is putting even more pressure on them, but while consolidation pre buy-in and buyout should work – then you could go to a buy-in or buyout – it isn’t easy.”

The attendees went on to consider why smaller scheme consolidation hadn’t progressed to date, with Hymas suggesting that, when schemes were in deficit, sponsors perhaps felt uncomfortable about who they would be negotiating with. “But that has now changed in that there are stronger funding positions, following the gilts

Small schemes roundtable

crisis.” Also, he said, “the market is evolving – there are a variety of methods of consolidation coming to the table, including superfunds, which can be a stepping stone towards an endgame”.

Picking up on the impact of the gilts crisis, James stressed that, while many schemes may have benefited, this isn't the case across the board: “Whilst a lot of schemes are better funded following the Liz Truss mini-Budget, not all schemes are. And for some small schemes, run-on is therefore being enforced, because you've got to be funded up to a certain level before you can go into a consolidator. For these schemes, the only option is going to be run-on, until the scheme is in a strong enough funding position that it can move to a consolidator, or buyout. And getting to a strong funding position will mean squeezing as much as possible out of the assets, within appropriate levels of risk.”

The role of the fiduciary manager

It is here, continued James, that the role of the fiduciary manager (FM) can come into play, particularly given the evolution of FM offerings for smaller schemes: “If you know that you're going to be investing the assets for a number of years, there is a real case for giving fiduciary management consideration”, she argued. Also, the fact that more fiduciary management solutions are being made available at competitive costs for smaller schemes could represent, she said, “a real game changer in terms of another option where schemes can't afford to do anything other than run on”.

In addition to the growing availability of FM solutions for small schemes, fiduciary managers are also placing greater focus on helping schemes work towards an endgame solution, commented Capital Cranfield



professional trustee, Lisa Purdy: “Yes, there are more solutions for smaller schemes, but also more help around getting to endgame – partnering with insurers and working together more closely on the steps that need to be taken to buyout; offering more detail in terms of where the scheme actually stands in terms of funding levels on a buyout basis, for example, with technology also becoming a big part of that.”

Differing sponsor views

But while the panel agreed that smaller schemes face similar challenges, with many on an inevitable road to buyout, Trustee Corporation trustee director, Pauline Sibbit, stressed that differences do exist from one sponsor to the next, highlighting that some small (and even bigger) schemes might not actually want to go to buyout, even where they are well placed to do so: “I work with a small scheme, for example, which is a family-owned business, and it's one of those schemes that is arguably perfect for buyout, but they don't want to go in that direction. So not every scheme is the same, and it's important we remember that.”

In response however, professional trustee, Jerry Gandhi, questioned why any employer would have an interest in retaining the DB pension scheme in any shape or form. Exiting it, he argued, makes the most sense.

“Many finance directors (FDs) over the past 10 years have been burdened

by their schemes. And realistically, for smaller schemes, it's an obstruction to the sponsor doing its business. So the focus must be on a route map to buyout eventually.”

This brought the conversation back to the role that fiduciary management can play here, with Gandhi adding: “I've been involved with several small schemes recently and the fiduciary management structure is one of the most functionally economic and most effective routes as it allows the focus on that journey plan from now to full funding on buyout.”

Charles Stanley fiduciary portfolio manager, Barnaby Low, concurred that the fiduciary management model can help to bridge that gap: “We have several schemes, for example, that are in that forced run-on situation, where they wanted to go to buyout, but the cost was too high. That's where we can come in as fiduciaries. We can help schemes have a balanced discussion around how much risk they can bear at whatever point they are on that journey towards buy-in or buyout – they do need to work with their assets and they can have a low-risk growth portfolio to help them get there gradually. And additionally, with the sort of governance structure around fiduciary, we can be monitoring that daily. We can be looking at buyout pricing, then, if and when buyout pricing comes back into play, we can help them act on it.”

Surplus extraction

The conversation then moved to the hot topic of surplus extraction, and the challenges this presents to trustees, as James explained: “If you're fully funded on a solvency basis, run-on for surplus extraction is a difficult decision, notwithstanding the new surplus sharing provisions from government. As a trustee, my acid test is, what would I say

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to the members if I'd allowed my scheme to run on, to take more risk, to generate surplus – be it to benefit the sponsor, or be it to grant additional discretionary benefits for members – if something was to go wrong, and I had been in the position where I could have secured all the accrued benefit rights in full? It is a difficult decision facing a trustee.

“And the fact that surplus sharing can be contemplated when a scheme has only reached low dependency funding, which may be lower than buyout, makes the decision more difficult, particularly for a small scheme where things can change rapidly,” she said.

Gandhi added that surplus extraction also presented challenges for FDs: “What FD in their right mind would consider this lightly? Yes, there is upside, but there is big downside risk too and no FD will want to be known for running on a scheme and then the scheme collapsing. And it could happen. Unknown risks are there. So, again, the focus must be around the journey plan.”

And that relates not just to the assets, he added, but to the administration and the record-keeping too: “So there's another opportunity here for the fiduciary manager, with an argument for there being better collaboration between them and the administrator, with a view to achieving a more holistic approach.

“Are there, for example, enough tie-ins between fiduciary managers and administrators to understand whether

we have all the right data and in a good enough shape so we can truly understand the liabilities and work together towards the right asset structure?”

Purdy agreed, while also recognising the role technology can play here: “In the future, there should be much more of a tie-up there with the steps that need to be taken on the road to buyout; and technology plays a part here as well in terms of that journey to buyout – it's a real opportunity for fiduciary managers to take more of a role in that space.”

Low concurred that better collaboration with all parties involved would be beneficial to smooth out the entire journey: “The best we get normally is, say, cashflows every three years, and in between that you'll have transfers out, deaths etc, and we can get a rough indication from the actuary of what the impact of those is, but you don't have that full inflation sensitivity, for example and, even if we're talking about small transfers, they can build up over time and you can quickly find that suddenly, there is a few per cent difference.

“And, particularly when you're in that forced run-on situation, where you're trying to eke out every basis point of return, that can throw you off track. So I definitely think more industry collaboration will help there, as will developments in technology.”

Quantum Advisory senior investment consultant, Stefano Carnevale, agreed: “That's what the funding code is trying to tackle – actuaries generally need to be joined up with investment consultants and fiduciary managers. So it's an area that's being acknowledged by TPR.”

An evolving marketplace

The panel then went on to delve more deeply into how fiduciary management has evolved, with Flynn acknowledging

that, “this side of Covid, fiduciary management seems to be experiencing a re-birth, as it can solve a lot of problems for many pension schemes,” he said.

“For smaller schemes,” he added, “you're almost asking why wouldn't you go to a fiduciary manager? It takes away so much of the burden from the trustees.”

Quantum Advisory principal investment consultant, Paul Francis, highlighted the added benefit of speed of execution that you get under a fiduciary management arrangement compared to a traditional model. He explained: “A lot of the challenges when managing investments are around the timescales for decisions to be made and implemented, thinking about changes in strategy, for example. That speed of execution or implementation that a fiduciary manager can bring has been proven to be beneficial, and it's one of the reasons that fiduciary management is firmly back on the agenda, particularly given some of the movements we've seen in markets over the past few years.

“When you've got a dynamic market with changes happening, you want to be able to react to them, particularly if it's the ability to de-risk; and you need to do it quickly and structure a hedge and get all of that done which, in a traditional model, can take quite a bit of time.”

“Also,” he acknowledged, “the fiduciary solution wasn't readily available in the past to smaller schemes. You had to be of a certain size and it started large. It then came in a bit smaller and I've only been seeing, in the past few years, the really attractive cost solutions for the smaller schemes.”

Alongside the smaller scheme fiduciary management offerings, commented Charles Stanley senior portfolio manager, Chris Haywood, the investment strategies on offer today

Small schemes roundtable

are becoming much more tailored to a scheme's circumstances. "In previous years, when the schemes had a deficit and needed the growth of, say, gilts plus 2-3 per cent, a lot of strategies would have looked reasonably similar from consultants to fiduciary managers. Now, there is a lot more tailoring that needs to go on depending on a scheme's circumstances. If they are looking at a buy-in, it's not as simple as holding gilts and credit. All insurers will price differently. Some will use credit, some won't use credit. So knowing your insurer is really important as well.

"If it's run-on, then what is the ultimate aim? Are you investing for the level of income that you need? Is it growth surplus? Is it purely a trigger for when you do financially reach the point of buy-in or buyout?"

"So, the days of having a streamlined solution that you can apply to your whole client base are, particularly for the smaller end of the market, gone, and the idea of having more bespoke solutions now is more important."

That access to a tailored, bespoke solution that can come from a fiduciary manager has made a big difference, argued James: "For small schemes especially, you can often get a more optimal solution under a fiduciary investment approach than it may be possible to generate under a traditional approach using standard pooled fund building blocks."

Purdy agreed that the landscape



offerings were more bespoke, adding how fiduciary management in the past "was sold on the basis of being about picking managers, about getting you growth, and having a portfolio of 50 different best-in-breed managers. Now, it's about building a bespoke solution that is cost efficient and effective and matches the liabilities of the scheme, which is very different to where it was."

Finally, Haywood highlighted two additional reasons why fiduciary management was back in the spotlight – one being cost reduction and the other improved transparency: "There used to be big solutions with 50-odd managers that were used and a lot of the time you weren't quite sure what was going on underneath the bonnet. Fiduciary management has become a lot more transparent now."

Final thoughts

As the discussion drew to a close, the challenges facing smaller schemes once again came under the spotlight, as well as the importance of giving them support as they navigate the options available. Gandhi commented: "There are lots of challenges for small schemes; and access to data, information, and support is harder for them and proportionately more expensive.

"However, in general, the direction of travel is clear. The endgame strategy must be to exit the scheme from the company books. The quicker they can get structures in place, the better.

"The fiduciary management route is a good one, but it needs to be done with common sense, knowledge and also clarity of focus."

Alongside this, Purdy reiterated the importance of a "holistic view – the assets, the liabilities, and making the journey as efficient as possible, with



technology being a big part of that, as part of the monitoring of it all, and to improve efficiencies".

Flynn and Hymas both emphasised the importance of exploring how smaller schemes might unite to amplify their voices, especially in regulatory discussions; while Low added that, since larger schemes often face similar challenges, there may be valuable lessons they can learn from their smaller counterparts.

Flynn used his closing remarks to also reiterate the importance of not leaving small schemes in the dark: "One of the things we need to resolve is getting the right support for the circa 2,200 small schemes that, at the moment, are just invisible. And if we can agree that fiduciary management is one way forward for them, then that's a better position to where we were before.

"I truthfully think if we don't help them, nobody else is going to."

Finally it was Sibbit who closed the discussion with arguably the most important message of the day: "No small scheme, however you want to define that, is the same; you have to think of them individually, even though you probably want to be getting them all to the same place in the end."

*Contact Rebekah Bennett at Charles Stanley Fiduciary Management to learn how their service can support your scheme.
E: Rebekah.Bennett@charles-stanley.co.uk
T: 020 7149 6922*

Soapbox: Autumn's full of awareness days – but are we really reaching anyone?

As autumn settles in, bringing shorter days, chillier mornings and *Hocus Pocus* inevitably back to our screens, it also marks a period when the industry rallies to boost pensions awareness and engagement. Pension Awareness Week was in September and October brought both National Annuity Day and Pension Tracing Day, all within the space of a week.

Now, I'm sure most of our readers are familiar with Pension Awareness Week and Pension Tracing Day. But National Annuity Day, on 21 October 2025, was something new this year.

The initiative, led by Pension Potential (part of Punter Southall Group) and backed by Aviva, Legal & General and Standard Life, aimed to raise awareness of annuities and their role in providing guaranteed, lifelong income – a topic that feels particularly relevant when so many retirees are worried about outliving their savings.

In June, Standard Life reported that lifetime annuity rates have surged to their highest levels of the decade so far – reaching 7.72 per cent for a healthy 65-year-old.

That's a significant recovery from July 2020, when rates were just 4.71 per cent – a 64 per cent increase.

Similar research from Just Group earlier this year found that returns available to pension savers from guaranteed income-for-life solutions hit new highs in early 2025, and Hargreaves Lansdown has echoed the same trend, reporting that annuity rates continued to surge in value at the beginning of 2025.

Meanwhile, National Pension Tracing Day – which took place on 26 October 2025 – encourages individuals to hunt down their lost pensions, which can have a huge impact on their retirement savings. However, this one isn't new; it



marked its fifth anniversary this year.

Yet, despite five years of awareness campaigns, the Pensions Policy Institute estimates there are still 3.3 million lost pension pots worth a staggering £31.1 billion – that's roughly £9,470 per person. Even more striking, since 2018, the number of lost pots has risen by 75 per cent.

So, what do all these days have in common? Awareness. They shine a light on important issues in our sector and, ideally, encourage people to act – which is exactly what we need more of.

If you've read one of my soapboxes before, you'll know I'm a firm believer that our industry excels at developing solutions and putting in the hard work behind the scenes. But where I think we often fall short is in turning that awareness into meaningful action. Because let's be honest: Nothing worthwhile is achieved without it.

That brings me to my main question – how effective are these awareness days, really? Outside of our own industry bubble, when was the last time you saw one of these campaigns out in the wild?

On the tube home from work, on a billboard on the way to get groceries, or scrolling on your social media feed? If the answer is rarely or never, then maybe we're not meeting people where they really are.

Now, don't get me wrong – I'm all for an awareness day. I love an excuse for a day with a message behind it (as evidenced by my slightly over-enthusiastic love for Bonfire Night, which I'm pretty sure isn't anyone else's favourite holiday).

But if these campaigns are meant to reach people beyond our pensions bubble, shouldn't we make sure they are actually getting there?

These initiatives are vital for how we shape industry conversations and how we communicate with the wider world. But perhaps we need to refocus, to strip things back to the basics, make the messages simpler, and show up where our audiences actually spend their time.

And yes, I'm speaking as part of Gen Z, the generation everyone's desperate to reach but somehow keeps missing the mark with.

From my (nearly) two years in pensions, I've seen so much passion and dedication across the industry. The intent is there. The challenge now is making sure the message lands, not just with us, but with the people who need to hear it most.



Written by Paige Perrin

It is now 20 years since the Pensions Act 2004 came into force and the words ‘employer covenant’ became part of the DB lexicon.

Over the past two decades the employer covenant advice market has evolved from an uncertain start into a core pillar of integrated risk management, with many DB trustees now regularly receiving external advice to inform valuations, monitor sponsor performance and assess the impact of corporate events.

Covenant advisers regularly participate in consultations with The Pensions Regulator (TPR), Department for Work and Pensions and other governing bodies. Many actively participate in industry groups like the Society for Pension Professionals and even have their own professional body – the Employer Covenant Practitioners Association – with more than 20 member firms.

In short, covenant assessment has become a critical element of effective DB management – a reality that is now enshrined in both legislation – the Occupational Pension Schemes (Funding and Investment Strategy and Amendment) Regulations 2024 – and TPR’s new funding code, which together put the employer covenant at the heart of the funding framework.

And yet...

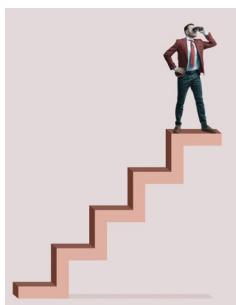
...this moment of recognition for the employer covenant industry comes at a time of great change in pensions.

In particular, the dramatic and sustained rise in UK gilt yields (from less than 1 per cent in 2021 to more than 4.5 per cent today) significantly improved funding levels, particularly those with fewer hedged assets.

At the same time, the new funding code emphasises the importance of proportionality in assessing covenant, particularly with reference to scheme funding. Whilst all trustees will be required to assess covenant under the new framework, the new code recognises

The future of covenant assessment

➤ **Employer Covenant Practitioners Association chair, Luke Hartley, explores the continued importance of the employer covenant throughout this period of great change**



that the extent to which schemes rely on covenant (e.g. for contributions) varies on a scheme-specific basis. Taken together with

TPR’s ‘fast track’ principles – that if met, result in a reduce level of regulatory oversight – the focus of covenant assessment for many trustees may change, moving away from short-term affordability towards a more holistic assessment of sponsor prospects and ability to underwrite downside risk.

Improved funding has also put many schemes within sight of their ‘endgame’ with trustees actively considering the long-term options for members. While we have seen record numbers of buyouts in recent years, an ‘ASAP’ risk-transfer to an insurer is not the only game in town. The first ‘superfund’, Clara Pensions, has now completed several deals and new providers are expected to enter the market. More widely, many trustees are considering run-on strategies as they address historical data issues, illiquid investments or even contemplate surplus release flexibilities set out in the Pension Schemes Bill.

So what does all this mean for the employer covenant?

The legislative and regulatory requirement to assess covenant has never been greater, yet trustee and sponsor

needs are changing as funding improves and new flexibilities are presented.

Accordingly covenant assessment is evolving, with advice becoming more tailored to the circumstances of the sponsor, scheme and its funding journey.

While many trustees will continue to require support in assessing the affordability of contributions or the impact of corporate events, others will be looking to understand the ability of their sponsor to underwrite their agreed run-on strategy, or the relative merits of various risk transfer options versus current sponsor support. To maximise the benefit of covenant advice, trustees and sponsors may wish to consider:

- working with your advisers to agree how covenant advice can be focused on the areas of greatest benefit, such as short-term affordability or sponsor longevity;
- taking the time to critically consider scheme specific objectives and risks, and considering the extent to which these are supported by covenant; and
- moving away from “how strong is my covenant?” to questions such as “does covenant underwrite the risk in the journey plan?” or “what risks are facing the sponsor over the next five years?”.

The covenant industry is already embracing this new approach; supporting its clients as trusted advisers and helping them to navigate new regulations, complex funding journeys and multifaceted corporate events.

➤ **Written by Employer Covenant Practitioners Association chair, Luke Hartley**

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► **Rethinking the path to buyout:** Amid a rapidly changing market, Just explains why insurers have the experience and skills to take the lead **p36**

► **Understanding the risks:** Just DB director of commercial, Rob Mechem, explains how BPA insurance is different to other types of insurance and the benefits it offers trustees and members alike **p38**

De-risking focus: Safe under cover



Just Defined Benefits director of commercial, Rob Mechem, and head of proposition development, Andy Fryer

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Rethinking the path to buyout with an insurer-led solution

➤ **A faster, cleaner path to buyout isn't just possible, it's essential. At Pensions UK last month, Just shared its perspective on why the industry must evolve and why insurers have the experience and skills to take the lead**

Defined benefit pension schemes are in the best funding position they've seen in decades. Buy-in volumes by number are breaking records, and insurers are prepared. Yet when it comes to transitioning schemes to buyout, the data cleanse process remains painfully slow, with almost identical timelines

whether it's a scheme of 100 members or one of 10,000 members. Taking 18-24 months is not unusual to finalise data, which, for a 100-member scheme, is more than five days per member. That's hard to justify. We believe that this can, and should be reduced to closer to a year... and we have a plan to make this happen.

It matters – delays hurt everyone

Delays in progressing a scheme, first through buy-in and then to buyout, create real friction. For trustees and sponsors, a slow path to wind-up delays access to surplus and drags out running costs. For members, it means slower access to insurer-driven benefits and innovation and, in many cases, a lack of transparency for members.

Current processes fall short

As insurers, we know how to onboard members, calculate benefits, and pay pensions. But we can't move forward without finalised, accurate data and benefit specifications. And right now, the data cleanse and guaranteed minimum pension (GMP) equalisation process is taking far too long. A two-year (or more) transition shouldn't be inevitable and we must stop treating it as 'just one of those things'.

There are plenty of reasons for the lack of speed. Third-party administrators (TPAs) are doing their best, but they're stretched. Processes are often misaligned,

with a lack of clarity and ownership between trustees, advisers, administrators and insurers. GMP equalisation is still hugely onerous, often requiring multiple rounds of advice and data processing. And the act of cleaning the data can often require multiple rounds of validation and checks, delaying things further. Ultimately, the issue isn't just the quality of the data, but the process required to solve the data challenges that arise.

The path to change

The answer isn't just about better admin data, it's about a better model for the entire data cleanse journey.

Trustees need to understand what's required to get to buyout, and the role they play in moving things forward. Advisers need to align with insurers earlier and insurers need to be clear on their needs. And the industry needs to start treating post transaction data cleanse needs as projects in their own right, planned for in advance with realistic timelines, workflows and budgets.

There's a lot more to this, however, and one of the real opportunities is to let insurers do more, leveraging our experience from working on hundreds of transactions. If we overlay this with the adoption of the right technology, we can leverage and amplify this expertise to allow us to do things differently.

What does this look like in the real world? As in many industries, AI is driving huge change. One way it has notable promise is to streamline producing benefit specifications based on scheme data. Cloud-based pricing tools and software solutions will allow pricing to be completed in seconds, not days. Data transformation is another piece of the puzzle, supporting the movement of data between systems and providers, standardising and validating it in an efficient and robust manner. These processes can be integrated with GMP equalisation approaches and benefit calculation tools, at scale.

Technology will further transform the member experience, enabling access to self-service portals, holistic planning tools and integrated advice journeys.

Insurers can take the lead

If the journey from buy-in to buyout is to accelerate, insurers must play a bigger role in the data cleanse process itself. With more than 150 buyouts completed at Just, we've seen first-hand where the pain points lie and how predictable many of them are.

"It requires closer collaboration with trustees and administrators, but if the goal is to deliver certainty and better outcomes faster, it's time for insurers to step up and lead"

Insurers know what 'good' looks like when it comes to data quality, and we have the tools, experience and regulatory oversight to take on more of this work with confidence. By bringing elements such as GMP equalisation or benefit verification within our control – and following transparent methods drawn from typical market practice – we can reduce uncertainty and cut months from timelines.

It requires closer collaboration with trustees and administrators, but if the goal is to deliver certainty and better outcomes faster, it's time for insurers to step up and lead.

Achieving this will require access to full data extracts and historic backfiles, transparent reporting, and trust and alignment around final specification and data sign-off, but it can be done.

Piloting this concept

We're already putting this approach

into practice and working on a transaction where Just intends to take on key elements of the data cleanse process, including preparing data for GMP equalisation. We'll also contractually commit to complete the GMP equalisation work after buyout, using Just's standard methodology, and underwriting its impact to provide full confidence for the trustees. For this scheme, which hasn't yet begun GMP equalisation, the approach means we can give a contractual commitment to reach buyout within just 10 months. By taking more of the process into our control, we can accelerate timelines, reduce uncertainty and deliver a smoother journey for trustees and members alike.

It's early days so we're treading carefully for now, but we expect this approach could become the market norm within a few years for schemes looking to achieve a quick buyout.

The nirvana is a smarter, faster path to buyout, and we're nearly there

The DB market is maturing. With that maturity comes the need to shift our assumptions about what 'normal' looks like. If we can quote and transact faster than ever, why are we still cleansing data the same way we did five years ago?

At Just, we believe there's a better way. The next phase of growth in the bulk purchase annuity (BPA) market will depend not just on insurer capacity, but on our collective ability to get schemes through transition quickly, cleanly and with confidence. At its heart, the real goal isn't just a successful transaction. It's



a secure, seamless outcome for every member.

Written by Just Defined Benefit director of commercial, Rob Mechem, and head of proposition development, Andy Fryer

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Understanding the real risks in defined benefit pension schemes

➤ BPA insurance is intrinsically different to other types of insurance, delivering a consistent, risk-mitigated solution for trustees and, ultimately, members



Insurance is a fairly well understood concept – you pay an insurer a premium, and in exchange, when things go wrong – your car is in an accident, your partner is ill, your house is damaged in a storm – the insurer steps up and pays your costs or some additional amount to smooth things going forward.

The insurance solution that a bulk annuity purchase (BPA) provider offers to defined benefit (DB) pension schemes is, however, intrinsically different. Our role is not to support the scheme only when things go wrong, but rather, to

remove the risk completely to create a seamless, guaranteed process for paying all the members all the benefits they're entitled to. If we were a car insurer, we'd take over ensuring you can get wherever you need to be, whenever you need to be there, 100 per cent guaranteed – you wouldn't even need your own car.

This is more than risk transfer. It's risk elimination.

Looking under the bonnet of a DB scheme's risks

There's absolutely no doubt that any trustee or sponsor of a DB pension

scheme is focusing on understanding and mitigating the risks the scheme faces. Nonetheless, the full breadth and severity of these risks can be difficult to fully prepare for or manage. Advisors play a crucial role in supporting trustees here, but nonetheless it's a meaningful challenge with many moving parts, and risks that are constantly evolving. The common thread, however, is that these risks might be on radars, but they're unpredictable, interconnected, and increasingly expensive to manage in house, particularly if these risks need to be considered day by day or in very stressed scenarios (e.g. the impact of the LDI crisis a few years ago).

Market volatility and investment risk

Even the best-funded schemes remain exposed to sudden shifts in market conditions. Over the past few years we've seen how quickly stability can unravel. Covid needs no discussion, while the gilt shock of 2022 saw that what many trustees thought were low-risk, well-hedged portfolios became a source of acute stress overnight. The lesson is clear: Market events can erode (or indeed improve) funding positions faster than schemes can react.

Insurers, by contrast, are built to withstand extreme scenarios, holding capital well above regulatory requirements and managing liquidity, collateral, and reinvestment risk as part of everyday practice. That means when volatility hits, members' benefits remain fully protected and payments continue



without interruption. The BPA model isn't just about transferring assets; it's about transferring uncertainty in the investment portfolio.

Longevity and demographic shifts

We're all benefiting from longer lives and improved healthcare. But the reality is that longevity management impacts DB schemes and must be prepared for. For larger schemes there are more options for longevity hedging, but these simply aren't available to many smaller schemes. Removing this risk, confident that a scheme can continue to pay out members' benefits even as they live longer, is the sort of insurance other sectors can only dream of.

Data integrity and cyber resilience

Protecting data and managing cyber risk is a growing concern for anyone holding data on their business or their stakeholders. And while it can't be removed completely, the more focus there is on this, and the greater the ability to understand, assess and mitigate the risk or, at worst, remediate any breaches, the better. Managing and preparing for these risks are now embedded in an insurers' risk management protocols, with dedicated teams and robust governance, offering additional peace of mind for trustees.

Operational drag and rising costs

In any business, the risk of increased costs is always a concern. But the operational and administration costs for a pension scheme are impacted by more than just standard cost pressures such as inflation or labour. Changing standards for service delivery, increased data needs and evolving regulation are examples of factors that can shift the fundamental administrative needs of a scheme, with a

corresponding impact on costs.

They also bring increased operational burdens and more



complexity, which, in turn, drive a higher level of operational risk.

Sponsor risk and a weakened employer covenant

DB pension schemes are closely tied to the fate of their sponsor, even years after the members in the scheme have left the business or retired. Sponsors also have their own challenges and priorities – managing their businesses, overcoming manufacturing or service delivery hurdles, sourcing equipment,

“Imagine an insurer offering car cover that completely eliminated your risk. Not just crash damage – all of it. No breakdowns. No fines. No maintenance. No admin. And you don't even have to do the driving. That would be revolutionary. In pensions, it's just what we do”

hiring teams or preparing for their own regulatory changes or new global tariffs. Managing and funding the pension scheme is important, but it's not core to their everyday business. And with one in four listed companies identifying that the DB pension scheme is a risk on their balance sheet, there's clear value in the responsibility being moved elsewhere.

Navigating constant regulatory change

Thinking about regulatory change is certainly not new, particularly in the context of the government's commitment to pension reform. While it doesn't happen quickly, it can nonetheless be difficult to predict and prepare for, not to mention expensive. The impact of regulatory change can also be wide ranging, touching anything and

everything from member service provision, to investment decision-making, to data management processes. BPA insurers do this at scale, for all of the schemes and members we support.

Very strong security and good value

This is where BPA insurance makes its case. If we were insuring your car, these risks wouldn't need to be managed, they'd simply disappear. We are prepared for complexity, volatility and uncertainty whether that's interest rate changes, sponsor covenant strength, evolving longevity trends or new cyber threats.

Let's go back to that car analogy one last time.

Imagine an insurer offering car cover that completely eliminated your risk. Not just crash damage – all of it. No breakdowns. No fines. No maintenance. No admin. And you don't even have to do the driving. That would be revolutionary. In pensions, it's just what we do.

The BPA model offers unmatched security, a robust regulatory framework, and an impressive track record in which member security sits at the centre of our model, underpinned by capital buffers and regulatory oversight. We believe we offer excellent value, with a dynamic and well served marketplace driving competitive pricing. We're also supporting the UK economy, investing in UK productive assets such as social housing, wind farms and more.

As we enter a new phase of market maturity, with many schemes well-funded and sponsors and trustees evaluating endgame options, taking a step back to consider the value of eliminating uncertainty seems a good move.



Written by Just Defined
Benefits director of
commercial, Rob Mechem

In association with

JUST.

Pensions UK Annual Conference 2025: Rebrand, renewal and the road to 2030



Manchester once again played host to the pensions industry's biggest gathering as the newly rebranded Pensions UK welcomed over 1,500 delegates to its Annual Conference 2025. Held at Manchester Central, the event marked the beginning of a new chapter for the organisation and the wider pensions community

A new name, a clear mission
The conference opened with energy and anticipation as chief executive, Julian Mund, unveiled the organisation's new identity: Pensions UK. The organisation's mission remains unchanged – helping people achieve better retirement outcomes – but its strategy is now firmly focused on being '2030 Ready'.

Mund set out five priorities that will guide this transformation: Enhancing capability, strengthening funding, maximising member value, influencing policy and championing better pensions for all. The tone was one of optimism

and determination, signalling that the rebrand is not cosmetic, but a strategic shift designed to modernise and strengthen the sector.

Reigniting long-term thinking

The opening plenary introduced two of the commissioners of the newly formed Pensions Commission: Baroness Jeannie Drake and Nick Pearce.

Pearce reflected on earlier successes in expanding auto-enrolment and



reducing pensioner poverty but warned that today's challenges are more complex. Rising self-employment, insecure work and demographic change have reshaped the landscape. Pension

freedoms have increased individual risk, and tomorrow's retirees, especially those with DC-only savings, may be worse off than today's.

Drake and Pearce made clear that tax relief and state pension age policy fall outside the commission's remit, though any Budget changes will be factored into their analysis. Their focus is on long-term reform, not short-term fixes.

As panel chair Emma Douglas noted, the sector is in good hands – this isn't Baroness Drake's 'first rodeo'.

The adequacy question

Pensions UK's latest research, launched during the event, reinforced why that long-term view is so vital. The study showed that while 44 per cent of people feel worse off than last year, the vast majority have not reduced their pension contributions. Most believe saving more should be encouraged, and 89 per cent want government to ensure pensions always rise with inflation.

The findings underpinned much of the debate that followed. Across sessions on contribution levels, investment strategies, retirement design and gender equality, delegates returned repeatedly to the same theme – adequacy. The question of whether people are saving enough, and how the system can help them do so, shaped discussions throughout the event.

Policy, reform and innovation

Momentum continued as speakers turned to the Pension Schemes Bill, currently before parliament. Chaired by Pensions UK's Katy Little, the bill's rapid



progress was welcomed with the panel agreeing the current pause before the House of Lords is a chance to reflect.

Panels also explored the implications of reforms around small pots, guided retirement products and the forthcoming value-for-money framework. While the mood was largely supportive, many urged policymakers to focus on outcomes for savers rather than speed of implementation.

Later, a lively debate between Will Hutton and Jo Cumbo explored whether defined contribution schemes should be encouraged to invest more in UK assets. Their discussion reflected the conference's ability to draw expertise from across finance, policy and journalism to tackle difficult questions from multiple perspectives.

The arrival of Pensions Minister, Torsten Bell, further raised energy levels, with only standing room available. His focus on collaboration and transparency reassured many delegates, and his relaxed style captured the tone of an event that balanced serious policy debate with openness and accessibility.

Regulators from the FCA, TPR and DWP followed, providing one of the conference's most technical and engaging sessions. They explored new approaches to innovation, risk management and governance, as well as the potential for technology and AI to improve administration and member engagement.

The road to 2030

The launch of Pensions UK's *2030 Ready: The Industry Lens* report added further



insight. Surveying members across the sector, it found that nearly half expect significant change by 2035, with inadequate DC outcomes identified as the greatest concern. At the same time, most respondents expressed confidence that the industry will adapt successfully, highlighting technology, data and collaboration as key enablers of progress.

Investing in the next generation

New to this year's conference was a dedicated student initiative, Pensions UK: Future Leaders, developed in partnership with Manchester Metropolitan University. Designed to introduce university students to the pensions and investment sector, the programme brought 40 final-year finance and accountancy students into the conference for a day of tailored sessions, followed by the opportunity to join delegates at the main event.

Students attended workshops exploring the theory and practice of pensions and investments before networking with professionals, visiting the exhibition hall, and participating in discussions alongside industry leaders. Supported by Manchester Central and Marketing Manchester, the initiative forms part of Pensions UK's wider commitment to giving back to the host city and building stronger links between academia, industry and community.

The inclusion of the Future Leaders programme added a new dimension to the event, one focused on learning, inspiration and legacy. It showcased how the conference not only convenes today's experts but also begins to cultivate tomorrows.

A conference of ideas and impact

The final day combined reflection and vision. Rt Hon Lord David Blunkett delivered a passionate address urging the industry to keep



its focus on real people and tangible outcomes. The closing conversation between Emma Douglas and Louis Theroux provided a fitting end – thoughtful, curious and optimistic.

Across more than 40 sessions, the conference demonstrated the diversity and depth of the pensions world. Policy specialists shared stages with economists, technologists, behavioural scientists and communications experts. There were deep dives into DB and DC reform, sessions on member engagement and ESG, and practical workshops on innovation, compliance and data. The exhibition floor buzzed with ideas and connections, while networking areas brought together professionals from every part of the industry.

As the event ended, the sense of momentum was unmistakable. The rebrand, the research, and the launch of the Pensions Commission all underscored one truth: This is a defining moment for pensions. The sector stands at the centre of national debates about fairness, adequacy and economic growth, and the conversations that began in Manchester will help shape the direction of reform for years to come.

Sessions and interviews from the conference are available to Pensions UK members via the member hub: <https://members.plsa.co.uk/home>

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James Alexander

Disclosures without the drama

➤ **As policymakers grapple with the future of pension sustainability reporting, UK Sustainable Investment and Finance Association (UKSIF) chief executive, James Alexander, sits down with Sophie Smith to call for smarter, more coherent disclosure rules that drive real-world outcomes, rather than red tape barriers**

The past few months have seen a flurry of developments in climate and sustainability reporting, with the Financial Conduct Authority (FCA) exploring how to streamline disclosures and a raft of government consultations, including plans to review pension sustainability reporting. In light of this, how can policymakers ensure greater coherence between the Task Force on Climate-Related Financial Disclosures (TCFD), the Sustainability Disclosure Requirements (SDR), and emerging transition plan frameworks, without overburdening trustees?

With the UK's sustainable finance regulatory landscape continuing to evolve for pension schemes and investors at large, we would like to see a more holistic view adopted by policymakers that more clearly links the role of disclosure to the delivery of real-world, sustainability outcomes.

There is a need to promote

proportionality in sustainability disclosures for smaller pension schemes in particular, given their more limited resources and capacity to comply when compared to other actors, such as large listed companies and asset managers, for example. Promoting coherence across sustainability reporting could free up valuable resources and capacity for schemes to report on those topics of most direct interest to beneficiaries.

One way of enhancing coherence across existing rules would be for policymakers to confirm the UK's approach to the adoption of the Sustainability Reporting Standards (SRS) S1 and S2 that was recently consulted on. Over time, we hope this can help alleviate the sustainability reporting burden for various groups, including pension schemes, through a rationalised, common language for sustainability-related financial disclosures. As part of this, the move from TCFD-aligned rules to the SRS should be carefully managed and we would hope to see the SRS effectively subsume TCFD requirements, reducing duplication while promoting a high standard of reporting.

Reporting frequency is another area that could be considered further to encourage a longer-term, more strategic mindset in schemes' approaches to disclosure, while addressing coherence. The revised UK Stewardship Code is a model to consider in light of its shift to less frequent reporting on stewardship policies compared with outcomes. Triennial reporting, rather than annual cycles, for schemes in regards to policies and other more static areas could be considered.

➤ **As part of its work on climate reporting, the government has asked The Pensions Regulator (TPR) to explore the practicalities of transition plan requirements for schemes and to develop and test a voluntary net-zero transition plan template that is fit for occupational pension schemes. What do you see as the most important issues for TPR to address in this work?**

Among its priorities, we hope that TPR helps to identify new ways to support the integration of transition plan requirements with existing TCFD requirements for schemes and other climate-related reporting. Its work could

draw closely on the TPT's Asset Owners Sector Guidance in the development of the template and focus on standards for larger UK schemes.

We look forward to supporting TPR's work on the template for pension schemes in the coming months and we would welcome clarity on envisaged next steps and timelines. This includes the role of the Department of Work and Pensions (DWP) in endorsing the template and potentially embedding this within future requirements for schemes, alongside clarification on the scope of UK schemes impacted by rules. On scope, policymakers may wish to consider a tailored approach towards different types of schemes to help promote an efficient roll-out of transition plans across the pensions industry.

➤ Many schemes still face data and resource challenges in developing credible transition plans. From UKSIF's perspective, what are the most urgent steps pension scheme trustees and their advisers should take now to build capability and prepare for future regulatory expectations?

Pension scheme trustees and their advisers should consider building further capacity now, for example, by developing familiarity with transition planning using a range of materials. This includes the Transition Plan Taskforce's (TPT) Asset Owners Sector Guidance and TPR's forthcoming voluntary template.

Schemes should work with their advisers and asset managers to help integrate climate transition considerations into risk management processes, stewardship policies, and their investment strategies.

➤ And how should policymakers take these limitations into account when developing reporting requirements?

Policymakers should be aware of the resource constraints that some pension schemes, particularly smaller schemes, may face and apply proportionality in future reporting requirements on transition plans. There should be effective coordination between government departments and regulators to ensure any requirements are both high quality and proportional for trustees.

➤ How can pension schemes ensure their transition plans go beyond box-ticking and genuinely influence investment decisions, supporting real-economy decarbonisation? What safeguards or policy reforms would UKSIF like to see to make sure new reporting rules drive meaningful progress rather than just increasing administrative burden?

There is a role for policymakers to ensure that new reporting requirements, such as transition plans, can support meaningful progress and real-world outcomes versus administrative burden alone. Policymakers should initially focus on high-quality disclosure of

transition plans rather than mandating implementation of plans at this stage, which could help avoid risks of 'transition plan hushing'.

The effective integration of transition plans within existing climate reporting for UK pension schemes could help unlock the value of transition planning for schemes in the long run. The process behind creating a robust transition plan will be especially important for many schemes in light of their inherently longer-term investment horizons, by encouraging schemes to engage in longer-term, strategic thinking. This includes in terms of managing the risks and opportunities of the transition and how these could impact their fiduciary duty and their beneficiaries' interests.

➤ There's been renewed political focus on pension investments recently. Are you concerned about the growing political influence over pension investment decisions – particularly in light of the new reserve powers in the Pension Schemes Bill and recent comments from the Reform Party?

We do have ongoing concerns about the risks of growing politicisation of UK pension schemes' investment decision-making. We share the views of industry and others, such as the Bank of England Governor, that the government's proposed mandation power carries various risks, and we think it is not aligned with schemes' fiduciary duties. Despite the government's claim that they do not intend to use the power, once such a power exists, political actors could potentially seek to use it to redirect investment in the future.

We believe that wider economic reforms, such as speeding up planning processes for clean energy projects and other nationally significant projects, should be the priority for attracting domestic investment from UK pension funds.

➤ Written by Sophie Smith



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► **Empowering boards to drive strategic projects with confidence:** Aon strategic programme consultant, Dana Wiesner, and Aon associate partner, Michelle Burgess, explore how trustees can leverage strategic programme management to navigate today's complex pensions environment and deliver more effective board oversight with confidence **p44**

► **Shaking the trees:** Aon strategic programme consultant, Dana Wiesner, and Aon associate partner, Michelle Burgess, speak to Pensions Age about how a strategic programme consultant working with a trustee board can shake up its project management and BAU tasks into a more efficient process **p46**

Governance focus:

Looking over the horizon



Aon strategic programme consultant, Dana Wiesner, and Aon associate partner, Michelle Burgess

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Empowering boards to drive strategic projects with confidence

➤ **Aon strategic programme consultant, Dana Wiesner, and Aon associate partner, Michelle Burgess, explore how trustees can leverage strategic programme management to navigate today's complex pensions environment and deliver more effective board oversight with confidence**

In an increasingly complex pensions landscape, trustees are facing heightened responsibilities. Defined benefit (DB) and defined contribution (DC) schemes are both navigating regulatory changes, greater scrutiny of member experience, and strategic endgame transitions. Board effectiveness is now more important than ever, with robust governance frameworks required to coordinate and resource multiple projects while enabling strategic decision-making to move forward.

From governance to leadership: Enabling strategic oversight

Over the past two decades, the responsibilities of pension scheme trustees have broadened considerably. Trustees are expected not only to understand the strategic direction of their scheme but to also oversee complex delivery environments. This demands a shift from reactive governance to proactive leadership, where boards are equipped to challenge, guide, and support the execution of multiple initiatives with confidence. The breadth of responsibilities facing today's pensions trustees requires a careful balancing act.

To meet these demands, a programme management approach offers trustees a strategic lens through which complexity becomes manageable. Supported by structured reporting and

expert consultancy, boards can maintain clarity, track budgets, anticipate risks, and deliver member-focused outcomes. As the pensions environment continues to evolve, the ability to adapt and respond to new challenges will remain a critical determinant of success and the programme management capability will be essential for this long term.

Project and programme management: Understanding the distinction

Effective governance hinges on understanding the distinction between project and programme management. Project managers deliver specific initiatives – such as GMP equalisation or data cleansing – within defined parameters. Strategic programme consultants, by contrast, oversee the entire strategic project landscape, ensuring alignment, managing interdependencies, and equipping trustees with the insights needed to lead and make effective decisions confidently.

In practice, this means moving beyond traditional quarterly updates to more dynamic reporting formats. Project progress reports showing red amber green (RAG) status, milestones, and risk trends help trustees intervene early and stay informed without being overwhelmed. The value of strategic programme consultancy lies in its ability to bring structure and clarity to

complex situations. By coordinating across multiple projects, Strategic programme consultants help trustees maintain strategic focus, manage risk, and optimise and align resources (both human and capital). This is particularly important in schemes pursuing an end goal, where timing and sequencing can have significant financial implications.

Evidence of value: Strategic programme consultancy in action

A strategic programme consultancy approach delivers measurable value. In one recent case, reordering project delivery saved over £1 million and avoided unnecessary system changes. Aon's 2025 Global Pension Risk Survey reinforces this, showing that schemes with structured governance and oversight are significantly more likely to achieve strategic objectives efficiently and with reduced risk exposure. Ultimately, strong programme oversight is essential for delivering successful outcomes and maintaining the trust and confidence of scheme members.

Starting well: Important thing to get right at the start of a programme

The most critical step at the outset of any programme is to fully understand the final objective and to establish a well-defined strategic direction, as well as conducting a map of all related activities. This foundation sets the tone for effective delivery and governance.

Programmes often fail because of one of two common reasons. The first is if programme objectives are not clearly defined at the start. If the start is rushed to save time it can become the cause of failure if the landscape was not properly

mapped and its complexity not fully understood. The second cause of failure is if the programme is not proactively controlled. The role of the Strategic Programme Consultant is to ensure neither of these risks materialise.

Practical tips for trustees: Enhancing programme oversight

Schemes can strengthen their oversight and governance by adopting the following best practices when managing complex programmes.

Strategic alignment

- Align projects in the programme with long-term scheme goals and board priorities
- Sequence projects to minimise rework and manage dependencies effectively
- Include future scheme projects on your agenda and assess how these may impact long-term goals

Delivery discipline

- Assign clear ownership and accountability for deliverables
- Use visual reporting to track progress and highlight risks
- Understand and document key project milestones risks and dependencies for each project
- Focus reporting on what trustees need to know. Filter out operational noise
- Manage scope and limit increase in activity to essential activity only

Decision support

- Define escalation routes
- Identify decision makers and approvals processes
- Schedule frequent meetings to check-in on the progress of projects within the programme to ensure timely course correction, if required.
- Monitor key project indicators to enable proactive and timely intervention

Early warning signs: Programme's off track

Some signs that a programme is off



track would be repeated delays, missed milestones, lack of accountability and stakeholder disengagement. Spotting early warning signs in delivery of individual projects in a programme is essential for trustees and sponsors so they can intervene before issues escalate and projects get de-railed. A programme consultant plays a key role in early identification and mitigation of these issues. This can be through structured reporting, regular check-ins, and escalation routes.

Robust reporting: Good reporting is essential for effective oversight

Good reporting enables trustees to maintain strategic oversight without being overwhelmed by operational detail. It should be clear, concise, and tailored to support strategic decision-making.

Key features of effective programme reporting include:

- Easy to read summaries: Use visual formats that highlight RAG status, key milestones, risks, and interdependencies across projects.
- Regular cadence: Provide updates at regular intervals, allowing trustees to track progress and spot trends over time.
- Informative content: Reports should highlight what trustees need to know—such as emerging risks, required

approvals, or changes to scope, budgets or timelines.

- **Programme Plan:** A plan on a page which shows project interdependencies helping trustees understand the broader plan and likely impacts across the landscape.

- **Strategic alignment:** Reporting should link delivery back to the scheme's overarching goals, reinforcing what success looks like for this programme.

Programme consultants play a key role in shaping and delivering this reporting, ensuring trustees receive the right information at the right time to support effective decision-making and to drive the programme of projects forward.

Aon's Global Pension Risk Survey can be downloaded here: <https://bit.ly/aon-gprs2025>.



Written by Aon strategic programme consultant, Dana Wiesner, and Aon associate partner, Michelle Burgess

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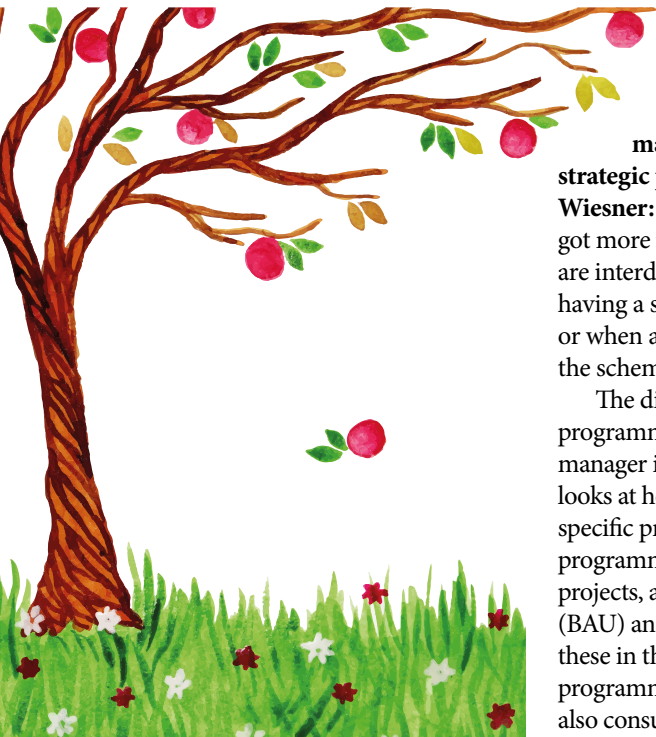
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Aon strategic programme consultant, Dana Wiesner, and Aon associate partner, Michelle Burgess

Shaking the trees

➤ Aon strategic programme consultant, Dana Wiesner, and Aon associate partner, Michelle Burgess, speak to Pensions Age about how a strategic programme consultant working with a trustee board can shake up its project management and BAU tasks into a more efficient process



What type of pension schemes

may benefit from working with a strategic programme consultant?

Wiesner: Any pension scheme that has got more than one project on the go that are interdependent would benefit from having a strategic programme consultant, or when a trustee board is thinking about the scheme's future.

The difference between a strategic programme consultant and a project manager is that a project manager looks at how to get from A to B for a specific project. Meanwhile, a strategic programme consultant looks at all the projects, aims and business as usual (BAU) and determines how to manage these in the most efficient way. A strategic programme consultant manages, but they also consult across the board.

We look at the whole and we will even explore the projects that haven't started yet. So, we will be asking probing questions like, "Where do you think your future is going?" And explain that possibly, "in order to get there, you need to start considering this now, because it's too late to consider that project in two years time", for example.

Burgess: We are seeing that for trustee boards, bandwidth can be a real barrier to completing everything they need to do to achieve their strategic objectives. Therefore, being effective in approaching your projects and managing those becomes even more important. And that's where the strategic programme consultancy comes in and can really add value.

How does a strategic programme consultant work, in a practical sense?

Burgess: If I think of examples across most of my clients, they all have multiple projects and often they are struggling to know how to navigate these, especially as they can cross different business streams.

So, looking at this through the strategic programme consultant lens, it's making sure that you're fitting those together in the right way, and in an effective order.

Often there is a very defined order that things should be done in, but trustees really need help and guidance through not only working out the programme of work, but then just keeping all of those things on track with realistic targets, while maintaining their BAU work.

So that's where we think that strategic programme consultants can really add value by bringing knowledge, skills and experience, while having oversight of these different projects. Also, by knowing how to put them together, but also how to keep them on track and to give the trustees what they need to get them to make decisions in an effective way without soaking up lots of their agenda time.

Wiesner: We ordinarily get brought in when the trustees suddenly have this epiphany that they've got a problem. There's a lot of panic about how they can't do it all at the same time, and how to navigate it.

Our team comes in and starts asking questions about each of the individual projects that are already in flight, and about what else is still coming. We also meet with administrators and say, "right, what do you know about that we need to consider? I call it 'shaking the trees' to see what falls out.

Once we've got a good understanding of all the different projects and their interdependencies, we establish the most efficient way of delivering them.

I often find myself having to say to the trustees and corporate sponsor that they are going to have to stop that project and put that on hold while we are busy with a different one.

It can also be about managing the expectations of the corporate sponsor regarding timings, where they can be in a rush to wind up the scheme. So, we have conversations with them, saying, "okay, in order for you to get here, these are the 25 things you need to do, and they all have a natural order in which they need to happen".

I think the value that we add is being able to step out of the noise, to look in.

A large part of what we do is educational. We educate the trustees, and the specialists involved with their various projects, as well as getting people to talk to each other. It's about connecting the dots.

Why might now be a good time for schemes to consider having a strategic programme consultant?

Burgess: From a broad pensions landscape point of view, there has never been a time when there's been more ongoing projects for trustees, with lots of complexity and interdependencies.

Wiesner: In the near future, we're going to be called in earlier to work with

trustee boards, but for now I would say that it really is dependent on the trustee board as to when they think they're going to need help. Ideally the minute they go out of their comfort zone, I would say is when they need help. I think they need to bring us in when they know that they've got more than one thing on the go at a time, to have us help them.

Burgess: Once clients have a strategic programme consultant, it becomes an extension of their team. They tend to stay on the whole journey with the trustees once they're in.

What makes for a successful strategic programme consultant/trustee board relationship?

Wiesner: Building up a trust base is really important and that takes some time. Transparency is also paramount in all of this, along with open communication throughout. We may not individually have the answer to everything, but we are very fortunate that at Aon, we have 1,000s of other people's expertise to fall back on.

What you want is a hive of activity at the beginning, while everything is being established. Then the noise settles down as the work is happening, before an upturn again during delivery. What I say to trustees is "this is what I'm going to report to you on, because this is the stuff you have to know. Is there anything else would you like to know?".

What should trustees look at for as signs the that the relationship may not be going well?

Wiesner: The trustees need to avoid micromanaging the projects. They definitely need to set the scene of what it is that they need, but they need to then allow the specialists to do their job.

I would also suggest trustees not to ignore things and to not avoid having difficult conversations with the strategic programme consultant.

Burgess: I think relationships are really key. This is very much a strategic

partnership with trustees. The investment consultant will have a very specific role, as will the scheme actuary, but this really is partnering with the trustees to help them with meet their strategic objectives. So, it's making sure that you understand what you what each of you wants from that relationship.

How do you do see the strategic programme consultant market developing?

Wiesner: For our team, we are not restricted, we are not purposefully restricting ourselves to one area of the industry. A lot of focus at the moment is on DB pension schemes. But actually once you get into a relationship with your strategic programme consultant, there is nothing stopping them from helping deliver other programmes of work. We are not only working on DB projects, we're working on investment projects, we're working on DC projects, and we're moving into the talents space as well.

Burgess: In the medium term, we know that pension schemes have a lot of huge projects ahead, so we can see a huge demand for strategic programme consultants. There is a huge resource gap in the industry generally, which lends itself to people that can help schemes manage their projects efficiently and effectively.

In the longer term, beyond the current space of large DB projects, the DC space is expanding with increasingly complex solutions, which may benefit from strategic programme management.

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Stephen Worthington

Can you start by giving us an overview of USS' member support operation – how is it structured and what role does the Liverpool HQ play in delivering service to members?

Our pensions operations team is made up of 13 functional areas, each focused on different aspects of a member's journey. That journey begins when someone first joins USS and continues right through to retirement and beyond, including support for their loved ones.

The team has a strong development ethos. We actively recruit colleagues from all backgrounds and abilities, and we're committed to offering development opportunities across the company. Every member of the operational management team started their career in pensions administration, which gives us a real understanding of what matters to members and how to support colleagues.

We know pensions may not be the first career choice for many young

Putting the 'me' in member

Universities Superannuation Scheme (USS) pensions operations and services executive, Stephen Worthington, explains how the UK's largest private pension scheme has made member experience central to its operations

people. To help bridge that gap, we run work experience programmes and apprenticeships and visit local schools to show that a rewarding career can be built in this industry. We genuinely care about our members, and our support is designed to guide them through every stage of their USS journey.

USS has invested heavily in its Liverpool base – what makes this location central to its identity and culture as a scheme?

Liverpool has been home to our administrative HQ since the scheme was incorporated in 1974. If you contact the scheme, chances are you'll be speaking to someone based in Liverpool. A huge part of Liverpool's identity is its community spirit – we look out for each other, and that's reflected in how we support our members. As the scheme has grown and evolved – both in scale and complexity – so too has the level of support we provide. In March 1980, USS was a final salary DB scheme serving 229 employers and 68,000 members, with around £1 billion of assets. Today, it is a hybrid career average (Care) DB/DC scheme serving around 330 employers and almost 577,000 members, with £76.8 billion of assets under management.

What advantages does having your member services in-house and in one place bring?

Every colleague in the department receives the same level of support and training, which means our service is consistent and aligned with our values. We listen closely to feedback through every interaction, and that insight helps shape how we evolve as an organisation.

Keeping the department in-house means we retain full control over service quality. Our colleagues are part of the organisation and invested in its success, creating a strong sense of ownership and accountability. We've repeatedly achieved the Customer Service Excellence accreditation, which assesses the quality of support we provide to members.

It also allows us to be more agile. When policies change or member needs shift, we can respond quickly without relying on external providers. That flexibility helps us stay ahead and deliver a service that is personal, responsive and built around our members.

Your scheme has a strong focus on empathy and listening – how do you train or empower your team to handle complex or emotional pension queries with that level of care?

At the heart of our approach is a simple but powerful ethos: Putting the 'me' in 'member'. This is more than a

phrase; it reflects the fact that we are members of the scheme ourselves. Every interaction should reflect the kind of service we would want to receive.

We invest in developing our colleagues, so they feel confident and equipped to handle every interaction with care and understanding. We're proud to have retained our Investors in People Gold status, reflecting a culture where empathy, professionalism and personal ownership come together to deliver a service putting the member first.

Behind every query is a person, often with a range of emotions. Every colleague completes a bespoke member focus training programme designed to build emotional intelligence and provide the tools needed to navigate complex or sensitive conversations.

➤ **Technology clearly plays a growing role in member communication. How are you balancing digital self-service with the human touch that members still value?**

We want to help members plan for their retirement with confidence, and providing the right support and safeguards is vital to achieving that.

We regularly liaise with individual employers to understand the kind of support their employees might need when planning for retirement, which helps shape the services we provide.

When we create great digital content and tools, members use them – around three quarters of our active members accessed the My USS portal last year, using calculators and information to understand what pension they could receive in future and how saving more could make a difference.

We also have a dedicated guidance and advice page signposting members to independent financial advisers. But we know that at certain points, members want a more human touch, and we invest in providing that too.

Thousands of members attend webinars to better understand their

USS pension, while in-person events at institutions help members make the most of digital support. We're also always at the end of the phone, ready to help members through difficult times, and we know from surveys that those experiencing bereavement particularly value that personal connection.

In all of this, we put the member first: What support do they need, and how would they like to receive it?

“We'll be evolving our approach to member support – moving from a primarily reactive model to a more proactive one”

➤ **How does the member support function work with other parts of USS – such as investments, governance or communications – to feed member insight back into wider decision-making?**

Member insights are critical in helping us understand what members think about their USS pension, what kind of support they want and how best to engage with them.

We conduct large-scale surveys to understand members' broader financial situation, their investment views and beliefs, and their awareness of key USS features. We also have a Member Voice Panel that allows us to engage directly with members, seek their views on different topics and test ideas.

We use this insight to identify member needs and develop solutions to address them – whether that's improving our tools, optimising investment outcomes, or making communications more engaging and accessible.

For example, for members with low literacy or financial awareness, we've repackaged our free guidance webinars into bite-sized videos. Our member communications team has also

undertaken specialist training with a behavioural psychologist from Lexxic to better understand neurological differences and ensure member-facing content is as inclusive as possible.

We constantly evaluate what we do, seeking members' views on what works and what doesn't. That allows us to learn and adapt, ensuring we meet member needs as effectively as possible.

➤ **Looking forward, what are your priorities for the member support team over the next few years?**

We are in the process of moving to Procentia's IntelliPen administration platform, a transition due to complete by the end of 2026. This will mark a significant step forward in how we manage and deliver our services. We're working closely with Procentia to ensure the system meets our expectations in terms of functionality, reliability and user experience.

We'll also be investing time in training colleagues, so they feel confident and well-equipped to use the new system effectively from day one. One of the most exciting aspects of the new platform is its potential to enhance the support we offer. It will introduce much more self-service and automation, allowing members to access information and manage aspects of their pension more independently and conveniently.

This shift will not only enhance the member experience but also free up our teams to focus on more complex and value-adding support. To align with this, we'll be evolving our approach to member support – moving from a primarily reactive model to a more proactive one.

This means anticipating member needs and identifying opportunities to offer support before issues arise. It's a change in mindset as much as in process, and it will be central to how we maximise the benefits of the new system.

Written by Callum Conway



Anyone that still remembers their teenage years knows that with burgeoning maturity comes the struggle of deciding what your future path will be.

The professional trustee market, itself having enjoyed a growth spurt in recent years, seems to be avoiding that awkward teenage phase altogether and is instead striding confidently throughout the UK pensions sector.

According to LCP's fifth annual *Sole Mates* survey, the UK's professional trustee market is "entering a new phase of maturity, with growth slowing but concentration intensifying".

It finds that 53 per cent of UK DB schemes now have a professional trustee in place – up from 12 per cent in 2021 – yet the year-on-year increase was just 1 per cent.

Meanwhile, WTW's recent research reveals an 8 per cent growth in professional trustee appointments over the past year, compared to 11 per cent growth the previous year. It expects this slowdown to shrink to 5 per cent over the next few years.

Despite this, Zedra Governance managing director, Kim Nash, is still seeing "opportunities where schemes are appointing professional trustees for the first time or replacing a current professional trustee".

Greater concentration

As well as slowing down as it matures, the professional trustee model seems to be becoming increasingly concentrated.

For instance, LCP's research reveals that just four firms (LawDeb, IGG, Capital Cranfield and BESTrustees) manage over 80 per cent of the DB assets overseen by professional trustees – £880 billion out of the £1.1 trillion.

It also finds that over half of the 226 new professional trustee mandates since April 2024 went to four firms – IGG,



Summary

- The professional trustee market is entering a new phase of maturity, with slower growth and a few firms dominating the space.
- The professional corporate sole trustee model is especially buoyant, particularly among smaller DB schemes nearing buyout.
- The Pensions Regulator has recently increased its oversight of the professional trustee sector.
- Despite the slowdown in growth, the professional trustee model is expected to remain robust over the next three to five years as schemes decide their long-term plans.



Coming of age

With the professional trustee market reportedly entering a new stage of maturity, Laura Blows explores whether the sector is experiencing any growing pains

Dalriada, LawDeb, and Zedra – and yet these firms only represent 42 per cent of the number of appointments, and that mid-sized players and new entrants are gradually increasing their share.

"We have seen two new firms being launched last year – Falcon Trustees and Aretas – that means there is definitely room for new firms to establish themselves," LCP partner and head of strategic pensions relationships, Nathalie Sims, says.

"The big question is whether there will be more M&A activity", she adds. "We are hearing rumours about more M&A activity coming amongst the different firms, so if we see some of those large players merging then the concentration will increase even further."

For Association of Member-Nominated Trustees (AMNT) co-chair, Maggie Rodger, the number of professional trustee companies is less of a concern, compared to where they come from.

"Professional trustees by and large are very good at their job," she explains, "but I'm just sceptical about the financing of some of the professional trustee firms,

now that they are not only derived from partnerships and common insurance, but from actual business management firms as well. I'm also highly sceptical about private equity coming into this bit of the market and changing it."

Despite the increasing concentration, the professional trustee market is still varied, as Association of Professional Pension Trustees (APPT) chair, Rachel Croft, highlights how the APPT's membership of 445 accredited professional trustees is drawn from over 70 firms, including sole practitioners.

Sole trusteeship – especially the professional corporate sole trusteeship (PCST) model – is certainly a vibrant area of the market.

Hymans Robertson research finds that 42 per cent of the professional trustee appointments to DB schemes were to sole trustees by March 2025, an increase from 37 per cent in 2024.

One reason for this growth may be the trend for smaller DB schemes in particular to transition to the PCST model as they approach buyout.

Sole trustee appointments have historically been to schemes in need of buy-in and wind up. But, Sims notes,

in this new age of DB surplus, “sole trusteeship now has a different purpose”.

This, Nash suggests, is because “the benefits you get from a sole trustee, such as fast decision making, is equally as applicable if you’re looking at a run-on situation”.

With schemes running on for longer, potential conflict of interests between the professional trustee and the sponsor will need to be carefully managed, Sims adds.

Making changes

Just as a scheme’s aims may evolve over time, so too may that of the professional trustee firms themselves.

For instance, according to LCP’s findings, hiring across professional trustee firms fell by 30 per cent over the past year, with the companies increasingly focusing on succession planning, governance frameworks and specialist expertise, rather than adding headcount.

Meanwhile, over the past five to 10 years, “the diversity of professional trustees has increased on almost every measure,” Croft says, “from the more evident demographic characteristics to skillsets – with the profession attracting a wider range of people from different backgrounds and at different stages in their careers”.

Isio’s research finds that 44 per cent of trustee directors at the 10 largest firms were female, compared to just under 24 per cent in the wider trustee market. However, just 8 per cent of trustee directors at the 10 firms come from ethnic minority backgrounds, versus 5 per cent in the wider sector.

Oversight

While the rapid growth has resulted in a new phase of ‘maturity’, for The Pensions Regulator (TPR), professional trusteeship is still a ‘young’ sector, with its regulatory oversight still to be bedded in.



employers, profit and remuneration models, in-house advisers, and the role of sole trusteeship.

“There is recognition of the power professional trustees are holding within the market now”

In particular, TPR chief executive, Nausicaa Delfas, said at the time that the regulator will “interrogate” professional trustee firms’ profit and remuneration models, to understand if the commercial imperatives of firms could affect trustees’ decision making, and whether there is any risk that services could be compromised in a bid to reduce costs.

She added that TPR will also explore the risks associated with professional trustee firms acting as a ‘one-stop shop’, such as whether there is a reluctance from professional trustees to properly scrutinise advice from, or to pursue errors by, in-house advisers.

Rodger agrees that a clear conflict of interest process is required for professional trustee firms that offer additional services, such as trustee secretariat or fiduciary management.

Rodger also pointed to recent surveys, which show that a significant share of professional trustee appointments, particularly PCSTs, were made without market comparison exercises.

“This concerns me as it implies that the market isn’t operating by comparing services, but by networks,” she explains.

“This issue was succinctly summarised by a professional trustee being asked: ‘When was the last time you sacked one of your own firm’s services because it wasn’t as good as someone else’s in the market?’”, Rodger adds.

Growth

Oversight and collaboration will only grow in importance as professional trusteeship’s influence expands across the pensions sector.

Professional trusteeship is less common within the DC space, as, according to WTW, only 5 per cent of professional trustee appointments were to DC own-trust schemes. While sole trader appointments are still strong within the Local Government Pension Scheme (LGPS), it is less common for professional trustee firms to enter this space, which Sims attributes to it requiring “quite a specific skillset” and “probably not being as commercially attractive to professional trustee firms compared to those schemes with a corporate sponsor”.

However, WTW’s research notes that professional trustees have recently been appointed in the nascent DB superfund market and to the first collective DC scheme.

Nash expects there to be strong demand for professional trustees “over the next three to five years, as schemes determine their strategic journey and require guidance through that process”.

“Schemes will probably have worked out where they want to be at that stage, so I’m expecting to see a drop-off in terms of new professional trustee opportunities after that time period,” she explains.

“But I think we are at that stage where there is recognition of the power professional trustees are holding within the market now, their ability to influence.”

Written by Laura Blows



In association with



L&G roundtable

MODERATOR



► **Moderator: Lara Edmonstone-West, Head of Solutions Distribution, L&G**

Lara is responsible for L&G's solutions distribution, leading the

development and delivery of a sales strategy to drive L&G's global solutions business for institutional clients. Lara joined L&G in 2025 from BlackRock where she held the title head of UK DB pensions outsourcing partnerships, growing BlackRock's UK OCIO business in DB markets, and across CDC and endowment investors. Prior to BlackRock, Lara was head of UK fiduciary management business development for DB schemes at Van Lanschot Kempen.

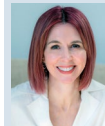
PANEL



► **Mark Clews, Professional Trustee, Dalriada**

Mark is a professional trustee and experienced investment consultant and is passionate

about positioning clients to make the most appropriate decisions for them given differing aims and objectives. Mark deals with pension scheme clients with assets of up to around £400 million on investment matters and has worked with several household names. He has experience of a wide range of investment work including investment strategy oversight, with a focus on managing risk, delegated investment management and coordinating the implementation of investment solutions.



► **Michelle Darracott, Professional Trustee, BESTrustees**

Michelle joined BESTrustees in 2023 after a number of

senior strategy, digital and liability-driven investment (LDI) roles in pensions. She is a highly accomplished, award-winning senior business leader with a speciality in pensions, investments and technology. Her most recent executive-level role was as chief strategy officer at Smart Pension. Before that, Michelle worked at Legal & General Investment Management and spent eight years as a consulting actuary with Hewitt Associates (now Aon).



► **Tim Dougall, Head of Delegated Solutions, L&G**

Tim is head of delegated solutions at L&G Asset Management,

responsible for providing holistic portfolio management services to a range of institutional investors. He works with clients across a broad spectrum of investment issues – governance, strategy, portfolio construction and implementation. Tim joined L&G in 2015 from Towers Watson (now WTW), where he was head of investment strategy for the UK delegated investment services business. Tim is a fellow of the Institute of Actuaries and graduated from Oxford University in 2002.



► **Hatty Goodwin, Trustee Director and Head of Risk Transfer, IGG**

Hatty is trustee director and head of risk transfer at IGG, leading

strategic de-risking and endgame planning for defined benefit pension schemes. With over 17 years of experience across investment consulting, governance, and risk settlement, she combines deep technical expertise with a pragmatic, results-driven approach. Before joining IGG, Hatty held senior roles in the pensions industry, advising on large-scale transactions and innovative risk management strategies.



► **Darren Masters, Professional Trustee, Capital Cranfield**

Darren is a professional trustee at Capital Cranfield Pension Trustees

Limited. Prior to joining Capital Cranfield, he was a partner at Mercer and headed up the covenant consulting business, having been involved in the covenant industry since its establishment in 2004. He is a chartered accountant and former restructuring and insolvency practitioner. He is also a regular contributor to the UK pensions press.



► **Lok Ma, Trustee Director, Law Debenture**

Lok is a trustee director at Law Debenture, having joined in 2023.

He has been working in pensions for more than 25 years, and in his prior role was an actuary and investment consultant at Willis Towers Watson. As a trustee, he works mostly with larger, well-funded defined benefit schemes, for which the topic of running on versus insuring liabilities is highly relevant. Alongside his defined benefit clients, Lok is also on the board for a commercial defined contribution master trust. He is a regular contributor to the UK pensions press.



► **Matt Riley, Client Director, Zedra Governance**

Matt joined Zedra in 2008 with a decade of varied professional pensions experience ranging from

documentation consultant at Prudential to consultant at Mercer. He is an Accredited Professional Pension Trustee (AMAPPT) and an associate of the Pensions Management Institute. Matt trustees to a number of defined benefit pension schemes with experience of schemes ranging in size from less than £1 million to £500 million. He is a regular contributor to the UK pensions press.



► **Mike Weston, Professional Trustee, Pi Partnership**

Mike is an experienced pension trustee chair and non-executive director, bringing extensive

executive leadership experience across pensions and investment management. His roles benefit from a strong history of delivering long-term value for pension schemes and their members through governance, investment strategy and stakeholder engagement. As the first chief executive of the Pensions Infrastructure Platform, Mike established a £1 billion infrastructure investment manager focused on core UK projects.



A time of opportunity?

► Our panel of experts explores the potential implications of the Pensions Investment Review on the future of the de-risking space and wider pensions environment

Chair [Lara Edmonstone-West]: We were all delighted earlier this year when we finally got a direction coming through in relation to the Pensions Investment Review and the Mansion House reforms. The government wants to improve UK economic growth – that’s on the agenda. It can see the collective amount of money sitting in UK pension schemes, defined benefit (DB) and defined contribution (DC), and thinks, ‘what can we do with this?’ The government wants to boost investment, and I think that’s good for pension savers; it’s good for asset managers; and hopefully a good opportunity for trustees to think about how to better invest.

But how do people around the table feel about the Pensions Investment Review? Does it present opportunity?

Michelle Darracott: I think the Pensions Investment Review does present

an opportunity to approach investment strategy considerations through a different lens and, one of the good things that comes with regulation often is innovation. One of the reasons I’ve stayed in the industry so long is that nothing ever stands still, keeping us on our toes.

For a long time, buyout has been seen as the gold standard and it is still high up there, but it’s always good to have choices because what’s right for one scheme isn’t necessarily right for all schemes.

Chair: I like the word ‘choices’ – choices are important.

Mark Clews: I don’t think the investment reforms alone have led to increased choice or optionality. In recent years we’ve seen the consolidators, for example, come into the market and that’s created optionality, which has been built on by the pension reforms.

I agree the review does create an opportunity, but you also need to have

the building blocks and the regulatory changes to allow that opportunity to exist. The headline is there to say, ‘this will exist’, but how long will it be before we see those changes coming through?

Chair: Yes, in the past few years there’s been more optionality, but have people been using the optionality to the extent they should or could have done?

Clews: No. If you consider the consolidators, for example, the idea was there many years ago, but it’s taken a long time to get those first transactions over the threshold. We’ve seen a small number of transactions and, even within those transactions, we’ve seen changes to the structure of those transactions, which has meant that the optionality is further still.

Also, from a consolidator point of view, the gilts crisis has meant that some schemes that were potentially in their cohort can instead now consider buyout, given the change in their funding positions; or may even be in a position where there’s surplus, so can run on.

Mike Weston: The review to me is almost playing catch-up with where the industry has been going in various instances – it is addressing a lot of issues and trying to put more structure around them. For example, the consolidation which the government talks about across the Local Government Pension Scheme (LGPS), DB and DC has already been happening, but there was a degree of uncertainty around how it should go forward and to what extent.

So, the regulation is catching up with where the industry’s been going, which means that we can get there faster.

Darren Masters: The Pensions Investment Review does represent opportunity and that will drive innovation. But are we an industry that’s stood still? Not necessarily. Twenty years

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ago, when we first formed the covenant industry – one line in a DB funding code – we innovated, we created things.

If there's one frustration, though, it's that we're jumping horses. We've gone through a passage where schemes have been pushed towards de-risking, with The Pensions Regulator (TPR) supporting de-risking, and we've got a lot of schemes heavily de-risked and in a position where member benefits are secure, and they're now suggesting an unwind of that. It's a paradigm shift in terms of direction of travel, but it does create optionality. It gives those schemes opportunities to stand back and reflect and say, 'yes, we have got to that secure position, but is there now something better we can do?'

Matt Riley: I think the innovation has been there. If you think back a few years, everybody was buying an annuity. That was the gold standard, and the options at retirement have developed over time.

The wider role of pension fund assets

Lok Ma: If you look back quite a few years, pensions regulations were very much about pensions within their own world. In the past few years, there's more of a trend to think about how pensions fit into the wider world and the wider economy. It started with ESG, and now with productive finance.

Darracott: And I like that! We saw from the gilts crisis the systemic importance of pension funds and, when



I think about my role as a trustee and what fiduciary duty means, maybe historically we've thought too narrowly about what fiduciary means from a trustee perspective?

Given all the money in pension funds, not just in the UK but globally, it's difficult not to think about the broader impact that pension funds can have.

Tim Dougall: We see that in the insurance space as well because, not only is there the Pensions Investment Review, but the government has also changed the solvency regulations for insurers, which makes it easier for them to invest in a broader range of productive assets.

Hatty Goodwin: There's an important point here – insurers have been positioning this as some form of intergenerational wealth transfer for a while. Now, I don't really believe the argument is either run-on or buyout, as it's more about setting a timeframe that is suitable for your scheme. But if a pension fund is going to be around for a while, there's a real opportunity to use its assets to benefit the community, the environment, or infrastructure. That's worth exploring. Of course, for lay trustees who are newer to investment, it can feel like a daunting subject.

Clews: I think the whole matching assets under Solvency II change is going to have the bigger impact because it allows that transition.

As a pension scheme, those schemes which are potentially five to seven years from thinking about endgame strategies, this is the time when you're thinking we need liquid assets to enable that transition to take place. If there can be a transition of their illiquid assets, good quality illiquid assets, into an insurance solution, then that creates that opportunity to say, 'yes, we will hold those because we know we can exit.'

We all know that the income streams

from illiquid assets are almost perfectly aligned to what we need from a pension scheme point of view, but we've all been potentially burnt by the idea of going into them and not being able to exit.

So, we need to keep an eye on that illiquid allocation. For example, a 10-15 per cent allocation makes complete sense, but we all saw during the gilts crisis that allocation very quickly could become a 25 to 30 per cent allocation.

Weston: Paradoxically, I'm intrigued that we have now the phenomenon of Long Term Asset Funds (LTAFs) introduced to address DC investment in private markets. They could be an ideal vehicle for DB schemes that have exposure to private markets in that gap between, or while you're thinking about, run-on or buyout.

Dougall: In fact, we are doing exactly that with our private markets LTAF.

Asset allocation and run-on

Masters: I had a recent discussion with a client who wants to run on for 10 years – they're fully funded on a solvency basis, and want to re-risk. I asked what sort of target they were looking at, and they said gilts plus one/gilts plus one and a quarter. Are we going to use that money to invest in aggressive UK productive finance assets? Probably not. But it also depends on how you define productive assets.

Chair: Yes, it's different if it's a scheme that knows it wants to run on compared to one that has a transaction in mind.

Ma: I have a few schemes that are looking at run-on. There is a concern that some schemes may be looking to de-risk too much, even in a self-sufficiency, low dependency state – and by that, I mean taking the return target way down. I actually think one needs to retain enough return either to build up a buffer against bad experience or as a partial way of mitigating longevity risk. So, return-



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seeking assets, even within a low-risk portfolio, definitely have a place.

That said, within the DB world, even given that argument, I'm not seeing many schemes go into very illiquid investments, just because they don't know whether people might change their minds about running on; there is more of a trend to go into what I would think of as semi-illiquid type assets. So, you still get the illiquidity premium, but it doesn't necessarily take two years to get out of it.

Goodwin: In the run-on debate, the covenant is key. You also need to consider whether you're looking at the investments holistically, or whether you've ring-fenced assets for annuity purchase if that decision is made. Then there's the question of genuine surplus – are those assets truly under trustee control? Who owns them in the end? Do they go back to members, or to the sponsor? If the sponsor is ultimately taking the surplus, they'll likely have views on liquidity, return targets, and intended use, especially since they bear the downside risk.

Masters: We often talk about the trade-off between illiquidity and return, but risk here is also important – obviously risk and return, that's the balance that we take as trustees.

Well, the risk-return dynamic we're looking at there, where we maybe have a surplus and we're running on to continue to generate surplus, is driven by who the surplus belongs to, but also who's taking the risk. So, if we have a buffer in the portfolio, I agree entirely that you want to keep some flexibility in relation to a portfolio for a number of different reasons (the implications of the *Virgin Media* case, for example – the known unknowns plus the unknown unknowns). But if you're consciously doing something, you've developed a framework, can you just run on in the

belief that you've got a strong covenant, so it'll all be okay? Probably not. From a trustee perspective, back to the fiduciary responsibility point, not having that covenant framework seems like a risk.

Dougall: It's difficult for trustees now also because we don't have all the secondary regulation yet, so we don't know the detail of what the framework is going to be. That seems to me to be the key thing that people must be concerned about – it's difficult to commit to long-term illiquid solutions because we don't have the detail yet.

Clews: Also, the one thing that we've seen outside of the changes to the investment regulations is the DB funding code coming through, and that has put a significant emphasis on covenant and the sustainability of that covenant. All these things combined allow us more informed decision-making in relation to saying, 'how strong is that covenant not just for next year, but throughout this period?'

Masters: Covenant is 21 years old this year – it came from the 2004 Pensions Act, and it has come a long way since.

Weston: Sometimes we forget that, if you went back 10-15 years or so, pensions just would run on. People didn't really think about buyout unless all your members retired, and the numbers went down and down until you'd get to a point where buyout would be the logical final act. Run-on was effectively running a pension scheme to its natural end.

Goodwin: Schemes began buying in benefits to insure risks they couldn't manage themselves – longevity being the prime example. It's a major unknown. A buy-in policy provides a cashflow matching, longevity hedging asset – it is a secure position. Trustees also benefit from both sponsor covenant and the regulatory protections backing insurers. So, if a scheme is fully funded on a solvency basis and has surplus, but



chooses to run on rather than purchase an annuity, that's a conscious decision. If it hasn't been properly considered, it could be risky – you might think you're enhancing protection, but you're actually shifting the risk back onto the sponsor.

Changing directions

Chair: Do we think the Pensions Investment Review has made people focus more clearly on the end game, what they're doing and where they should go? Has it changed their mind on what they're doing? Or is it too early for that?

Goodwin: This is new territory – we haven't previously been talking about surpluses at buyout. It's a different world. If you look at TPR's trustee toolkit, it's still geared towards closing deficits. There's very little guidance for trustees navigating a buyout surplus position. And there are risks – if you improve your position based on that surplus, you could inadvertently harm your technical provisions position if circumstances change and you need to reassess.

Darracott: I have an interesting scheme with a neat arrangement in place. If their surplus gets to a certain point, 105 per cent on a low dependency basis, then the sponsor can ask for money. (It's quasi-government, so it's a very strong sponsor). But then, if the funding position falls below a certain level, the sponsor commits to putting money in. That's a good example of a structure that was put in place many years ago that works well and could be something for

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other schemes to learn from in the future.

In this case, the Pensions Investment Review has permitted us to consider if there is anything else that we should be doing a bit differently. Also, because in this example it is quasi-government, the UK productive assets angle is quite interesting for them just in terms of the broader sponsor discussion.

So, looking ahead, I think it's about putting more of a framework around some of the things we've been talking about for the past 10-15 years, and making them more uniform.

Masters: I agree that the Pensions Investment Review is a cause for inflection. For the past five years, people have been saying that buyout is the gold standard, but this review is at least making people step back and ask if there are alternatives. Absolutely, there are alternatives, so it's an opportunity to reconsider our strategies, to think about what it is we as trustees – in conjunction with the sponsor and while thinking about the members' best interests – actually want to achieve.

For most of these schemes, we are not thinking about run-on forever, but run-on for a certain period. I used the example earlier of a client that wants to run on for about 10 years, knowing that timeframe would get all the members into a position where they're pensioners. And after that point, they're realistically running an insurance-type vehicle. But this is the first time that they've had an opportunity to step back and think

Chair: So that's somebody who's talking about perhaps a change in direction; and I hear snippets every now and again about schemes that were just about to do a transaction for a buyout and then they've paused for thought. So, do we think the Pensions Investment Review will change the landscape fundamentally?

Clews: I think everybody will think, at some point in time, that they will engage with an insurer. Timeframe to that? Who knows. For those schemes that are going through valuations/statements of strategy, I'd be very surprised if within that statement of strategy they're going to be saying, yes, they want to buy out, because that is quite bold.

So it's then a run-on. But if you then went to that trustee board and asked, 'what actually is your overall objective here?', it will be buyout, but it's the timeframes to that which are uncertain.

Ma: One of the things that has surprised me in these conversations is that, generally, the trustees have been a bit ahead of the corporates. When the regulations came out, my expectation was that corporates and advisers would be rubbing their hands thinking there's money to come back. But, by and large, on most of my schemes, it's the trustees that have been doing quite a lot of thinking in preparation for an approach from the corporate which typically hasn't come yet. I was a bit surprised by that.

Smaller schemes

Chair: Can I get Matt [Riley's] view here – you work with some smaller schemes and you said primarily their destination is to go to an insurance transaction. Do you think any of this will change that? Do you think they might aim to get there eventually but take a little bit longer because they do something else along the way?

Riley: I don't think so – they are too small. The actual getting the surplus out, it's just not viable, I don't think.

Chair: Is there an area of the market where they perhaps need a greater level of support to be able to understand how they can do it because, typically, it's an area which hasn't been governed perhaps as effectively? Will all this help crystallise a different level of support for those such schemes so that they can still access this opportunity and do something?

Riley: It's the classic case of them learning from the experience of larger schemes and then bringing it down to the level and the affordability for the smaller schemes to be able to take that forward.

Dougall: Also, with the growth of professional trustees, you are seeing a lot more of them helping those smaller schemes in that space. So, for a small scheme to run on, you need good governance and the growth of the professional trustee model is a fundamental part of that.

Riley: Yes, it's about bringing all of the options to the table. So, as with any decision, as a trustee you work your way through the options to ask, 'Is it a yes? Is it a no? What's best for the scheme?'

Masters: My view is that, over £500 million, you've definitely got optionality. Below £500 million, your options start to narrow. Below £50 million and £100 million, where are you going to go? You're probably going to go to the buyout market. It's just a question of when.

Clews: Also, with the smaller schemes – especially those that haven't been well managed in the past – the main challenge when looking to an insurer is data, and data quality. Until that is sorted, your timeframe to engage with an insurer is anybody's guess.

So, whilst you might be well funded and potentially in a position to transact, how much engagement are you going



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to get from the insurer to say, ‘yes, we’re willing to work with you?’

Riley: Once you start digging and looking in detail at the data, you find issues, don’t you? We definitely do find issues that comes out of woodwork when data is reviewed.

Portfolio implications

Chair: So Tim [Dougall], when you talk to people and they’re looking at their asset allocation, to what extent will some of these changes drive a change in asset allocation?

Dougall: Going back to the macro view, what’s the government trying to achieve with the Pensions Investment Review? It is trying to avoid fragmentation, and to encourage a shift in mindset towards a focus on value rather than purely cost. If you start from that, you’d expect to see more consolidation, with larger schemes running on for longer, potentially with more complex portfolios, looking to access productive finance investments such as infrastructure, real estate and other private market assets.

That’s the big picture government goal. That’s what government wants to happen. It wants schemes to set themselves up to do that. Will it happen? There are a lot of operational challenges in the way – we need to have the new regulations and we also need buy-in from lots of people to make it happen.

In practical terms today, the conversations we’re having with clients are typically about their long-term goals – are they aiming for buyout? Or run-on? Do they need flexibility? And so, yes, people are thinking in theory they might want to have more illiquid assets in their portfolios, but they just can’t decide on that yet. So, they want optionality.

Weston: If we are talking about small schemes we have to recognise that

many won’t really control detailed asset allocation because they’ve outsourced to a fiduciary manager (FM) and given that FM a number of high level objectives. It’s then the FM that’s deciding on the underlying asset allocation, including how much illiquids go into the portfolio.

Compulsion

Ma: We talk about ‘productive finance’ and then we talk about ‘UK productive finance’ – which are very different. In relation to UK productive finance, within the DB space, it doesn’t really come into the conversation very much. In the DC space, there are arguments for and against. But the best incentive to invest in the UK is through a tax incentive – what’s been universally unpopular is the idea of a reserve power to compel pension schemes to invest in the UK.

Chair: Do you have a view on that?

Ma: As a trustee, I will take into account the things that I’m told to take into account. So, if the regulatory regime changed so that I have to invest in UK assets, I will do it. Do I think it’s in the best interest of members? It’s probably a balance between the fact that pension members have benefited from a tax incentive in the past, so is there a quid pro quo that the investment is in certain areas that should benefit the government and the wider population? I don’t have a strong view on that. I’m just waiting to be told one way or the other. Personally, I would prefer a tax incentive, which is the driving force behind the rise of pensions for the last however many years.

I’m not down on UK investments, it’s just that a wider toolkit is always better.

Dougall: I think it’s fine as long as the supply side’s managed as well, because they’re trying to fix the demand side here, and the danger is you put a whole bunch of capital into a market that doesn’t have enough supply and force up asset prices,

and that’s not good for the end saver; so as long as the government also makes sure there’s sufficient supply, then it is arguably OK.

Masters: But what is productive finance? What do they want us to achieve? If this is about investment in startups, my background is as an insolvency practitioner and where do you see most of those startup businesses ending up? These are not established businesses, so it comes back to that risk-return dynamic, what are we trying to achieve here? And from a DB perspective, I find it difficult to consider this as an asset class that I want to invest in, even in run-on.

Riley: And in the DC world, it’s about the default – and is the man on the street going to be able to understand investing in these assets?

Masters: It’s also about increasing that pot, isn’t it? It’s about adequacy. It’s about making sure we’re trying to deliver better return, good for the member, good for the economy. And that’s a different dynamic. In the DB world, you’re delivering a benefit. It’s a set benefit. Yes, again, you can drive some surplus, but it comes back again to what’s our fiduciary responsibility as trustees? To deliver the benefits that are due and not necessarily to drive surplus.

Clews: I like what Lok [Ma] said, which was, basically, until we’re mandated to do it and told to do it, I would struggle as a trustee to go down that route, given the risk that those UK



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opportunities could drag on return and lead to an issue in relation to meeting the member benefits.

Now, it all comes back to what allocation you're making and what funding position you're in and everything like that, and whether it is just the surplus piece. Because, on this point about surplus being distributed to members and sponsor, ultimately, if the members are getting what was promised, is there an expectation to get more than that? That is a discussion to be had. But as long as the security of those members' benefits isn't at risk, it's a discussion to be had with the sponsor then, I think.

Dougall: Yes, if that surplus pot is viewed as part of the company's assets, and they want to invest in venture capital, then maybe.

Clews: I also agree that, while I think the appetite for illiquid assets is there, I don't think the architecture and the solutions are – that's the barrier! It's not necessarily whether everybody around the table thinks it's a good idea – illiquid assets in general are probably a reasonable idea. UK over global? That is a discussion to be had. But I don't think, in the UK at the present time, the architecture and the solutions and the opportunity set are there.

Weston: The key here is that productive assets cover a range of things. I would be completely comfortable – because I have an investment and infrastructure background – putting core infrastructure in a DB portfolio because



it's long-term contractual inflation-linked income – perfect. And private markets asset classes in a DC master trust that's got a 50-100 year investment horizon? Absolutely.

It's about the right private productive finance asset in the right place to achieve the right outcomes, and recognising the outcomes are very different for mature DB schemes that are thinking about run-on or buyout as opposed to an open, functioning master trust, as opposed to an LGPS fund, and so on – the right asset for the right type of scheme.

Governance and fiduciary duty

Ma: Can I ask an LGPS question? In the private sector, there's increasing professionalisation of people like us joining governing bodies. I know the government proposals include some changes to the administering authorities, in an effort to improve governance, but I think they've got watered down a little because the independent advisers end up not having a voting power. Do we feel like that world could benefit from a similar trend towards having more professionals involved? By size of assets, they're massive.

Weston: The biggest differentiator here is the independent advisers that are in the sector at the moment are mostly investment focused, and the government's push is to bring in people with a broader pensions focus. And I fully support that, because the pensions world is very complicated and adding that governance and experienced pensions resource into the LGPS will be very beneficial. But I haven't seen much of it yet. When and if that starts to happen remains to be seen.

Ma: What would make it happen?

Weston: It will need a regulatory push to make it happen.

Chair: Picking up on governance,

generally the industry is getting more complicated. What is the role of the advisers to help with all this? What do trustees need to be able to unpick some of these choices?

Ma: We touched earlier on the lack of clarity over our exact fiduciary duties as trustees/different interpretations. Some people think our duty is purely to look after guaranteed benefits, historical accrued benefits; other people have a more holistic view about the sum total of what you get. I know there are strict legal definitions and interpretations of what they are, but if the government wanted to encourage more of the 'how do pensions fit into the wider world?' type mentality, some clarification there would be helpful.

Weston: I personally have never felt unnecessarily constrained by fiduciary duty. You mention a strict legal definition, I think there is one, but it's still open to broad practical interpretation. When I hear people say, 'let's do a legal review of fiducial duty', that to me is an excuse for doing nothing. It would take a long time and probably not get us a whole lot further.

My own fiduciary perspective is that we've got two ends of the spectrum here: Do I want my members to retire with the most fantastic pension, but in an awful world? Equally it would not be good to have a brilliant world that my retired members have no money to spend in. Inevitably I'm somewhere in the middle. So the question is: What's the right level of pension and what's the right quality of world to have members retire into? I don't think that will ever be defined precisely by a fiducial duty. That is going to rely on the members, the environment, the trustees, the experience and, as long as we are within that spectrum, I do not feel I am constrained by fiducial duty.

Goodwin: There's definitely a



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shift in priorities in this new decision-making environment. The assumption that members' benefits are fully secured on buyout is a big one – they may not receive the same terms, and could lose out on factors, transfer values, and other elements. Similarly, assuming the insurer offers greater security than the sponsor isn't always accurate – we've seen consolidation and turnover in the insurance market, which can be unsettling from a member communications perspective.

Then there's administration – reviewing data and records is essential, but if members have had poor experiences and find the same administrator on the buy-in side, that could be problematic.

There are many consequences of either running on or transacting, and I don't think we're currently good at stepping back and defining our priorities. Are we focusing on discretionary increases? On admin service? Are we prioritising the person who's picking up the phone to our members when they are calling with a question? And then working out what the right solution is that fits our own individual objectives? And they're so different scheme-by-scheme.

Chair: So what value can the professional trustee bring to schemes here, and what does that mean for the governance framework?

Darracott: I don't think my value as a professional trustee is the fact that I've worked in pensions for 30 years and done a variety of things and understand pensions. Obviously, that's helpful. But the biggest value I bring as a professional trustee is being able to ask the difficult questions, or even the easy questions that nobody feels comfortable asking. Also to know when I need to bring in the investment managers, when I need

to bring in the advisers, and have a collaborative conversation to be able to answer some of the questions and assign the right priorities.

Chair: What are your thoughts on the definition of fiduciary duty here?

Darracott: I've never felt particularly constrained by a definition of fiduciary responsibility because, with the number of professionals available in the industry, collectively, with the right people in the room, we should be able to come up with a good solution.

Yes, it would be helpful to have framework stipulated in regulation so there's more consistency, but I don't feel like I have to wait for those regulations to be in place to be able to have productive conversations.

Masters: I agree the role of a good trustee is about asking those difficult questions. Most of the advice we get is the 'what?', and the bit where we add value is asking, 'So what? Why? When? How?'

So, how does a professional trustee add value? Particularly if you come on to a new trustee board, it's that ability to look and ask, 'Why are we doing what we're doing and how have we got here? Is it the right place to be?'

Clews: I would argue that the additional value a professional trustee can have relative to just a single independent is being able to bring the experience not from our backgrounds in our industry, but having the experience of working on different schemes, and being able to cross-fertilise that conversation to say, for example, 'this is something we need to consider now, because it's something that has come up and reared its head elsewhere, and this is what we need to do.' That's really important, and it's almost an unperceived value that independent trustees can bring.



Riley: That's the key bit, taking the best bits, the best people's ideas.

We are all going to approach a particular aspect differently, and as long as you've gone through the process, looked at the problem, discussed it with the people who have experience, then that has to be better governance.

Dougall: Do we think the industry in general is in the right place here? We hear all the time that the industry is slow moving and government wants some change. It wants capital invested. Do we think the industry overall is in the right place to make those decisions quickly? Is that going to happen, or is it just going to be a few years of nothing?

Weston: Arguably making decisions quickly is certainly not the best idea. There's a sweet spot. You don't want to be too quick, because then there's the risk of unintended consequences. But you don't want to be too slow. So I wouldn't be focused on making quick decisions, but the right decisions.

Goodwin: Rapid acquisition of knowledge is key. Having a professional trustee in the room who's up-to-speed, able to lead the discussion, and cut through the noise is invaluable – especially given the sheer volume of information we're all dealing with. Filtering that and pointing people in the right direction is essential.

I do agree with Mike [Weston] – it's about getting the knowledge first, then taking the time to make decisions within a well-considered framework.

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Ma: For me, the merits of professional trusteeship lie in the fact that we are now facing very existential choices. It is not the kind of ‘how quickly can we get to buyout’ discussion we have been having in the past. The run-on versus insurance settlement question is kind of probabilistic in nature, because you really need to understand the risk versus benefits-type stuff and that could benefit from a professional viewpoint.

Intergenerational fairness

Ma: To follow on from this discussion, trustee duties are to the membership, that’s a basic definition, but increasingly trustees and professional trustees need to think about intergenerational fairness across different layers of membership. When I hear about discussions around surplus sharing, discretionary increases for example, all that sounds great, but you do need to ask, ‘Are we in a situation where potentially one layer of the membership is getting all the benefits out of a surplus position, whilst another layer of the membership is essentially taking on the long-term risk of not settling the liability sooner?’

Chair: So how can trustees look at that intergenerational fairness, if you’re looking at the employer and the members and other beneficiaries?

Ma: One idea is the ability to distribute surplus through lump sums rather than by piling on top of pension amounts. The reason we like that is because it allows for much easier ways of enhancing everybody’s benefits in a way that’s fair, and it also does it in a

way that doesn’t pile on obligations and expectations for the future.

If you give a couple of discretionary increases, all of a sudden is it a long-term liability that you need to keep providing for? A lump sum is much cleaner, you’re not committing yourself to future things, and it is much more flexible.

Riley: It’s easy to communicate and understand from a member point of view as well.

Chair: We were talking about the benefits of a professional viewpoint, and I loved Hatty [Goodwin’s] phrase, ‘cutting through the noise’, as that’s so important. And we were talking about how you can learn from other schemes – that’s something you bring, cross-pollination.

How does that work for you in your world, Tim [Dougall], when you’re looking at your clients who come to L&G for delegated services? How do some of the clients benefit from what your learnings are and from your experiences on other schemes? Because it’s probably got some similarities.

Dougall: Yes, there’s a lot of crossover. In a sense, fiduciary management is a consolidation model – you’re allowing multiple schemes to benefit from the provider’s experience and scale, you’re consolidating the ability to source attractive investments, to manage risk, to access to a robust operating platform.

It’s always been difficult to consolidate on the liability side, and that’s what schemes have traditionally had to move to buyout for, but an outsourced chief investment officer (OCIO)/fiduciary manager is a way of accessing the benefits of consolidation on the asset side.

ESG

Masters: Are you under more pressure to report more from a stewardship perspective as well?

Dougall: Yes, definitely, but as a positive pressure point.

Masters: We’re asking the questions more and more because we can’t simply just say, ‘we’ve given you the money to look after, tell us how you’ve done.’ We want to know how it’s been done, and what you’re doing in terms of those interventions.

Dougall: And that filters down. So trustees get pressure from regulators, from the government, and then the role of the fiduciary manager or OCIO is to help examine those issues and make sure that they’re addressed.

Riley: The pensions industry is a large voice from an ESG point of view, in the background. 2030 is drawing ever closer and we are having to ask those difficult questions as an industry.

Chair: I am pleased that ESG has been raised today because it was a big focus point in the industry a few years ago, then it has gone a little bit quiet, depending on clients; but I think the traction is coming back and maybe it’s because the target dates are getting closer.

Clews: ESG was pushing its way up the agenda in the lead-up to 2022. Then 2022 came around, the gilts crisis happened, and it got pushed back to the bottom because there were bigger issues. Now, funding levels have improved and it’s pushing its way back up the agenda again. But it’s all about data. From a fiduciary management point of view, six years ago getting the data from the underlying was very difficult. It’s now more readily available.

Weston: If you went back pre-2022 when it was pushing its way up the agenda, that’s because it was different. The assumption now – and certainly my experience – is that it’s being done. It’s become mainstream, integrated into everything. That’s why we’re perhaps not



L&G roundtable

talking about it, because it is being done as a matter of course.

We see lots of reports from the managers and fiduciaries about the ESG activity that's being done, which we would not have seen five years ago. The managers that are not doing ESG are now definitely in the minority, if any of them exist at all. So, now it's about checking how it's being done, the levels at which it is being done and avoiding greenwashing.

Dougall: TCFD analysis as well, at least for larger schemes, was initially about making sure that the essentials were being covered, but the conversations we're seeing now are more around getting into the detail on strategy.

Goodwin: There's a strong member engagement angle here. ESG is an emotive topic, and especially as we are in the middle of Pension Awareness Week, it's often the one area that genuinely sparks interest from members. If a scheme asks about ESG-related issues, it tends to get a response – which is rare.

So for me, it's less about ticking compliance boxes and more about asking members how we can use their money in ways they actually care about.

Government asks and key take-aways

Chair: What would you be your one ask from the government to make your life as a trustee easier?

Ma: Distribution of surplus via lump sum.

Clews: I would like some continuity. Four years ago, the regulation was pushing us to de-risk to a level that buyout was the objective. Now there are more options out there, yes. But what I don't want to see is that, in two, three, four years' time, because things haven't happened quickly, for the government rhetoric to change. The government has made a decision. I'm not yet sure

whether it's the right decision or the wrong decision, but stick to it to allow us to implement some of these changes because flipping from one viewpoint to another doesn't help.

Riley: I agree with the stability bit, and take the party politics out of it and let it settle. That probably applies to health, education, everything! But the key point is to let it bed in before then tinkering with it again and having to reassess it.

Goodwin: And we would prefer carrot not stick – avoid mandation. Guidelines, yes, frameworks, yes, but mandation puts too narrow a focus on one particular piece.

Masters: I'd say don't paint trustees as the bad guys. We're being challenged now to reinvest for productive growth in the UK economy, having been pushed towards a position of de-risking. We've changed the course massively and, to an extent, there's a risk that we get painted as the bad guys because we're not supporting the government's growth agenda. Well, fiduciary responsibility and member interest is my key driver.

Chair: Any other key takeaways?

Weston: My key takeaway is consolidation. From my perspective, consolidation is a good thing because it has the potential to increase professionalism, expertise, and scale does tend to reduce costs.

Secondly, I accept that our world is getting more complex – we have a broader range of options to consider. That's where professional trustees can help because we have the experience to look at that more complex environment, to ask the right questions and then to take considered decisions on that basis. Hopefully, if we do our job properly, that will feed through to better overall holistic outcomes, for the members, sponsors and the broader environment.

Darracott: I agree – we play

important roles as professional pension trustees, but coming to events like this reminds me just how important the co-creation of solutions is, and that we continue to have diverse views around the table, and that we do challenge the way things have been done historically, because there's always room for improvement. That's not about taking sudden jerks in a new direction but asking whether there are ways that we can continue to evolve.

It's about evolution for the benefit of the member. In DC, members are actually interested in how their money is being put to use. And if we can do more of that, get members more engaged through having productive conversations around what we're doing with the investment strategy, that would be great.

Dougall: In terms of my key takeaway from today's discussion, I think the Pensions Investment Review is a catalyst for change, but it's going to require engagement from a lot of different industry participants to make that change happen and get the outcome the government wants.

It seems to me there is a lot of engagement in the industry and the point that was made earlier about trustees thinking about what to do with surplus even before sponsors, that was interesting.

But it's up to the government to follow up with the secondary legislation and to provide the consistency and the timeline to allow the industry to develop.





Summary

- The UK has low social mobility, with leadership in financial services still dominated by white men from higher socioeconomic backgrounds.
- Apprenticeships, and diversity, equity and inclusion (DEI) programmes, are helping to provide access to the pensions industry, but progress remains uneven across firms.
- Major barriers include traditional recruitment practices, high qualification costs, and the concentration of opportunities in London.
- Experts urge firms to collect socioeconomic data, remove unnecessary degree requirements, and focus on recruiting for skills and potential to drive lasting change.

White men from higher socio-economic backgrounds are 33 times more likely to be found in senior financial services roles – including the pensions profession – than women from ethnic minority and lower socio-economic backgrounds, the 2024 *Progress Together* report suggested.

It is a statistic that arguably highlights the scale of the challenge facing the industry when it comes to social mobility – the movement of people between social or economic classes.

The figure reflects a wider pattern across the UK, where social mobility remains persistently low. Among Organisation for Economic Co-operation and Development (OECD) countries, the UK has one of the lowest rates of social mobility, with research indicating it takes around five generations for someone born into a low-income family to reach average income levels.

The current landscape

While the figures paint a challenging picture, there have been some signs of gradual improvement over the past couple of years.

Several firms, including Aviva, Hymans Robertson, and Schroders, have been ranked in the Social Mobility Employer Index, while initiatives such as the Pensions Management Institute's Trustee Accelerator Programme have also aimed to widen access and attract a more diverse range of people into the profession.

Muse Advisory CEO, Ian McQuade,

Sizing up the social mobility challenge

Paige Perrin investigates why social mobility in the UK pensions industry remains limited, and how apprenticeships, DEI initiatives, and smarter recruitment could finally open the doors to a more diverse workforce, in the latest for *Pensions Age's* special focus on DEI

suggests that, as with many office jobs, the pensions sector has a less diverse mix of people for whom the work appeals.

However, he notes the industry has become regionally broader and now draws more people from a wider range of educational and socio-economic backgrounds than in the past.

Arguably, the growing number of apprenticeships has been a big influence in improving the state of social mobility in the pension sector, with recent research from the Society of Pension Professionals (SPP) showing that 52 per cent of firms now offer an apprenticeship programme – a development that possibly reflects a more open approach to recruitment.

McQuade describes this as “good progress”, adding that “there is greater recognition as to the skills and experience that are available, and therefore firms in our industry are casting their nets wider to find the talent that can be elusive”.

However, he stresses that opening the doors is only the first step, arguing that

it’s “crucial” to ensure these individuals have support structures within the business, especially if they lack them outside of work.

SPP president, Sophia Singleton, agrees that apprenticeships have been “a key driver” of progress in social mobility but acknowledges that there is “clearly much more” to do to ensure people from a diverse range of backgrounds have a good chance of entering the industry.

“This is really important to us, not only because it will lead to better decision-making and results, but it will also ensure that, as an industry, we better represent the savers whose money we are looking after,” she says.

Singleton also explains that working from home and the hybrid working revolution have in turn helped social mobility, providing opportunities for people to work with teams across different regions within their firms and for companies that are not necessarily based where they live.

Challenges and barriers

Despite progress in some areas, it is important to remember that there are still barriers on the path to progress. These challenges appear to be rooted in both structural and cultural factors that continue to shape who enters and advances within the profession.

NextGen Research & Insights Sub Committee member, Suneet Chavda, explains that the “biggest structural barriers” include the reliance on traditional recruitment practices, the high cost of professional qualifications, and the concentration of opportunities in financial hubs like London.

McQuade similarly points out that firms with pension consulting or actuarial divisions still rely heavily on graduate recruitment, which can limit diversity.

Chavda adds that NextGen’s research suggests family background also continues to influence career paths in the pensions sector, and that diversity levels vary across roles – for example, legal teams tend to be more diverse than administrative ones.

McQuade stresses that ensuring those from less privileged backgrounds have the same opportunities to progress is a “much harder challenge”.

“It is down to those who are recruiting or promoting people to look for the talent that lies within people.”

He also notes that, despite there being “so many opportunities” in the industry, many people still end up in pensions “by accident” – something he suggests could reflect an ongoing image problem.

“The role we have is critical to society and incredibly varied. As someone joining an industry, there are so many different opportunities,” he states.

Pathways to progress

Many in the industry agree that the first step toward meaningful change on social mobility is better data collection. Without understanding the socio-economic makeup of their workforce, firms arguably cannot take targeted action to

improve social mobility.

Singleton says: “As with many sectors, the industry could and should do more to capture social mobility data, as many firms don’t know the socio-economic makeup of their workforce.”

She questions how employers can act “if people don’t know the size of the problem”.

Social Mobility Foundation chief executive, Sarah Atkinson, echoes this, stating: “Change starts with data; we need to be able to see the problem to fix it”.

“Social mobility is increasingly on the industry’s radar, and while there is growing awareness of the importance of this issue, more needs to be done to integrate it into broader diversity and inclusion strategies”

She highlights figures showing that around half of firms in the Association of British Insurers still do not collect socio-economic data, meaning they lack a full picture of their workforces. “Clearly, this needs to change,” she adds.

Despite this apparent awareness, progress on data capture appears “very limited”.

Sutton Trust research and policy manager, Erica Holt-White, notes that only 15 per cent of employers ask about the profession or class background of employees’ parents, while 60 per cent collect data on ‘protected characteristics’ such as gender, ethnicity, and sexual orientation.

Atkinson suggests that improved data can underpin practical measures to remove barriers – for example, covering work-experience costs, removing unnecessary degree requirements, and introducing mentoring schemes.

Adding to this, Chavda says NextGen’s research identifies three key areas for employers to focus on: Recruiting for skills and potential over polish, widening the talent pool, and capturing socio-economic data effectively.

“Employers can widen their talent pipeline by improving their recruitment practices, including ensuring that opportunities are openly advertised and transparent, as well as diversifying their recruitment channels,” Holt-White suggests.

She argues that “tapping into talent” from a diverse range of backgrounds can help employers move beyond a narrow cohort of the most advantaged candidates – a change that may ultimately benefit both the industry and wider society.

“Social mobility is increasingly on the industry’s radar, and while there is growing awareness of the importance of this issue, more needs to be done to integrate it into broader diversity and inclusion strategies,” Chavda stresses.

“Efforts to rebrand the industry and highlight the opportunities for innovation and impact could help attract a more diverse range of young talent. After all, as an industry we underpin the financial wellbeing of millions across all demographics, so we have a unique responsibility – and a real opportunity – to lead the way on areas such as social mobility,” he adds.

The coming years may show whether initiatives such as apprenticeships, mentoring programmes, and improved recruitment practices can translate awareness into tangible outcomes.

For now, the sector appears to be moving in the right direction, but experts suggest that sustained attention, data-driven strategies, and cultural change will be crucial if social mobility is to improve meaningfully within pensions.

 **Written by Paige Perrin**

A rose by any other name...

➤ **All languages evolve through use, and the 'language' of the UK pensions sector is no exception. *Pensions Age* asks: What industry terms would benefit from a renaming?**

Some terms have already evolved, like 'salary exchange' or 'pension risk transfer', making things easier to grasp. But others could still be simpler, like 'defined contribution' becoming 'flexible pension', 'drawdown' becoming 'flexible pension income', 'lifetime annuity' becoming 'guaranteed lifetime income', 'auto-enrolment' becomes 'automatic pension saving', 'de-risking' becoming 'safer investment choices', and 'target retirement date' becoming 'selected retirement date'. Pensions are important and updating pension language isn't just about words, it's about trust. When information feels clear and human, it helps people see pensions as something that belongs to them, not just a system to navigate.

Quantum Advisory senior pensions administrator, James Turner

The first one that springs to mind is 'relevant benefit crystallisation event'.

Like most pension terminology, it's really a case of never using such phrases when talking to scheme members. After all, would a medical practitioner tell a patient they have 'rhinovirus' instead of saying they have a common cold? As pension practitioners, we have a duty to speak the language of our audience. Using pensions jargon doesn't make members think we're clever – the exact opposite is true, serving only to undermine trust and confidence.

Finally, there's a bed of nails reserved in the seventh circle of hell for anyone who initialises terms such 'relevant benefit crystallisation event' – 'RBCE'? No. Just no!

Trafalgar House senior pensions communications associate, Paul Bleasdale

We all know that 'decumulation' is an unfortunate term, carrying negative connotations due to the 'de' prefix and sounding somewhat medical. Yet, in 15 years, no one has devised a better word that encapsulates, in a single term, all the options available for withdrawing cash from various types of retirement savings arrangements. These days, most answers seem to come from GenAI – so, how about 'liquidation', 'payback', or 'spendout'?

Zedra head of proposition development, Mark Stopard

I was pleased to see the government's language change from 'decumulation CDC' to 'retirement CDC', which feels far more intuitive and gives a clearer sense of purpose. Too often, our terminology evolves to suit technical precision rather than public understanding, and that creates distance. I also have some concerns that the aims of 'targeted support' could be watered down and what providers actually deliver may be closer to 'targeted messaging', which risks missing the point entirely.

Isio director, Iain McLellan

If I could rename one industry term, it would be 'decumulation'. It makes sense to us in the industry but means absolutely nothing to most savers. It sounds clinical, complicated, and joyless, when the reality is about something as personal as turning a lifetime of savings and planning into income for the rest of your life.

When we talk about decumulation, we're really talking about how people use their pension. Yet the language makes it sound like a calculation rather than a life stage. Imagine if we used phrases such as 'later life income plan' or 'your next chapter fund'? People would feel more personal ownership straight away.

Scottish Widows retirement expert, Susan Hope

'Discharge form' – who came up with that? It sounds medical, mildly offensive, and definitely not something that inspires confidence. Worse still, I've heard people call it a 'form of discharge' – which makes it even worse. This is meant to mark the end of someone's retirement journey, not their time in quarantine. Can we please just call it an 'exit form' or 'scheme leaver form'? Anything that doesn't sound like it needs a prescription.

Trafalgar House client director, Dan Taylor

First in my room 101 of jargon is 'Uncrystallised Fund Pension Lump Sum' (UFPLS). It sounds like a *Teletubbies* character. Perhaps 'Direct Access Lump Sum' would work better, if the industry could forgive the slight loss of specificity. 'Accumulation' and 'decumulation', while they do what they say on the tin, might be a bit more accessible if they were changed to 'contribution phase' and 'access phase'. Another one: 'Money Purchase Annual Allowance' (MPAA) is so antiquated and 'MPAA' sounds like a qualification. How about 'post-access maximum contribution'?

I know many in the industry will fear such over-simplification could be misleading. However it's our job to fill in those gaps in understanding for people anyway. Why not start with friendlier language? Clear communication isn't dumbing down, it helps everyone engage confidently with their financial future.

PensionBee director of public affairs, Becky O'Connor

Private Markets Guide 2025:

Gaining momentum

Featuring:

- How the Mansion House Compact and Accord are driving UK pension schemes to increase their private market allocations
- The biggest opportunities investors are seeing in growth and venture debt as an asset class, and how pension schemes can take advantage
- Company profiles



BlackRock

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Going private: The asset class gathering pace

As the Mansion House Compact and Accord take hold, UK pension schemes are stepping up allocations to private markets. Sandra Haurant reports



Summary

- Private markets have been of increasing interest over recent years, with both the UK and US encouraging investment in private markets for DC pensions schemes.

- The UK's Mansion House Compact (in 2023),

and subsequent Mansion House Accord (in 2025), have both pushed pensions towards private markets, accelerating a journey that was already underway, with the Sterling 20 adding to this.

- Since the start of the compact, signatories have already doubled allocations to private equities.
- Key players like BlackRock have made significant commitments to private markets, with important acquisitions in the space over the past year, indicating a long-term interest in the space.
- However, illiquidity remains one of the most-cited areas of concern for investors.

Private markets have been under the spotlight over the past few years, on both sides of the Atlantic. In the UK, some of this attention has arrived as a result of the Mansion House Compact, a voluntary, non-binding agreement signed by 11 of the UK's largest pension providers in the DC space. Key to the Compact is the allocation of 5 per cent of assets in default funds to unlisted equities by 2030.

More recently, in May 2025, came the Mansion House Accord, a complement to, rather than a replacement for, the Compact. The Accord seeks commitment from pension providers for the investment of 10 per cent of default funds in private markets, and half of that should be within the UK. Some 17 providers,

making up 90 per cent of active savers in DC schemes, have signed up to the Accord. The Compact focuses on private, non-infrastructure, equities, or shares in companies that are not publicly listed. The Accord has a wider remit, opening out to more private markets, including infrastructure, real estate and debt.

And even more recently, the signatories to the Accord, alongside Rothesay, Pension Insurance Corporation and the Pension Protection Fund, have signed up to form the Sterling 20, an investor-led partnership intended to channel savings into key infrastructure and fast-growing businesses.

It's early days for the Accord and the Sterling 20, but the Compact is starting to see measurable results. The Association

of British Insurers (ABI) published its latest update on the Compact in October 2025 and revealed that allocations to private equities among signatories had doubled from £0.8 billion to £1.6 billion of total assets, a decent step along the way to the target 5 per cent.

Announcing the figures, ABI director of long-term savings, Yvonne Braun, said: "Signatories have taken important additional steps, including making necessary changes behind the scenes, to reach the Compact's goals. Changes to asset allocations take time, with many steps and approvals before capital can be deployed. Having made progress on the early stages in the first year of the Compact, we're seeing this gain momentum in the second year."

And in the US, private markets have made headlines too. In June this year, BlackRock's CFO Martin Small said in the company's *The Power of Public Markets* report: "With respect to US DC plans, there's a sea change happening, and I see a real pathway for private markets making their way into target date funds."

In August, one of the US administration's executive orders also directed the Department of Labor and Securities and Exchange Commission (SEC) to issue guidance on investment in private market assets for 401(k) pensions.

A helping hand

The government's hope with the move towards private markets is the creation of a virtuous circle that ensures the wheels of the country keep turning and DC savers can retire with a decent income.

As IFM Investors executive director of public affairs, EMEA, Gregg McClymont, puts it: "The private markets dimensions might have remained only a debating point something discussed with interest at pensions conferences without impacting on public policy – if it were not for the ongoing weakness of the UK economy, and the extent to which this is associated across the political

spectrum with too low levels of domestic capital investment.

“In a nation in which pension savings are the main form of domestic savings, politicians have few other levers to pull.”

Isio head of asset class and manager research, Ajith Nair, says: “The Mansion House Accord has acted as a catalyst... It has also helped remove friction by encouraging DC consolidation, clarifying regulatory pathways, and supporting the development of low-governance access vehicles such as LTAFs. These structures are particularly valuable for DC schemes, which require scalable, cost-effective routes into private markets.”

WTW global head of multi-asset solutions, Katie Sims agrees, but clarifies that “the shift toward private markets was already underway, driven by the search for diversification, long-term returns, and alignment with global pension trends”.

Liquidity challenges

While there has been a move towards private markets for pensions, there are valid reasons for the shift to be gradual.

“Historically, several barriers have constrained UK DC schemes from allocating to private markets,” says Sims. “Illiquidity concerns have been a major factor, as daily dealing requirements in DC schemes conflicted with the long-term nature of private assets.”

Other barriers include governance and scale limitations, which have meant “smaller schemes often lacked the resources and expertise needed to assess and manage private market investments effectively,” Sims adds. “Cost sensitivity has played a role, with a strong focus on low fees discouraging investment in private assets, which typically carry higher management costs. Regulatory and operational hurdles meant that until recently, the UK lacked fund structures such as LTAFs that facilitate access to illiquid assets within DC schemes.”

Preqin, a research company specialising in private markets, has found confirmation in its research that illiquidity

remains a concern for investors. The firm reported in its June Global Investor Survey that 80 per cent of investors said lack of exit represented one of the “main challenges to return generation in the next 12 months,” while around 40 per cent cited the geopolitical landscape.

Illiquidity, then, is a significant concern. Indefi chair, Nick Ring, says: “Given the overall level of assets most pension funds hold, and their level of allocation to less liquid strategies, generally illiquidity risk should be small, in that for the most part pension funds should not need to be ‘forced sellers’ of their illiquid holdings because the large majority of their assets are held in very liquid assets.”

The importance of balancing liquid and illiquid, Ring says, is highlighted most in those rare circumstances of significant market stress, as was seen with Liz Truss’s mini-Budget in 2022.

And a lack of exit strategy is also a crucial consideration when it comes to environmental, social and governance (ESG) and sustainability considerations, says Sims. “With private markets you are a long-term owner of an asset or business. Therefore, ESG and sustainability is very important, especially as it may not be easy to sell those investments should an issue arise - whereas with public markets it is much easier to vote with your feet,” she says.

“As a result, it is imperative that the managers and the investments they make are assessed from a sustainability perspective prior to investing. In some sectors there are opportunities to invest in assets that have a positive impact on society or the environment, while offering attractive risk and return characteristics, for example renewable energy infrastructure.”

The future outlook

As the ABI’s Mansion House report shows, a move towards private markets is already underway in the pensions market and the march towards 2030 is on. In

BlackRock acquisition

As a brief but relevant digression, Preqin was recently acquired by BlackRock, and the acquisition itself is an indication of a growing enthusiasm for the private markets field; the firm has spent reported \$28 billion on the purchase of Preqin, Global Infrastructure Partners and HPS Investment Partners, underpinning its ambitions in the space.

pension fund years, half a decade is not a long time, but perhaps it is enough time for lasting changes to take hold.

“Over the next five years, we expect it will lead to an increased allocation to private market assets, which obviously the UK government hopes will stimulate growth through increased availability of capital to fund infrastructure and corporate growth,” Ring says.

Sims agrees, suggesting that, by 2030, the Mansion House Compact is expected to drive continued consolidation among pension schemes, largely due to increasing scale requirements. “Investment in UK infrastructure, housing, and innovation is likely to increase, supported by enhanced governance and capability-building across pension providers,” she continued. “Additionally, asset managers are anticipated to introduce innovations that enable more cost-effective access to private investments.”

Nonetheless, McClymont says that “how far these measures, as a whole, transform the size of UK allocations to private markets and how quickly is a reasonable question”.

“The UK is moving towards Australian-style superfunds, but this will not happen overnight, with the scale test biting in 2030,” he says. “Future allocations require major supply side reform: will there be enough projects with a risk adjusted return profile that fits with pension funds risk management strategies? This is perhaps the greatest unknown now.”

Written by Sandra Haurant

For Professional Clients and Qualified Investors only

Capital at risk. The value of investments and the income from them can fall as well as rise and are not guaranteed.

Investors may not get back the amount originally invested.



Ross Ahlgren, Managing Director, BlackRock Growth Debt



Marten Vading, Managing Director, BlackRock Growth Debt

the opportunity set in growth and venture debt is that companies are staying private for longer. As a result, they need flexible financing that won't dilute existing equity. These larger private companies are seeking lenders to help fund acquisitions or to invest in increasing their EBITDA profitability, rather than chasing growth at all costs.

At the same time, there has been a slowdown in growth equity capital raises for more mature private companies. In many cases, this is because these companies raised growth-equity rounds at elevated valuations, so that taking further equity financing comes at the cost of accepting a lower overall valuation. This makes debt more appealing as these companies try to finance growth and cover financing gaps that arise when liquidity events are delayed by market volatility.

Against this backdrop, equity sponsors continue to raise and deploy capital into growth and venture companies, adding to the resiliency of potential borrowers. This benefits lenders who have transaction experience through multiple cycles, and established sponsor relationships.

The rates paid by borrowers have risen as the market changes. And many borrowers have been able to manage through inflationary pressures, especially software businesses that rely very little on raw materials or supply-chain logistics. Among these companies, we have seen a shift from 'growth at all costs' to a focus on maintaining growth efficiently, which we like to see as a lender.

What opportunities are you seeing in the space? What risks?

Marten Vading: The opportunity set for growth and venture debt investors is expanding, according to Pitchbook. But it's worth noting that the unique characteristics of this market mean that success will still vary widely, based on several factors.

Growth and venture debt

A new landscape for opportunity in private credit portfolios

It's an exciting time for growth and venture debt investors, with a wider range of high-quality opportunities emerging in recent years. Companies are staying private for longer¹, while venture capital and growth equity funds continue to invest capital, all of which creates more appetite among borrowers.

In the U.S., there were roughly \$35 billion worth of deals in the space in 2024², according to Pitchbook. It estimates the combined growth and venture debt markets in Europe at around €17 billion, a growth of more than 25 per cent from the year before, with the average deal size rising to €1.7 million in 2024.

Growth and venture debt can offer exposure to innovative companies in the tech and healthcare spaces, without many of the risks of venture capital and growth private equity. As

specialised forms of lending, they require experience measuring risk through complex lending performance indicators, and expertise in structuring loans with downside protection.

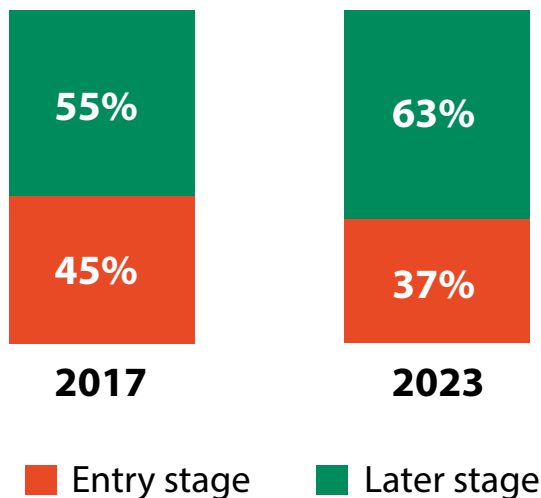
Until the 2023 disruption of the regional banking sector, a single lender controlled a significant portion of the venture debt market in the U.S. In its wake, established private debt managers have taken the lead in sourcing opportunities and receiving beneficial terms from borrowers. We spoke to a couple of our investors about growth and venture debt as an asset class, what they're watching in the space today, and where they see the biggest opportunities.

What macroeconomic forces do you see driving the expansion of growth and venture debt opportunities?

Ross Ahlgren: The first of the many structural forces driving and expanding

Shifting opportunities

European growth debt is increasingly moving to more mature companies



Source: Latest available Pitchbook Data as of Q3 2023

One is a manager's transaction experience and local presence across multiple jurisdictions, simply because companies prefer to work with lenders who can navigate the complexities of a given region. The market is also highly relationship-driven with very little intermediation and few auction processes. Relationships are vital in deal sourcing, where a high percentage of transactions come directly from

can translate to higher potential returns than traditional direct lending strategies, while maintaining comparable loss rates.

Growth and venture debt is also a way for an investor to gain exposure to the long-term trends of technology and innovation in private companies, but without the same concentrated equity risks. These investments also allow investors to participate in many different sponsor portfolios without

equity sponsors. Those relationships take a long time to develop, and they are a clear differentiator in determining success.

How should investors think about growth and venture debt as part of a private debt portfolio?

Ross Ahlgren: Within a private debt portfolio, growth and venture debt can help investors diversify away from corporate credit, towards an asset class with different characteristics and correlations. And as a specialist asset class with limited competition, the higher pricing of these loans

having to invest in their respective funds. And unlike equity, growth and venture debt can give investors the downside protection offered by senior-security, amortisation and long cash runways.

In a portfolio, the structure of growth and venture loans can provide predictable return of capital or reinvestment. Compared with other forms of private debt, they rely less on early terminations and refinancings, while their equity upside adds the potential for returns on top of interest payments.

What is the final message you'd leave investors with about growth and venture debt?

Ross Ahlgren: We believe this is a major moment for the growth and venture debt space. There's an abundance of high-quality companies actively in search of debt financing. They're turning to a relatively small pool of qualified lenders who understand the intricacies of structuring these loans. And more investors are coming to appreciate the higher spreads, stronger downside protections, and the ability to participate in the upside growth of the borrowers.

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¹ Source: Morningstar, January 21, 2025.

² Source: Pitchbook - NVCA Venture Monitor Q3 2024

³ Source: Pitchbook - 'Venture debt hits all-time high as startups diverge from VC expectations', February 18, 2025.

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Pensions Age

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Pensions Age also runs highly successful conferences, along with the Pensions Age Awards.

We also publish *European Pensions*, which targets pensions funds across Europe, as well as running the European Pensions Awards and Irish Pensions Awards.

PENSIONSAge



Cheap and cheerful?

➤ **The debate between cost and value has continued to persist, as whilst increased scale has allowed providers to negotiate better fees, not all are convinced that this is delivering the best value for savers. *Pensions Age* reports**

The past year has seen continued market volatility and cost-of-living strains faced by many, and big businesses are no exception, with many looking to push down costs in key areas.

The recent push for scale in the pensions industry has given those looking to save on fees a strong hand, with WTW's 20th annual *DC Pensions and Savings* survey revealing evidence that employers are using their size to negotiate better terms, as fees for DC pensions continued to decline.

According to the study, the average annual management charge (AMC) for DC investments has fallen to around 28 basis points (bps), down from 30bps in 2024 and 38bps in 2017. Nearly two-thirds of schemes now report charges below 30bps, reflecting continued cost discipline across the sector.

But this has reignited the broader cost/value debate, as industry voices warned that an overemphasis on headline costs could limit schemes' ability to deliver strong long-term outcomes.

"The question is whether we have now reached the stage where the focus on driving costs down has gone too far and whether there is room to increase value for money by accessing alternative investment strategies that can provide growth, diversification and value, despite higher costs," WTW head of DC consulting, Helen Holman, said.

"Whether illiquid assets, such as private equity or infrastructure, hold the potential to enhance risk-adjusted returns is a key debate in the pension industry, with the UK government seeking to encourage greater investment in illiquid assets via the Mansion House Compact"

Consolidation could help improve the focus on value, however, as the research also revealed growing differences between large and small schemes. According to WTW, around 40 per cent of larger schemes said they were willing to pay more to gain exposure to private markets and other illiquids, compared with just 12 per cent of smaller schemes.

WTW explained that larger providers are increasingly leveraging their scale to improve diversification, while smaller schemes remain constrained by governance and implementation costs.

Broader investment opportunities were not the only potential reason to spend more, as WTW also found that many companies are also looking at the best ways to improve the employee experience when it comes to retirement savings.

Providing guidance services, rather than full financial advice, was seen as a cost-effective way to support workers approaching retirement.

Currently, three in 10 (29 per cent) employers provide or facilitate such services, with nearly seven in 10 (69 per cent) planning to do so in the next two years.

DC schemes are not the only ones facing growing scrutiny around the value versus cost debate, however, as pension schemes in the public sector have also been met with renewed focus over investment costs and transparency, particularly given the fiscal squeeze currently faced by government.

Reform UK, for instance, recently criticised aspects of the Local Government Pension Scheme (LGPS), branding some of its fees and performance "negligent".

Reform UK Deputy Leader, Richard Tice, argued that the investment fees currently facing LGPS funds are "frankly egregious", estimating that the 13 councils included in Reform's analysis are overpaying by some £265 million in just one year.

But industry experts were quick to hit back, as Pensions UK said that it did not recognise the claims made by Reform UK, pointing out that the LGPS is one of the most successful pension schemes in the world and is already on a reform journey intended to further enhance the effectiveness of the scheme.

Pensions UK director of policy, Zoe Alexander, said: "The latest valuation figures show that the LGPS delivered an aggregate return of 8.9 per cent in 2024 with average funding level of 108 per cent.

"The next valuation is expected to show this position even further improved. Significant improvements in funding over this valuation cycle are already expected to result in reduced employer contributions."

And whilst the latest government data showed that total LGPS expenditure in England and Wales had increased in 2024/25, with a specific 8.6 per cent increase in costs (to £2.3 billion), this was more than offset by the group's investment income.

This pushed the market value of LGPS up by 2.7 per cent, or around £10.7 billion, over the past year, rising to £402.3 billion at the end of March 2025.

The argument for value over cost is growing, but whether this will truly translate into returns and better outcomes for savers is yet to be seen.

➤ **Written by the *Pensions Age* team**



Swipe right for retirement: Can pension apps match modern expectations?

➤ **As consumer technology races ahead, pensions are still struggling to deliver digital experiences that feel intuitive, responsive and engaging. Callum Conway explores whether pension apps are finally closing the gap**

Apps are hardly a revolutionary concept these days. For most of us, they're woven into the fabric of daily life – from setting alarms and checking the weather to navigating on maps or scrolling through social media. Dozens of apps are opened hundreds of times a day, often without a second thought.

In recent years, the rise of financial apps has been particularly striking. Online-only banks such as Monzo and Chase have become mainstream,

investment platforms offering stocks, shares and ISAs are widespread, and digital savings tools have become essential for budgeting and planning.

However, the *Master Trust Pension Experience Benchmark 2025*, published by BehindLogin, found that pension apps were struggling to keep pace with evolving consumer expectations.

The report warned of a 'stark' contrast between the member experience in pensions and the seamless digital services delivered by global tech giants.

➤ Summary

- Despite rapid advances in consumer tech, many pension apps still fall short of user expectations.
- Some providers are investing to make apps more intuitive.
- Regulatory change, including the FCA's targeted support proposals and Value for Money framework, could accelerate innovation and turn pension apps into engagement tools.

While many pension apps compare reasonably well against other pension providers, this is not the benchmark members are using.

Instead, they measure their digital experience against the likes of Apple, Amazon and Netflix – brands that have redefined standards for accessibility, responsiveness and personalisation.

Although most UK master trusts now offer mobile access, the report noted that overall quality remains 'average' and far below the levels expected of world-class digital products.

Members frequently encounter browser redirects, clunky forms, and jargon-heavy copy – barriers that can quickly turn engagement into frustration.

"Many of the apps we use daily are designed for quick, frequent 'micro-interactions' – whether it's checking a message, a social feed, or a bank balance," explains Standard Life head of digital and user experience, Andy Young.

"Pensions, by contrast, are long-term relationships measured in decades, not days, presenting a unique challenge for engagement."

Young stresses that if the industry wants to connect more meaningfully with users, it needs to rethink how it presents and supports long-term savings in a digital-first world.

Clarity over complexity

Young says one of the most significant barriers lies in complexity, particularly at the point of sign-in.

"If the process feels slow or confusing,

users disengage before they've even begun," he notes.

"Once inside, many dashboards try to show everything at once but end up prioritising nothing, which makes it hard for users to find what really matters."

He adds that users expect apps to feel native to their devices, whereas pushing them to a web browser breaks that flow and feels outdated.

PensionBee chief technology officer, Jonathan Lister Parsons, agrees that simplicity must be the guiding principle for pension apps.

"Simplicity is about clarity, not dumbing down," he says.

"Our performance charts are presented in clear, relatable terms, showing how savings have grown over time, rather than overwhelming customers with benchmark data or technical indices.

"We also use storytelling techniques and contextual education within the app to help users interpret what they're seeing, with quick links to blogs or key information. It's about empowering people to make sense of complex information, not shielding them from it."

Echoing this, EV managing director, Chet Velani, says the key to digital success lies in breaking down complexity into smaller, more rewarding steps.

"Consumers expect first-class digital interactions, yet the gap between complex pension processes and seamless consumer tech remains too wide," he argues.

"The answer lies not just in better apps, but in creating simplified, interactive tools that work across all channels – web, mobile, or within existing portals."

Velani notes that EV's partners have seen a 31 per cent increase in completion rates for interactive planning journeys and average engagement times of nine minutes on results pages, after breaking down complex financial concepts into small, focused steps.

"These outcomes," he says, "show that members engage when the experience feels intuitive and personalised".

Signs of progress

There is no doubt that a streamlined app experience can make a significant difference to engagement and satisfaction.

Data from Scottish Widows found that when members downloaded its app, they were three times more likely to check their pension than when using web services alone.

Usage was also highest between 7-9am and 7-9pm, demonstrating that digital pension engagement was increasingly fitting around daily routines.

"Pension apps are evolving from being places where members check their balances to becoming trusted digital coaches"

Despite the concerns raised, the BehindLogin report did find signs of progress, with Standard Life ranked top overall for the breadth and reliability of its core digital journeys, followed by Scottish Widows.

Legal & General (L&G) was commended for showing how pensions can feel "intuitive and even enjoyable" through engagement-led design, while Aviva was recognised for accessibility.

L&G managing director of workplace savings, Katharine Photiou, says the response to its new app has exceeded expectations.

"Since launching in September 2024, our app has logged more than 12.5 million visits, with 70 per cent of users returning every three months and 50 per cent monthly," she says.

"The app's success comes from features members actually want to use. For example, using open finance, members can connect their different pensions and bank accounts for more effective planning."

For Parsons, the ability to act instantly is one of the most significant shifts in pension engagement.

"Immediacy is critical because it bridges the gap between saving and reward," he explains.

"Traditionally, pensions felt distant – something to be dealt with in your mid-60s. By allowing customers to see live balances and make instant top-ups, the app brings savings into the present tense.

"That sense of control transforms behaviour; when people can see the impact of small actions immediately, they're more motivated to stay consistent and engaged."

And Smart Pension chief product officer, Bahea Izmeqna, says we are already seeing a shift towards clear, actionable insights.

She describes the positive impact of tools such as a pension calculator, which shows users the expected retirement outcome based on their current contributions.

"We are seeing members use this tool and, in turn, increase their contributions or make one-time contributions to secure a better life in retirement," she continues.

"Crucially, members can implement those changes directly within the app without having to navigate elsewhere or contact support. This seamless link between insight and action is proving effective – members who use the calculator are more likely to increase their contribution rate compared to those who visit the contribution change page alone."

Innovation

Policy and technological developments could soon give this shift even greater momentum.

The Financial Conduct Authority's (FCA) targeted support proposals aim to create a new regulated service to bridge the gap between unregulated guidance and full financial advice.

The proposals would allow firms to offer ready-made pension suggestions to groups of consumers with common characteristics, such as those not saving enough for retirement or holding excess

cash in a current account.

Delivered at scale, pension apps could become a natural vehicle for such personalised nudges, using existing user data to prompt action.

Photiou supports this broader purpose for pension apps, arguing that to create digital tools that people want to use, they need to go beyond providing a 'snapshot' of savings.

"True engagement demands more than awareness – it requires action. Personalised push notifications, for example, can prompt users to act at pivotal moments relevant to their needs," she suggests.

Artificial intelligence (AI) is set to play a growing role in this digital evolution, too.

Velani says that "from chatbots that guide members through their options, to tools that enable hyper-personalised journeys, AI can enhance engagement and outcomes across the board".

Parsons adds: "Tools like smart projections, retirement goal tracking, and personalised nudges can help customers understand not just what they have today, but what they might need tomorrow."

"We're also exploring how AI can make customer interactions even more intuitive and responsive, while keeping our human-first ethos intact," he explains.

Meanwhile, the long-awaited introduction of pension dashboards could soon offer app users access to all their pension information on their

phone, at the click of a button.

Last month, the Pensions Dashboards Programme confirmed that the MoneyHelper Pensions Dashboard was entering the next phase of testing, with a low volume of individuals using a real dashboard with real pensions data.

The latest phase followed the successful completion of the first rounds of usability and industry expert testing, which provided insights to help inform the first live iterations of the dashboard.

Young says dashboards and other technological innovations mean "pension apps are evolving from being places where members simply check their balances to becoming trusted digital coaches".

"As dashboards, open finance and AI-driven personalisation become more common, the potential to deliver smarter, more tailored guidance grows," he adds.

"But that must be done with transparency and control firmly in the hands of the member."

Looking ahead, Izmeqna believes the next phase of development will combine personalisation, AI, and deeper integration.

"Each has value on its own, but the real potential of these technologies comes when they can be used together," she argues.

"For example, using AI to deliver personalised insights, building on tools such as a pensions calculator, or to connect different financial tools into a single, seamless experience.

"We see this as the next phase of digital engagement; using technology not just to inform members, but to tailor guidance and make it easier for them to act."

Measuring success

The shift towards better digital design also has regulatory implications.

Poor user experiences

could threaten compliance with the FCA's Consumer Duty framework and undermine forthcoming value for money (VFM) assessments.

Customer service and engagement are expected to play an increasingly important role in these evaluations, alongside investment performance and charges.

Proposed VFM metrics include user satisfaction, ease of use and engagement – although the FCA and The Pensions Regulator have invited the industry to suggest further measures.

The possibility of further scrutiny of user experiences, including on pension apps, is likely to raise industry standards and thereby boost engagement.

Ultimately, though, digital success will depend as much on culture as on code.

"Global tech brands invest heavily in understanding user behaviour and iterating rapidly – two things the pensions industry has been slower to adopt," Young claims.

"If I could offer one piece of advice, it would be to start small and iterate. Success won't come from one standout feature, but from consistently enhancing every journey, all the time."

He concluded that "a fast, responsive loop between user feedback and feature development is what keeps pension apps relevant, innovative and engaging for the long term".

Indeed, the future of pension apps may not hinge on one breakthrough technology but on steady, continuous improvement, learning from the digital experiences consumers already love.

Just as we instinctively reach for an app to check our balance, track a parcel or plan a journey, the real test for pension providers will be whether checking in on our future feels just as effortless.

Only then will pension apps truly take their place among the digital tools that shape our everyday lives.

 Written by Callum Conway





De-risking roundtable



The de-risking landscape – an evolving world

Our panel of experts [see page 78] explore the exciting trends evolving in the dynamic pensions de-risking space today

Chair: How is the de-risking market evolving?

Samantha Chandler: The de-risking market is growing fast and I don't feel there's enough accessible information for the benefit of the trustee. There are various endgame options, some of which may previously never have been plausible for schemes. With more solutions being developed in this space than perhaps ever before, we as an industry need to ensure these are regularly being brought to the trustees' attention, enabling them to review their position and make informed decisions.

Chris Connelly: If you look at the volume of deals over the past few years in pound notes, they've all been similar numbers, and yet the actual number of transactions is going up, pivoting towards the smaller schemes. Also, all the insurers in the market for buyouts are looking at

how they become more attractive to the smaller end. At the same time, record surpluses across some schemes are introducing the potential for purposeful run-on or surplus extraction. So that's added to the complexity this year.

Roisin O'Shea: That's right. In 2024, we saw c£48bn of pension liability come across to insurers; 2025, it is going to be a slightly smaller in total volume size, however we will see transactions by count this year. This is a function of the schemes that are in the market this year – we've seen less very large schemes coming to market and therefore that's reflected in the volume numbers. That's not to say that the demand isn't there – there are still lots and lots of schemes, more than last year, that will end up completing a transaction this year.

Matt Wilmington: 2025 is arguably the first year where there are genuine

options available, whether that's run-on, insurance, or a superfund. We are a superfund that is up and running and we've done four transactions to date, but if we were having this conversation this time last year, I wouldn't have been able to say that. But now, superfunds are a genuine option for trustees and sponsors who can't afford insurance. So, it's an exciting world, albeit a difficult one for trustees given the complexity.

Christopher Stiles: It's certainly a vibrant market – we're seeing a lot coming through the door, especially at the smaller end. We've seen fewer large transactions this year, but a big upsurge in the number of smaller transactions coming through. And yes, there are some interesting new conversations that we can now have with trustees. Run-on has become a central part of the conversation, as well as new options such as superfunds, and other options as well.

For the vast majority of schemes, that won't actually make any difference to the sort of transaction they ultimately end up doing, but for those where it might, it's good that the conversations can happen and it keeps the industry innovative.

Rebecca Wood: Over the past 12 months the market has continued to be competitive which, from a trustee and sponsor perspective, is positive. We're seeing that, even with our small schemes, we're able to get a number of quotes, which hasn't always been the case.

It has been good to see some insurers actively looking for solutions to areas which are time consuming and costly for schemes, such as whether the insurer can implement GMP equalisation post-buyout. This could have a price impact in some situations, but the important point is new ideas and options are being put on the table. Also, the support is there from

In association with



De-risking roundtable

MODERATOR



Andy Cheseldine, Professional Trustee, Capital Cranfield Pension Trustees

Andy joined Capital Cranfield in 2017 after a career as an adviser to trustees and employers at Watson Wyatt, Hewitt Bacon & Woodrow and as a partner at LCP. Using his experience of over 30 years in consulting on both DC and DB pensions and liaising with regulators, he is able to use his knowledge and understanding for the practical benefit of trustee boards. He has served on the Pensions UK DC council since 2013. Andy has a successful record of advising on regulatory, governance, change management, investment, provider selection and communication issues.

PANEL



Samantha Chandler, Head of Bulk Annuity Solutions, Lumera

Samantha leads Lumera's bulk annuity projects, helping trustees understand and solve their data challenges to achieve their endgame goals. Collaborating closely with insurers, she oversees due diligence exercises and data cleanse programmes, providing tailored solutions to unblock transaction progress. Samantha has over 25 years of industry experience, starting her career as an in-house DB pensions administrator and spending 14 years as head of pensions at a master trust looking after DC and DB plans.



Chris Connelly, Chief Strategy Officer, Heywood Pension Technologies

Chris has over 30 years of experience in life and pensions administration, solution design, and proposition strategy. He has worked with public and private sector pensions, as well as life insurance companies. In 2022, his contributions to the pension industry through his work at PASA and MaPS were recognised with the Pensions Personality of the Year award. Chris became a director of PASA in March 2025; and is an ambassador for The Children's Trust, a UK charity for children with brain injury and neurodisability.



Jack Hill, Director of Defined Benefit Solutions, Standard Life

Jack is an experienced pensions and risk transfer expert with 18 years of experience across both advisory and insurer-side roles. At Standard Life, where he has worked for more than four years, Jack has played a pivotal role in landmark transactions, including the £3bn phased buy-in of the Pearl Group Staff Pension Scheme, and has led initiatives to enhance annuity book performance and optimisation. He is a regular panellist on *Pensions Age* roundtables and a highly regarded speaker at pensions events.



Roisin O'Shea, Business Development, Rothesay

Roisin has a business development role at Rothesay, having spent most of her career focused on pension de-risking. She has worked on a wide range of transactions both at Rothesay and also during her time in Aviva and Legal & General's bulk annuity teams. She is a fellow of the Institute and Faculty of Actuaries and has received the Chartered Enterprise Risk Actuary accreditation. She is a regular panellist on *Pensions Age* roundtables and a highly regarded speaker at pensions and wider industry events.



Christopher Stiles, Partner, Gowling WLG

Christopher is a partner at Gowling WLG based in Birmingham and London who advises occupational pension schemes, and specialises in particular in risk transfer transactions. He has advised on insurance buy-ins, buyouts and longevity swaps, and takes a particular interest in innovative forms of risk transfer such as superfunds and capital-backed solutions. He is an active figure in the pensions industry generally, and chairs the West Midlands group of Pensions UK.



Matt Wilmington, Chief Transaction Officer, Clara Pensions

Matt is an actuary who has spent most of his career working with pension schemes and insurers in the world of derisking. Starting life as a pensions consultant at Aon, he advised trustees and sponsors on many of the market's early buy-ins, buyouts and longevity swaps. After eight years in the pensions insurance industry, initially with Legal & General and then Scottish Widows with the responsibility of structuring and executing a wide range of pension de-risking solutions, Matt joined Clara Pensions in 2024 as chief transactions officer.



Rebecca Wood, Head of Endgame, Vidett

Becky has over 15 years' experience in the pensions industry, a decade of which has been in professional trusteeship. Joining Vidett in 2020, Becky brought with her a natural leadership to trustee boards, where she acts as a chair, sole trustee and co-trustee on a wide range of pension schemes, of varying size and maturity. Becky has vast experience in agreeing long-term objectives with sponsors, end-game planning and execution, including buy-ins, buyouts, scheme wind-ups and dealing with the complexities that may arise.



De-risking roundtable

government for trustees and sponsors to take a step back and think about whether buyout is the right thing for their scheme.

Jack Hill: Vibrant does feel like the right word for the de-risking market at the moment. Following the financial turbulence of September 2022, we saw a surge of activity, where there were a large number of schemes that were well-prepared and ready to transact, so they moved quickly to take advantage of favourable conditions for them.

At the same time, other well-funded schemes, particularly at the larger end of the market, were more cautious, needing to work through complexities such as illiquid asset holdings and data readiness before they could proceed.

So, while we probably will see a bit of a dip in 2025, that feels more a reflection of the market, and some very large schemes in particular, taking time to work through that necessary groundwork. In the meantime, we've seen a noticeable increase in the number of small transactions, which has helped maintain momentum. The pipeline for larger deals remains strong, and we anticipate a resurgence as those schemes complete their preparations.

Surplus release

Chair: What are your thoughts on the surplus release piece?

Hill: From my perspective, surplus release isn't a new concept, it's something the bulk annuity market has supported for the past 15 to 20 years. Many transactions have already delivered surplus back to sponsors or been used to enhance member benefits.

What's been particularly striking in recent years is the number of schemes coming forward looking to use surplus for member benefit augmentations. So, I'd argue that the bulk purchase annuity (BPA) market is already well-equipped

to support this. There appears to be appetite from government to explore allowing surplus to be released to bring schemes below buyout funding. As ever, member security should be front of mind, and I expect it'll take a very unique set of circumstances for trustees to allow surplus to be released while bringing schemes away from buyout funding, given the reliance and exposure to sponsor covenant this would create.

Chair: Are there any other thoughts on the role of government intervention?

Wood: I go back to my earlier point – the government intervention in this space is helping trustees and sponsors to take a step back. While, arguably, trustees should be doing that already i.e. not just blindly heading straight for buyout without considering all the alternatives, the government intervention, along with guidance from The Pensions Regulator (TPR), is providing more support and prompting that reflection.

I am currently working with a scheme that had been targeting buyout but is now also considering the superfund option. A year or so ago, superfunds wouldn't have even been on the radar for this scheme. Part of that is due to Clara having done more transactions, and the government intervention has helped reinforce that as a viable option. So it's getting trustees and sponsors to take that step back.

Stiles: I would say that government intervention is setting the mood. We now have government endorsement for the principle that surplus being used to invest in the sponsor's business for the good of the wider economy is a good thing, so that gives a certain amount of legitimacy to the concept. Similarly, the fact that there's going to be a statutory framework for superfunds adds credibility to the product. But I wouldn't say that the government is making any difference to the decisions that a well-advised board of



trustees would be making anyway.

The development that's probably going to be most interesting to watch is the easier access to surplus while the scheme is still ongoing and the extent to which that influences decision-making on the employer side.

Wilmington: Clearly we are very welcoming that superfunds have been put on a statutory footing rather than a guidance-type arrangement. We probably see that there's something in the region of £250bn-£300bn of liabilities that might be ready to move to a superfund that aren't quite ready to get to insurance yet, and seeing that as a journey to get to insurance feels like a very positive thing.

Chandler: In terms of the legislation changes, it is good the government is intervening in some of these areas, including surpluses. I have seen some schemes that we've been working with, who were about to buy out, suddenly pause, which I am not criticising, while they understand what is changing, review and resolve the surplus position. So, if the government could be a bit quicker with their plans there, that would be helpful.

Capacity constraints

Chair: What about capacity constraints in the market? Is this a problem?

Stiles: On the capacity front, we're not seeing any transactions fail for want of capacity. There is still capacity out there to meet the demand. We have new entrants into the market; and advisory firms like ourselves, have invested heavily

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in pensions risk transfer because we see it as a growth area in pensions to support the industry.

That said, there are pinch points. Particularly at the buy-in to buyout phase, we are seeing some issues with admin capacity.

Wilmington: On capacity, it's very telling that since we did the transaction with Wates at the end of 2024, solvent sponsors have seen superfunds as a viable, de-risking option. If they can come to us for 5 per cent less than buyout, and we will get them to buyout in five to 10 years, they see that as a positive.

At Clara, we have moved from a world where we were perhaps quoting on two or three schemes a quarter, to quoting on about 12-15 a quarter over the past two or three quarters. We've recruited to support that. Clara's moved from 17 people at the start of 2024 to 35.

Also, we operate an outsourcing model to make sure that we look after the members properly. We have a panel of administrators who make sure that the members are well looked after when they do transfer over to us.

O'Shea: With the growing number of schemes transacting each year, it is the transition capability of the insurers that trustees should consider as well as their insurer's administration capabilities, this is most likely where the capacity constraint will be felt. We are seeing more schemes shortlist/select an insurer based on non-price factors such as member experience and transition certainty.

Connelly: Picking up on capacity from a people point of view, the administrators have a day job. So any of this work is additional to what they're contracted to do already. Over the past maybe 10-20 years, there's been pressure on admin pricing anyway, almost a race to the bottom, and that has not been met with investment in tech at the same time. So, you've got people already squeezed to look after the members before having to think about what they're doing about getting data ready for a transaction.

So where all these bottlenecks occur, you can see that the response from the insurer part of the market has been to be less fussy about what it takes on at buy-in level. That's what has pushed the bubble along the wallpaper from buy-ins to buyouts, and that's the point where data really matters because you have to make sure these benefits are entirely accurate because you're about to replace them with an annuity policy.

Similarly, the additional choices that are coming into the market don't make it easier to get ready for a transaction. I do welcome that there are more choices, more end games for the trustees to consider. But the voice that's not being heard very much is that of the people who have to get the members' data ready alongside their day job.

Chandler: So far today, we've talked a lot about schemes that are either at the point of buy-in or buyout, and facing up to the current capacity challenges; but it's the ones that are just starting their buy-in journey that worry me. With more options and solutions comes more to understand, steps to consider and plan. I am often asked 'what are the requirements? What is meant by data preparation? When do I start and what do I do first?' So what sort of guidance is there to answer these questions, to support trustees with their

early conversations? I am concerned this knowledge gap could unnecessarily increase resource time, undertaking tasks either not required or ineffectively.

Hill: From our perspective, the bulk annuity market is in a strong position to meet the demand we're expecting, from a volume and number of transactions perspective. Despite a quieter year for mega-deals, insurers have continued to show we can absorb significant transaction volumes in 2025 and it seems likely by year-end we will see close to the 300 transactions we also saw in 2024.

At Standard Life we continue to prioritise investment in our administrative capabilities and member offerings in recognition of the importance of supporting schemes and members right through the buyout journey and beyond. The combination of an outsourced model to our administration provider with our in-house expertise and oversight, plus our early investment in technology and automation, means we're well placed to continue providing high quality service to our growing customer base.

The trustees' role

Chair: Has the role of trustees evolved from simply securing benefits to actively considering a wider range of solutions?

Wood: The role of the trustee is and always has been to act in the best interests of the members and to ensure benefits are paid as they fall due. I don't think that fundamental role has changed.

What has changed is that we can now proactively consider options that, until recently, felt more like theoretical ideas than practical solutions. These options are now real and viable and we can take the time to assess what's best for the scheme and the members. Schemes are in a stronger position than they were a few years ago to lead the strategic debate.



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As you would expect from a professional trustee with a strong reputation in this space, we lead the strategic discussions and form a jointly agreed approach with the scheme sponsor.

Hill: While the core responsibility of trustees – delivering members’ benefits securely – remains unchanged, I feel the context in which they operate has evolved significantly. Ten years ago, the majority of trustee boards would have been facing one key question – how to address the funding deficit in their scheme. A main focus for trustees was therefore consideration of the covenant strength of their existing sponsoring employer to help determine the fine balance between size of deficit contributions to request and wanting to see the sponsor remain viable over the long-term.

Today, with many schemes now in a healthier financial state and a broader range of endgame solutions available, trustees are not just asking how to reach full funding, they’re considering which long-term solution best supports their members, which in many cases is leading them to buyout with an insurer. The conversation has shifted from ‘how strong is our current sponsor?’ to ‘which solution do we trust to deliver the best outcomes for our members?’ This evolution arguably reflects a more strategic, outcomes-focused approach to decision-making now being needed.

Chandler: I agree the role of the trustee has not changed, even if they’ve got more to consider. But what has changed is that data and benefits are now high on the agenda at trustee board meetings. Trustees realise they need to understand and get to grips with the quality and accuracy of their data and the impact any correction work will have on their decisions and moving forward with their endgame journey (whatever that may be). Without this information and

knowledge, plans will be at risk of failure, jeopardising members’ experience.

Connelly: I agree the relevance and importance of data and administration quality has come higher up the priority list, partly because it was so low before. But also, when you get to stages like the buyout transaction and even the pricing, you suddenly get an easier way of identifying what the cost of your poor data is. It’s hard to judge that cost in business as usual (BAU), but once you see what kind of premium an insurer might put on the risk of having data that might not be quite right, that changes things.

O’Shea: If your data is accurate, you will receive a more accurate price, but if there is an error in the data you’ve given us which is discovered later, you’re more likely to see a larger true-up when you finish your data cleanse – this number could be a payment to the insurer or a refund. That can be a concern for trustees because it is an unknown amount to be paid in the future.

In terms of the trustee role, the decisions trustees are making now are much more complex than they’ve arguably ever been; we see independent trustees on many boards likely due to the fact that these decisions are so complex.

Wilmington: As a superfund, the schemes we are talking to are further behind in their data journey than the better funded schemes. There’s a reason for that – until 18 months ago, superfund wasn’t an option. So you’ve got all of these schemes that are, say, 10 per cent further away from buyout thinking, ‘why would I spend any money sorting my data and benefits spec out when it’s so far in the future that I’m actually going to be able to do anything with these liabilities?’ They didn’t see the need to tidy these things up.

So the gestation period for our transactions is much longer than it would

be for an insurance transaction because we are dealing with those schemes that never thought they were going to be able to get there, or at least not for a while.

They’ve now said, ‘we can’t afford insurance, but we can afford to move to Clara. But we haven’t done anything with our benefits because we didn’t think we needed to for another five or 10 years.’

So we’re finding a lot of delay between giving indicative pricing in terms of what it might cost to move to a superfund, to giving an actual transactable price on a proper data set and a proper benefit spec. As a result, we would encourage trustees and consultants, in the new world where there are more options, to spend some time and effort making sure that data and benefits are in good order.

Stiles: On trustee decision-making, legally the duty that trustees are under is the same as it’s always been, which is you have to act for the purposes of the trust. In practical terms, that means maximising the probability that the accrued benefits will be paid in full and on time. It’s just that, until recently, there’s only been one way of doing that, which is as soon as you’re no longer in deficit, move to buy-in the benefits. So what’s changed are the surrounding circumstances – schemes are better funded, and having more money means you have more scope to decide what to do with it. And then there are more choices available to you as well!

That has opened up the possibility for trustees to pursue secondary objectives



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– not just getting the benefits secured as quickly as possible but considering things like augmenting benefits, giving some surplus back to the employer if it has overfunded the scheme, and so on.

The decision-making has to be approached with clarity over what are the priorities, in what relative order are they, and how far can we move away from what has historically been perceived as the gold standard to secure the primary objective, i.e. a buyout, in order to maximise the chance of achieving the secondary objectives.

Wood: On the clarity of purpose point, it is important that trustees and sponsors agree their combined objectives at the outset. The objectives from the trustee side might not be the same as for the sponsor, but it's still important to have a shared list of goals to work towards.

Trustees are facing more decisions now than they have in the past, and those decisions are increasingly complex. One example is how trustees get comfortable with allowing the scheme to run on and the treatment of surplus. It should be achievable to seek sharing of this surplus between company and members. This could even extend out of the scheme into an employer's DC arrangement or looking to add that to the existing trust. Anything that can create better outcomes for members and the sponsor has to be a win-win if it comes with a robust governance and monitoring model to support it. Ultimately, it needs some clear triggers and metrics for an exit strategy



for securing full members' benefits if the worst was to happen.

Chandler: With all this said, trustees need to remain open-minded and realistic about these options, and what their scheme can practically achieve and when. They should not listen to myths, there are many out there – it is fine to challenge and ask questions of the insurer/the provider/the superfund, such as “do I need this, do I need to do that?” and not assume, especially where the request does not work for them. One size does not fit all and if we try to standardise a request/process then the basis of trustee decisions could potentially be wrongfully applied. For me, it's about us experts in this field to share our experience, and educate those who may only do this transaction once.

Connelly: From a sponsor perspective, there was already an incentive to go to buyout because it would get a problem off their balance sheet but, if there is also now potentially an option to extract some surplus, could this be the thing that drives them to say, ‘okay, I'm prepared to invest in the data and the audit and the calculations because I'd hate to extract money and then discover my liabilities were wrong?’

Wood: It could. A lot of it is just about having those conversations with sponsors to help them understand why they need to get the data right.

The role of accurate data

Chair: Is the quality of scheme data sufficient (yet) to meet the endgame/de-risking journey? Is data seen as a blocker?

Connelly: The evolution over the last few years has been to accept the fact that data is a problem, thankfully. The way that some of the insurers have responded to that is to push the problem further along because they still, in the interim, want to write the business and move

forward. So the problem is well known. Now that we've got more choices, like run-on or consolidating in one form or another, it could mean that somebody will care a bit sooner about the quality of the data and the way the benefits are being calculated.

You can also see the tension between the scheme actuary or the scheme's lawyer as to who gets to decide who's signing off on what the benefits spec actually is, because administrators tend to just adopt what the administrative processes are about calculating benefits. They very rarely have cause to go back to a trust deed and rules, and in fact there will probably be a history of subsequent actuarial easements and amended ways of approaching issues. Then, when you get to a point of crystallisation, like a buyout, everyone suddenly tunes in and questions some of the admin specifics.

So, is the quality of data sufficient? No, it's not. That's the simple answer.

To pick up on the point about myths, there is also a myth that, if something happened manually, it needs to be fixed manually. What people maybe don't realise is that there are a lot more automated ways of fixing a problem now. You don't have to go back and do it all manually. There are lots of third-party data sources that you can verify against. There are a lot more tools out there to go back and work out benefits.

O'Shea: Talking from an insurer perspective, when it comes to approaching an insurer, data quality matters much more for smaller schemes than it does for the larger schemes.

A clear benefit spec that is easily matched to the data is important to us and is one of the things we look for first. Having tens of benefit specs is definitely off-putting for insurers, or multiple lines of data that have not been consolidated or tidied up. Another thing that gets



De-risking roundtable

overlooked often is the quality of your longevity data or your death data. It's an important factor for insurers.

Wilmington: We think about data in a slightly different way to insurers doing a buy-in, in that we're very cognisant that when members transfer to Clara we begin paying benefits directly immediately, so we want to make sure that we're paying them the right benefits, because that's not a good place to be if you're paying people the wrong benefits. Therefore we do a lot of due diligence on the data before it comes to us.

So we want good data. We want a good benefit spec. But whether that's on signing or whether we do a data true-up afterwards, then both of those are perfectly fine. But the quality of that data and making sure that the benefits that should be paid or the benefits that are being paid is pretty much top of the list of things that we think about.

Stiles: It is definitely an area where work is needed to get it from where it is to where it should be. The lazy way to buy out would just be to insure whatever benefits the scheme would have paid and chances are, in most cases, nobody would have a problem with that. But because trustees want to be discharged from liability, we have to do better than that. And that does involve more work on the data, and the benefit specifications.

I would definitely expect lawyers to be signing off that a benefit spec is consistent with the trust deed and rules. The lawyer should be willing to sign their name to that. But I agree that it should also be checked by the administrators to ensure that it's consistent with what the scheme is paying in practice.

If you don't have a specification that ticks both of those boxes, you've got a problem. But it's a problem you had anyway, you just didn't know about it. So all this is doing is bringing it into the

light, and giving you the opportunity to fix it. But that just emphasises the need for preparation in advance of going to market – trustees shouldn't be having to fix too many things under the time pressure of a transaction.

Wood: It is great that the market is busy with lots of well-funded schemes ready to go to market. But that puts pressure on administrators as there aren't enough people to do the work needed. I don't know what the solution is but, as trustees, we need to make sure we prepare earlier and ensure that we bring our administrators on the journey not just bring them in at the last minute.

There is also a lack of clarity around what buy-in and buyout-ready data actually means. So, after cleaning the data ready to do a transaction, the scheme transacts, and data cleansing is still needed. There is clearly a risk of not cleansing something that may cause issues and delays post buy-in. More clarity on what insurers actually want in relation to data post buy-in, and what can be done before a transaction, would be helpful to avoid this happening.

Hill: I agree that data quality is important both in terms of core scheme data and member experience data as they can influence pricing and even determine whether a transaction proceeds or not from an affordability perspective.

There has been a lot of focus today also on the importance of getting the administration right. Trustees are sometimes in a difficult position, many schemes are now in surplus unexpectedly on a buyout basis and this may feel like the right moment to secure a buy-in. However, they may also be aware their data isn't perfect.

The key question becomes, do you act now to lock in pricing while market conditions are favourable, or do you wait until your data is fully cleansed?



Fortunately, some of the technological advances made in the industry are helping advisers better assess data quality within certain tolerances, helping trustees make informed decisions based on how confident they are in their current data. This is an important first step.

From the insurer's perspective, we work with the data and benefit specifications provided and the buy-in policy will reflect this. We're clear in our contractual terms but, ultimately, the quality of data impacts the outcome.

Looking forward, we all have a role to play in learning from each transaction. By building stronger relationships and sharing insights, we can improve the process for future schemes and deliver better outcomes for members.

Chandler: We're talking today about whether the data is of sufficient quality for endgame and de-risking journeys but, actually, is it sufficient for efficient administration on a day-to-day basis? For many schemes, it is not. Administrators of course have a way of dealing with missing/poor quality data; for example, they're quite happy to go back to the 'paper' file upon the member's death, track back through retirement calculations to find the pension due to the spouse, carry out a calculation to bring it up-to-date, review the scheme rules and trust deed to establish the eligibility and definition of the amount due to the spouse – all carried out each time a member dies, one case at a time. Not an efficient process.

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Someone mentioned earlier the need to check that the trust deed and rules are consistent with the benefit specification. I agree, but care needs to be taken depending on the origination of this benefit specification and to ensure it is in line with admin practice. Administrators tend to have their own benefit specification, we have found this sometimes differs from admin practice and does not cover historic trust deed and rules provisions.

Then, throw in changes of administrators and, before you know it, you've got a whole wealth of different practices there. Whilst you've got a benefit recorded, you insure that benefit, and that's what you continue to pay; both the trustee and the insurer (more so post-buyout) still have a duty to be paying the right benefit – how can anybody sign off what the right benefit is without doing a thorough check?

Picking up on the point made about the models that are available to do some of this cleanse work, and the fact it doesn't have to be a manual process, at Lumera we've got technology, bulk calculation tools and AI that does this over the entire population in scope

Finally, referring to the earlier point on the guidance of all these different data requirements, and if it is ever going to be streamlined, potentially it is not, because every insurer will have a slightly different process. But surely some standard items can be laid down to help the trustees go from buy-in to buyout efficiently, engage

earlier and undertake these tasks whilst getting ready for buy-in?

Connelly: On a positive note, I like where the rising tide is going. TPR has recently recruited an entire digital data and technology team, so you can see the focus they're placing on where the future of the market is.

They're also looking abroad to see how data is exchanged between schemes and the regulator. So, rather than just being an annual report on data quality, the regulator's thinking more about how we can be taking the temperature of the industry all the time.

You've also got administration standards or a measure of quality in the new general code from the regulator. So, quality of admin is going to be more important. This will all help somebody write a business case to spend more money on improvements.

Superfunds

Chair: Are superfunds secure?

Stiles: It's a younger market so it hasn't been tested to the same extent but, conceptually I would say yes, because if a superfund isn't secure enough, then where the liabilities are at the moment isn't secure enough either. It's an occupational pension scheme. It's subject to the same regulatory regime, and to the extent that a superfund is different because it's being operated commercially, and backed by a capital buffer instead of by a trading business, that's precisely what the regulator's interim regime and now the Pension Schemes Bill is designed to address. So, I don't have any concerns with that from a security point of view.

Does it give the best possible outcome for members, taking into account the trustees' legal duties? If the answer to that is yes, then a superfund is the right answer. For a lot of schemes, the insurance market will still be more

attractive, but there is a section of the market which the superfunds are right for. So it's to be welcomed.

Wood: The member experience here though is critical. As a trustee, when we're going to market, we carry out due diligence in relation to the member experience provided by the insurers. Over time, this aspect has rightly gained prominence. In today's competitive market, factors that were once considered secondary, like member experience, are now central to decision-making.

We want to make sure that after buyout our members are looked after as the trustees will no longer be there to oversee the scheme. The same level of scrutiny should apply to superfunds. Trustees need to be confident that members will be looked after once the benefits are transferred to the superfund. That's not to say they won't be, but proper due diligence is essential.

With superfund models like Clara, where benefits will ultimately transfer to an insurer, it's important for trustees to think about what the whole of that journey will look like for members.

Hill: If a clear regulatory framework is maintained that builds on the gateway mechanism and enables trustee and sponsor to identify when insurance is likely to be out of reach, but enhanced covenant could benefit member security, then superfunds have an important role in the pension de-risking market. The industry should be proud of the thought-leadership that has gone into creating a viable option that can help schemes improve member outcomes and support the bridge to buyout, when potentially they couldn't have got there otherwise.

Connelly: The superfund model is an interesting one and it speaks to the fact that not everyone is over-funded. So it's good to have that extra choice out there.

O'Shea: A different set of schemes



De-risking roundtable

will be looking at superfunds to those that are in the insurance pipeline. So, as long as it's used in the right way and the right schemes are going to superfunds, that's absolutely fine. It's a bridge to buyout. But it is important to understand the difference in risk and for it not to be viewed as an alternative to insurance because, ultimately, full benefits are not actually secured, so there remain inter-generational issues.

For some of the new models we understand are coming, the issue is more acutely where increased benefits aren't actually locked in for three years, potentially exacerbating the inter-generational issues.

Wilmington: From a security perspective, it's quite interesting the amount of capital that insurers are putting behind the liabilities versus the amount of capital that we're putting behind the liabilities. We will typically fund to about a buyout level. So, in insurance language, if you take the premium that you would pay to move to Clara plus the capital that we'll put on top of it, that pretty much equals a buyout premium. So superfund is absolutely a secure vehicle.

I agree that it's a very different market to the insurance market – and we are not competitors to the insurers. Our market is those people who cannot yet afford insurance but would benefit from the additional security that we would provide or would benefit from being able to settle the liabilities. Our pipeline comes from three sources: One is trustees of pension schemes with weaker sponsors who are asking, 'how do we make sure our members are getting paid in full?' The second is sponsors who are saying, 'we'd like to settle our liabilities, but we can't yet afford insurance. So actually, if I have to pay you £10m, or if I have to pay an insurer £20m, then that seems like a

good deal to me.' The third is M&A-type activity. It's great that there is an extra option for people to think about.

Chandler: It's also interesting to see that a competitor to Clara has now come into the market; competition always has to be good for the members.

Looking ahead

Chair: Where do we think the de-risking market will go from here?

Wilmington: I agree that it is great to have another superfund in the market as it serves as validation of the concept. We are a superfund model. We are a bridge to buyout. There are clearly other superfund models that could exist in terms of run-on and other things and it would be great if that market blossoms with some more participants.

O'Shea: The buyout market remains very busy. Demand from schemes isn't going away. Insurers continue to invest in their own administration platforms and in their offerings for vulnerable customers, so we have busy and exciting years ahead.

Stiles: The market is maturing and is becoming more standardised, on the contractual negotiation side, we're certainly seeing that. With providers' contracts, for example, while they are all different, there is an increasing understanding of what is on-market and what isn't. There are points on BPA contracts that we used to negotiate heavily, but nobody even bothers asking for any more, either because the market reality is well understood, or because insurers' terms have evolved to give reasonable recognition to the point already. There are also points where we know we can get movement if the scheme's circumstances or bargaining power are right. That's probably a direction of travel which will continue and will drive better efficiency.

Wood: There are interesting times ahead – we have talked about a new superfund or funds that are coming into the market, for example. But what's key is making sure that the members remain at the heart of every decision we make.

Hill: To deliver the best outcomes for members, it is essential that we prioritise collaboration, embrace technology and most importantly ensure open and clear communication between all parties involved. Clear and continuous interaction between all stakeholders is key to smoothing out inefficiencies and delivering the high demand for buyouts we expect to see.

Chandler: I'm an advocate for collaboration and knowledge sharing. Of course, there are always going to be some commercial constraints between us, but we're all here for the member. The member is the reason for what we do and why we do it. Also, early engagement with all stakeholders is key.

Connelly: Technology is also key going forward. There are technology solutions out there that can help with all of this. Also, we don't necessarily need to move towards a world where everything is standardised in order to get the efficiencies. There are some very clever tools out there and some of the things that generative AI brings us is the ability to do things on non-standard information. That's where the real game changers are going to be.





Financial decisions

➤ **Following the recent news that the PPF levy will be reduced to zero for 2025/26, and the current efforts exploring how best to extract surplus from DB schemes, how could those managing the schemes and their sponsors best utilise freed-up cash to strengthen pension provision?**



The PPF's announcement quoted the Pensions Minister saying that zero levies would "support better funded pension schemes and greater investment by firms". In that case, so

would returning some of the PPF's reserves to levy payers over time.

Historically, the PPF charged more in levies than it expected it would need because it wanted to build up a war chest to cover adverse scenarios. That was understandable but it means the organisations that paid levies have a good claim to a proportion of any funds that are not needed to pay compensation at current levels – especially when the possibility of charging higher levies allowed the PPF to pursue its successful investment strategy.

Instead, the debate amongst policymakers is about whether PPF reserves should be used to improve compensation or whether they should continue to make the public sector balance sheet look better. No-one is asking what share should go to pension schemes and employers; levy payers are expected to be content with no more invoices arriving.

As the PPF has recognised when discussing the role it hopes to play as a public sector consolidator, principles about use of surplus should have been set out by parliament much earlier on.

➤ **WTW pensions policy consultant, David Robbins**

The PPF levy has been falling for years and was no longer material for any scheme that is in a position to be considering surplus extraction so this change, whilst hugely welcome, is unlikely to result in significant strategic change.

From a trustee perspective, any additional funds are most likely to go towards accelerating a scheme's journey to buyout to eliminate sponsor risk and to secure the long-term future for its members. Where employers benefit from the additional cash, existing employees are unlikely to see a tangible increase to their benefits or pay immediately following the PPF decision.

➤ **Broadstone senior actuarial director, Jaime Norman**



The decision to reduce the PPF levy to zero in 2025/26 is undoubtedly welcome, although modest in scale. The estimated £45 million saving across all schemes is small compared with the £1.2 trillion of DB assets and £1.1 trillion of liabilities (low dependency basis) in the UK. For the vast majority of schemes, the saving will be less than £10,000 – not enough to transform member outcomes in a single year.

If the zero levy continues, even modest savings can accumulate, underwriting some of the costs of endgame planning, from strategy design to risk-transfer readiness, to exploring consolidation or sustainable run-on. It's not about the quantum of cash; it's about how you use it to prepare.

The real prize lies in investment governance. Over the next three to five years, schemes that strengthen governance will deliver better value for money. Good governance, often enhanced through fiduciary management, aligns strategy with objectives, ensures swift and efficient decisions, and preserves pounds and pence for members.

➤ **Russell Investments fiduciary manager, Aqib Merchant**



For well-funded DB schemes, which represent the majority of around 5,000, contributions into schemes may well be able to stop and expenses met directly from funds, reducing sponsors' outgoings by much more than cancellation of the PPF levy alone. Sponsors will need to agree with trustees how surplus should be managed and how it should be used. Where this includes benefits for the sponsor, further cash could be freed up.

Sponsors of DB schemes won't necessarily just look to use surplus assets to strengthen pension provision elsewhere. The possibilities are much broader than that, whether that means investing back into the business, paying dividends or deploying the cash elsewhere. Ultimately this business growth should lead to a benefit to the UK economy and the UK finances.

➤ **Mercer senior corporate consultant, Shane Tuohy**

Some of these surplus funds may be returned directly to sponsors. However, for many, a more tax-effective approach will be to direct surplus towards meeting employment costs, offsetting pressures such as last year's rise in employer National Insurance. Releasing surplus, whether to support investment for growth, cover ongoing DC pension contributions, or improve employee reward, offers a welcome boost at a time of intense pressure in the employment market.

Crucially, market developments such as consolidation mean this opportunity is not limited to the largest schemes, while for those still underfunded, removing leakages to the PPF allows sponsor contributions to focus fully on repairing deficits and getting schemes back on track more quickly.

Isio partner and head of DB consolidation, Ed Wilson



The scrapping of the pensions levy and higher funding levels overall has meant that there are welcome discussions around the use of the surplus – finally! We are seeing pension clients doing their homework at speed to avoid the 'surplus trap' – for example taking steps to figure out who owns it legally and then agreeing what is the best approach for using it.

We can see a mixture of enhancing member benefits, particularly across DB and DC, by investing in liquid and impact strategies and going all in on private assets. The balance depends heavily on the objectives of the sponsor, as well as the relationship between them and the trustee. In all cases, we expect clients to review their overall endgame, as a third-party insurance trade might start to look less appealing for all parties, especially if the sponsor can get some 'money back'. Nothing is guaranteed of course.

AXA Investment Managers head of global consultants relations, Herschel Pant



The PPF levy being reduced to zero is good news for DB pension schemes and their sponsors, who often cover this expense. In practice, this should have a modest positive impact on sponsor covenant with a larger impact for less well funded schemes, who would otherwise have needed to pay larger levies.

Schemes and sponsors can use freed-up cash to strengthen pension provisions by funding towards their low dependency basis (from a funding code alignment perspective) more quickly through contributions, utilising it to meet other expenses for schemes (to avoid disinvesting from invested assets) or investing in insurance-like assets against tail risks.

Assets that help protect against tail risks can be akin to saving for a rainy day. The specific profile of these depends on the individual scheme needs and should therefore be reviewed closely with the schemes' investment advisers – and sponsor – to target the most appropriate risk(s). The backdrop of being able to release surplus from well-funded DB schemes helps to offset regret risk for the sponsor of putting in more contributions than are necessary, as it could be returned to sponsors more fully and easily in the future than it has historically been.

Redington director, investment consulting, Maria Kendall

The reduction of the PPF levy to zero is very welcome news, but it's worth remembering that DB schemes still paying material levies are generally those less well funded and further from achieving or extracting DB surpluses. For these sponsors, any freed-up cash may offer an opportunity to strengthen funding, reduce long-term cash commitments, and improve security for members, or for some, it may simply be viewed as a reduction in business costs, with no wider implications for pensions.

Within DB schemes, this freed up cash could be used to accelerate deficit repair contributions, put in place alternative covenant support where needed, or enhance risk management frameworks to build resilience.

These actions may not generate headlines like surplus extraction, but they provide real value by improving member outcomes and reducing reliance on the sponsor, not only good for members, but less sponsor reliance reduces financial risk on companies.

Separately, cost savings from no longer paying material levies could also support better DC provision. Even modest increases in contributions can make a meaningful difference to retirement outcomes.

Hymans Robertson head of corporate DB, Sachin Patel



Pensions history

November remembrance

In 1919, not long after the previous year's Armistice had ended the savage fighting of the First World War, politicians acted to streamline military pay and pensions by creating the Ministry of Pensions. Other bodies retained some responsibilities, and the system would undergo further change as the 20th century progressed.

Our archives, and records found in the National Archives and other collections, trace the patchwork of support that previously existed. Some soldiers and their dependants received charitable donations; others were given places in residential homes, such

as the Chelsea Hospital for disabled soldiers founded by Charles II after the end of the Civil War. The first Chelsea pensioners were admitted in 1692. It became impossible to house all army pensioners as had originally been intended, and so a system of 'out-pensions' was established as well.

There was a distinction between pensions for officers and those of other ranks. Officers were not entitled to a pension as of right, since until 1871 they purchased their commission and when they retired simply sold their commission to provide necessary funds. Exceptions were made for officers killed

on active service, and from the early 18th century provision was made for the payment of pensions to their widows and for dependent children. Other ranks were entitled to a pension or institutional care after a specified term of service.

As we buy our poppy this November, Kipling's verse (written in the 1890s) still resonates.....'O it's Tommy this, an' Tommy that, an' "Tommy go away";

But it's "Thank you, Mister Atkins "when the band begins to play..."

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...

Pensions UK has launched a student initiative with Manchester Metropolitan University, aimed at inspiring the next generation of finance talent. The Pensions UK: Future Leaders initiative will see up to 40 final-year finance and accountancy students attend conference sessions, network with delegates



and gain insight into the pensions industry. This programme, supported by Manchester Central and Marketing Manchester, forms part of Pensions UK's ongoing commitment to give back to the Manchester community and to shine a

spotlight on the next generation of talent entering the pensions industry.

Nest has partnered with Aardman on a campaign designed to raise awareness and inspire people to take an active interest in their pensions. The Nest campaign features animated birds in everyday work scenarios, representing Nest members, and aims to make pensions feel relatable and less intimidating.

PENSION MATTERS by FRAN

AI offers HUGE potential benefits but we have to be risk averse when it comes to storing biometric information

There's always a chance of it making mistakes

Unless Mitzi IS in fact your grandmother on your father's side

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INDEPENDENT CHAIR OF THE LOCAL PENSION BOARD

Location: Croydon
Salary: Annual allowance of £5,974.00

PENSION FUND GOVERNANCE MANAGER

Location: Hybrid Working / County Hall, Trowbridge,
Wiltshire, BA14 8JN
Salary: 65,516 - £68,119 (Inclusive of 25% market supplement)

PENSION OFFICER

Location: Hybrid Working / County Hall, Trowbridge,
Wiltshire, BA14 8JN
Salary: 29,064 - £41,817 (Inclusive of a 15% market supplement)

PENSIONS MANAGER, SUPERB IN-HOUSE 12 MONTH FIXED TERM CONTRACT

Location: Hybrid/London, 2-3 days a week office-based
Salary: Excellent + Comprehensive benefits

SENIOR PENSIONS ADMINISTRATOR

Location: Hybrid / London twice per week
Salary: Depending on experience

HEAD OF PENSIONS, IN-HOUSE

Location: Hybrid, 2-3 days a week office South East or
West Midlands
Salary: Competitive + Comprehensive benefits & bonus

SENIOR PENSIONS ANALYST

Location: Hybrid / London or Surrey office once or twice per week
or 100% remote
Salary: Depending on experience

PENSION SPECIALIST - 12 MONTH FTC

Location: London, Part-time, three days per week with minimum
of one day in the office and two days working from home
Salary: Competitive

PENSIONS QUALITY ASSURANCE MANAGER

Location: UK Wide locations with hybrid working
Salary: Competitive

PENSIONS RULES & REGULATORY CONTROL ANALYST

Location: Hybrid/Merseyside
Salary: Competitive

PENSIONS TRANSITION DATA & TECHNICAL SPECIALIST

Location: 2 days office only, choice of London or Hampshire
Salary: Depending on experience

PENSIONS ADMINISTRATION MANAGER

Location: Hybrid/County Durham 3 days in the office per week
Salary: Competitive



Senior Pensions Associate

London/Manchester/Bristol/Birmingham/Remote **£doe**
Lead and support governance and project management across defined benefit and defined contribution pension schemes. Ref: 110090 BC

Pensions Projects Specialist

London/Midlands - Hybrid **up to £55,000 pa**
Fantastic time to join this in-house Pensions team as they go through an exciting transformation period. Ref: 81483 JW

Pensions Transition Data & Technical Specialist

London/Hampshire - Hybrid **£in line with experience**
Join a specialist team, focusing on the accurate migration, transformation of DB pension scheme data. Ref: 111840 BC

Assistant Pensions Manager 12 month FTC

Hybrid/Warwickshire **up to £50,000 pa**
Support the delivery of efficient, compliant pension arrangements for our Company, Trustees, and Members. Ref: 114184 JW

Pensions Quality Assurance Manager

Offices Countrywide - Hybrid **£excellent package**
Lead the development of QA frameworks across key pensions areas; GMP Equalisation, Pensions Dashboards, & core administration. Ref: 112500 BC

Head of Pensions Policy & Technical

Home based **£50,000 - £65,000 pa**
We're looking for a strategic & driven individual to lead a team of expert consultants, ensuring compliance with legislation. Ref: 113260 BC

Pensions Project Support

Offices Countrywide - hybrid - very flexible **£in line with experience**
An exciting opportunity to join a thriving team delivering change projects for medium to large UK pension schemes. Ref: 113689 BC

Pensions Administration Systems Analyst

Various Locations/Hybrid **£in line with experience**
Great opportunity to join a market-leading consultancy in a large period of growth as an Analyst with the Administration Systems Team. Ref: 108274 JW

Assistant Manager, Pensions Administration

Offices Countrywide - Hybrid **£in line with experience**
Great opportunity for a motivated and technically competent DB pensions professional to step up to an Assistant Manager. Ref: 89103 BC

Pensions Technical Consultant

Home based **£40,000 - £47,000 pa**
We're looking for an individual passionate about pensions policy, legislation, and making a real impact to join this dynamic team. Ref: 113227 BC

Pension Administrator

Lancashire, 2 days in the office per week **up to £36,000 pa**
We're seeking a skilled DB Pensions Administrator to join a small, dedicated in-house team within a Group Pensions Department. Ref: 111180 JW

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 Ref: 70402 SB

Senior Trustee Executive

Hybrid/London 3 days per week **£six figure package**
Provide secretariat, governance, pensions and project management with this highly-respected Professional Trustee specialist. Ref: 58338 SB

Senior Pensions Manager & Professional Trustee

Hybrid, offices countrywide 2 days per week **£competitive + bonus**
Key senior opportunity with this growing team, with opportunity to take on professional trustee appointments. Ref: 80225 SB

Head of Pension Administration, in-house

Hybrid, South East 2 days per week **£six figure package**
Exceptional appointment joining this highly skilled in-house team managing administration on behalf of a £multi-billion Pension Fund. Ref: 112731 SB

Pensions Governance and Compliance Manager

London or work from home **£excellent package**
New opportunity within this renowned Trustee firm for a Pensions Governance/Trustee specialist. Ref: 95772 BC

Pensions Project Manager

Hybrid, London 3 days per week **£competitive**
Highly varied opportunity with this leading Pensions specialist, managing projects across a diverse range of pension schemes. Ref: 81553 SB

Pensions Technical Manager, Administration

Hybrid, London or Derbyshire 3 days per week **£excellent package**
Act as a trusted expert to both internal teams & clients across a broad range of DB pensions administration matters and strategic projects. Ref: 114151 SB

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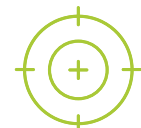
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DB15900

You are a pensions specialist who thrives in a project-focused environment, & enjoys managing client relationships through complex technical work & scheme transitions. For this role you will need strong data & technical DB scheme experience also.

Transitions Data & Technical Specialist

£DOE

London/Hants 2 days office only!

DB15901

You will be skilled in data analysis, migration, reconciliation and system based pension scheme automation and have past experience of DB scheme migrations and transitions. You enjoy finding solutions and process improvement along the way.

Data Services Consultant

£DOE

London/Hants 2 days office only!

DB15876

Superb exposure to a variety of DB Scheme projects, from preparing data for buy-in/buy-out projects, assisting with GMP R & R & equalisation exercises, preparing schemes for pensions dashboard, to new business transitions and onboarding & more.

Data Services Analyst

£DOE

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DB15877

Read all of the aforementioned role description, and now imagine yourself in a support role in the same department. Now add your collaborative approach & super relationship skills, & you will thrive in this exciting DB pension schemes data role.

Professional Trustees

London/Manchester

DBPTrust

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.

Pensions Project Lead

up to £55k

Hybrid Working on offer - London

TD15903

We're seeking a Pensions Projects Lead to join this inhouse Pensions Department. You will manage diverse projects from initial assessment through to successful delivery while helping shape policies and processes.

Senior Pensions Analyst

up to £55k

Flexible Working on offer - London

TD15881

In this crucial 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.

Developer

£DOE

Hybrid in London / Hants. or 100% remote

TD15879

We are seeking a Pensions Software specialist with experience of analysing and manipulating data using SQL Server and coding skills. You will work with business analysts on projects developing efficient and effective IT solutions.

Senior Projects Administrator

£DOE

Hybrid in Surrey

TD15869

Join a high-performing team working on one of the UK's largest and most complex pension schemes – covering DB, DC, Hybrid, and Offshore arrangements. We're looking for a proactive and detail-focused professional with excellent DB experience.

Experienced Pensions Administrators

up to £38k

Hybrid Working—100% remote could be considered

TD15756

Excellent opportunities available for administrators with prior experience of performing complex pensions calculations, and be knowledgeable in both automated and non-automated manual/system processes across a wide range of member/scheme events.

Contact Dianne Beer (DB)

dianne@abenefit2u.com

0207 243 3201 / 07747 800 740

Contact Tasha Davidson (TD)

tasha@abenefit2u.com

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