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Update

October 2025

New CDC regulations laid

The Government has laid regulations before Parliament that will enable Collective Defined Contribution (CDC) schemes to be established for multiple unconnected employers. Previously only single employer CDC schemes were permitted, with the Royal Mail Collective Pension Plan being the only such scheme.

The Government has also launched a consultation on the creation of CDC schemes for pensioner members only – a “Retirement CDC scheme”. These schemes would allow individuals who have saved into defined contribution (DC) pensions to transfer their pot at retirement into a collective fund that provides a trustee managed income for life, adjusted annually based on investment performance and scheme sustainability.

The multi-employer scheme legislation is expected to come into force on 31 July 2026, so that prospective schemes can apply for authorisation from summer 2026. Draft legislation for Retirement CDC schemes is expected to follow in 2026 with schemes able to apply from mid-2028.

www.gov.uk/government/consultations/retirement-collective-defined-contribution-pension-schemes



*Kirstin Baker, Interim Chair of
the Pensions Regulator*

*“The Pension Schemes Bill
places duties on DC scheme
trustees to have in place a
default plan for their members
which is designed to provide a
regular income, protection
against longevity risk and from
complex decision making,
something that retirement-only
CDC schemes would be able
to provide”*

*Torsten Bell, Minister for
Pensions*

TPR survey of DB schemes

The Pensions Regulator has published a report summarising the results from a 2025 survey of trust-based defined benefit (DB) pension schemes. The report covers a range of different topics including long-term planning, consolidation, surplus release, pension scams, cyber security, administration, and capabilities in relation to climate-related risks/opportunities and diversified investments.

Key findings include:

- Most schemes (93%) had a long-term objective (LTO). For 58%, this was to buy-out liabilities with an insurance company. 31% intended to run on with low dependency on the employer, 6% to run on and generate a surplus and 1% to enter a commercial consolidator vehicle.
- 91% of schemes had an investment strategy which they were targeting to support the actuarial assumptions that underpinned their LTO. The mean percentage split that they were aiming for was 28% growth assets and 72% matching assets.
- Around a third of schemes (34%) indicated that their rules allowed the payment of a funding surplus to the employer when the scheme is not in wind-up.
- A relatively small proportion (17%) rated environmental, social and governance (ESG) as a high priority in comparison to their other responsibilities, with 36% describing it as a low priority.
- Schemes with a professional trustee reported higher standards of governance in some areas, and were less likely to have considered releasing surplus than those with no professional trustees.

www.thepensionsregulator.gov.uk/media/0ysf4s03/defined-benefit-schemes-survey-report-2025.pdf

Company news

TPT Retirement Solutions has announced plans to launch a DB superfund designed to support run-on. Currently, there is only one superfund (Clara-Pensions) that has been assessed by TPR and it targets buy out as its end goal. TPT has secured capital to fund the first £1bn of transactions which it anticipates will be sufficient to support a number of deals subject to scale, regulatory approval and market conditions.



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