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## Update

### November 2025

#### Budget 2025

The Chancellor, Rachel Reeves, has delivered her second annual Budget. The main pensions-related items were as follows:

- The capping of NICs relief on salary sacrifice into pension schemes to the first £2,000 of pension contributions per person from 2029. According to the Budget documents, the cap will shield 74% of basic rate taxpayers using salary sacrifice, and the government continues to support pension saving through auto-enrolment and tax relief, worth over £70 billion per year.
- Enabling well-funded defined benefit (DB) pension schemes to pay surplus funds directly to scheme members over normal minimum pension age, where scheme rules and trustees permit it, from April 2027.
- Helping protect members of the Pension Protection Fund (PPF) and Financial Assistance Scheme (FAS) from the impact of inflation by introducing CPI-linked increases, capped at 2.5% a year, on pre-1997 pension accruals where their original schemes provided this benefit, from January 2027.

The Budget also committed to retaining the triple lock on the State Pension for the duration of the current parliament. In April 2026, the State Pension will be uprated by 4.8%.



Chancellor Rachel Reeves

## New WPC inquiry launched

Parliament's Work and Pensions Committee has launched a new inquiry on the 'pre-pension income gap' ahead of the impending State Pension age increase to 67.

60-64 year-olds are the joint poorest age group among working-age adults aged 25 and over, as some people leave work early to care for partners or on health grounds but are not old enough to take their State Pension. From April 2026, the State Pension age will gradually increase from 66 to 67, to be completed within two years. The last time the pension age went up from 65 to 66 it led to 100,000 more 65 year-olds in absolute income poverty compared to before.

The inquiry's call for evidence is open until 19 December.

## Revised data guidance published

The Pensions Regulator has published revised member data guidance following a report on an engagement exercise with hundreds of schemes. The guidance explains how:

- Trustees are ultimately accountable for data quality, even if tasks are delegated to administrators.
- They must ensure regular data assessments, review reports, and submit accurate data scores in their scheme return.
- Trustees should have a clear data management strategy, allocate resources for improvements, and challenge service providers where standards are not met.
- The regulator is now scrutinising the data preparations of the UK's largest schemes and will expand its engagement in 2026.

[www.thepensionsregulator.gov.uk/trustees/contributions-data-and-transfers/scheme-member-data-quality](https://www.thepensionsregulator.gov.uk/trustees/contributions-data-and-transfers/scheme-member-data-quality)

## Company news



The BBC Pension Scheme has completed a £6bn longevity swap with Zurich Assurance and reinsurer MetLife covering around 21,000 members. The transaction builds on a previous £3bn longevity swap with Zurich in 2020, meaning that the longevity risks associated with nearly all of the scheme's pensioner and dependant liabilities are now covered.

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*"Good data is the foundation of good governance and a trustee's most important strategic asset"*

*Julian Lyne, TPR Executive Director of Market Oversight*