



Regulatory Priorities

Pensions

March 2026

This Regulatory Priorities report is for:

Life insurers

Self-invested Personal
Pension (SIPP) operators

Investment platforms

Advisers

Wealth managers

Asset managers

*Where they are involved in pension
business.*



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Regulatory Priorities
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Foreword



We're committed to being a smarter regulator – predictable, purposeful and proportionate.

Central to that is how we communicate to the firms we regulate what's important to us.

These new Regulatory Priorities reports replace more than 40 portfolio letters. Published annually, they set out our areas of focus by industry sector. They attempt to pull together all that we're doing – whether by supervisors or in policy development. A clear, succinct one-stop shop.

They should act as a guide for firms' boards and chief executives. You should read these reports carefully, review the priorities within them – and act where you need to.

This is the latest example of how we're transforming the way we supervise. This year, we'll go further, expanding dedicated supervisory contacts, applying a more risk-based approach for our largest firms, and making data collection more targeted and efficient. Our goal is simple: less intensive attention on firms doing the right thing, and stronger, faster action where harm is greatest.

Importantly, we also want you to engage with us. We welcome your feedback on these reports and our approach to supervision. Share your insights, challenge our thinking, and work with us as we refine this new model.

Together, we can build a regulatory system that deepens trust and rebalances risk, to support growth and improve lives.

Sarah Pritchard

Deputy CEO

Charlotte Clark

Director of Cross Cutting Policy and Strategy

Executive summary

The pension market is crucial for almost everybody in the UK, with 69% of non-retirees having a pension in accumulation in May 2024 (Financial Lives 2024 survey). When pensions function well, they enable people to plan confidently for a secure and sustainable retirement. With over £3trn of assets in defined benefit (DB) and defined contribution (DC) schemes, the pension market is also an important provider of capital to the economy and critical to UK growth.

The market is undergoing significant transformation, largely driven by government reforms. As the market changes, we will continue to make sure consumer needs are central, and that firms are able to grow and innovate. The pension market is overseen by multiple regulators. We want consumers to experience consistent outcomes across the pensions landscape regardless of whether a pension is regulated by The Pensions Regulator (TPR) or by us. We will continue to work closely with our regulatory partners to achieve this.

The priorities in this report apply to the firms we regulate. So, they are primarily centred around the contract-based DC market, which accounts for £1.36trn of total assets in the pension market (retirement income market data 2024/25). We want an effective pensions market in which firms offer products and services that provide good outcomes for consumers. We expect firms to engage with us and plan for future changes in the market with these priorities in mind. Pensions are provided by firms in multiple sectors, so firms involved in pensions should also be looking at the Insurance, Buy Side, and Consumer Investments regulatory priority reports. These will highlight areas of regulatory focus that are relevant but are not pension specific.

Our pensions priorities for the next year

Ensuring well-run schemes that provide value for money to savers

Long-term value generation matters to consumer outcomes. We expect the proposed workplace pensions Value for Money (VFM) framework and the Government's wider Pension Schemes Bill to help drive positive change. We want firms to engage in the development of these changes and prepare to implement and embed them in a way that best supports savers.



In 2024/25,  **961,575 pension plans were accessed**

for the first time from FCA-regulated firms, an increase of 8.6% compared to 2023/24 (885,455) and 61.3% compared to 2020/21 (596,080) (Retirement income market data 2024/25).

Encouraging effective support for consumers

Low consumer understanding and engagement continues to be a challenge within the pensions market, contributing to concerns about adequacy. We want firms to help consumers make informed decisions, particularly at key stages in the pensions journey, so they can make the most of the funds they have available. We want to support firms who wish to provide targeted support to do so, and expect others to consider how they can better support non-advised consumer understanding and decision making as the market changes. Having the right support available will become even more important once dashboards are available, as we hope this will increase the engagement that consumers have with their pensions.

Supporting growth and innovation

As the pensions market evolves, we will support growth and innovation through proportionate regulation. We want firms to be confident to consider opportunities for investment in private assets where they judge there is the potential for better long-term returns and diversification. While these can present opportunities matching the longer time horizons of pension schemes, we also recognise there are risks and want firms to consider how these are managed.

Modernising pensions and long-term savings

Longstanding issues, such as ageing technology, difficulty contacting consumers and pension savings locked in older products, can prevent firms from serving consumers and fully embracing innovation. We want to work with firms and wider stakeholders to resolve these issues for the future benefit of both consumers and firms.

At the same time, we are also considering how we can modernise our own regulatory framework to help firms support a better consumer journey.

These are our main focus areas this year. We will continue to monitor risks and opportunities through data, market intelligence and engagement with industry and other stakeholders. We will pause or stop work if we need to look at urgent new issues. We will also continue to support government initiatives, including the Pensions Commission which will explore the long-term questions of adequacy and retirement outcomes.

Underpinning our approach is the Consumer Duty, which is integral to how regulated financial firms treat their consumers.

What we've done in the market

We have been working to address the advice gap, with the intent of helping consumers make informed decisions on their pensions. We have been progressing the Advice Guidance Boundary Review and have set out a new regulatory framework for targeted support that will represent a fundamental shift in the support available to consumers. The gateway for applications opened on 2 March 2026 and firms can use our pre-application support service (PASS) for help preparing applications. Successful applicants will be able to deliver targeted support from April 2026 when the final rules come into effect, and we expect firms will iterate their propositions as the framework beds in. We'll also consult on simplifying our advice rules shortly.

We've started to consult on several reforms to better support consumers using digital pension planning tools and consumers making non-advised decisions to transfer DC pensions and will take feedback into account before finalising any rules. We are also committed to improving the regulatory framework in the SIPP market and will shortly consult on rules focused on due diligence and the handling of pension scheme money and assets.

Together with TPR and the Government, we are developing a new framework to enable a consistent focus on value for money across all pension schemes. We have published proposed revisions to the draft VFM Framework to make the way arrangements are assessed and compared more objective and robust across the market. We stand ready to develop proposals for contract-based schemes linked to a number of measures in the Government's Pension Schemes Bill and are working closely with government partners as that work develops.

We published findings from our multi-firm review of life insurers' pension transfer processes which found firms seek to deliver good outcomes. While we do not set an expectation on transfer times, we found most transfers were completed within a reasonable time. However, some firms took significantly longer than their peers, on average, to complete a transfer. There may be underlying reasons for longer transfer times, but firms should avoid causing foreseeable harm through poor or unnecessarily slow service. That said, we think further improvements to how transfers take place are possible and necessary to ensure a positive customer experience. We are taking account of these findings in our overall approach to the pension transfer market. We have also focused supervisory attention on the provision of retirement income advice and price and value in unit linked products.

Our priorities:

Ensuring well-run schemes that provide value for money to savers

Firms that provide, manage and support the provision of pension schemes and retirement income products

What we expect firms to do

- **Engage with us as we finalise the VFM framework and rules permitting transfer of savers:** Provide feedback on the draft framework and get ready to implement – consider what you will need to provide accurate data.
- **Work to ensure savers will not remain in poorly performing workplace schemes:** In advance of the VFM framework, plan to address schemes unlikely to be providing value – for example through asset reallocation or transfer of members.
- **Plan for introduction of scale test:** Work with us as you consider business changes or acquisitions, and consider the operational impact on your business.

The workplace pensions market will be transformed over the coming years through a government focus on scale and greater competition based on value. Providers and their advisors now need to plan for the significant operational and commercial impact that initiatives such as VFM will have. There is also opportunity to innovate.

While the VFM framework focuses on workplace schemes, there are also opportunities to improve the price and value of non-workplace pensions. We will be publishing findings from our review into pensions and savings products which allow investment in unit-linked funds.

Good value, well-run schemes are fundamental to an efficient pensions market that delivers well for consumers. In our 2024 Financial Lives survey, 56% of adults with a DC pension in accumulation said they had over £10,000 in their combined pension pots. This is up from 49% in 2020 (Financial Lives 2024 survey). So, we will continue to support and encourage schemes across the market to provide value for money and explore opportunities to improve long-term returns and appropriate diversification.

What we'll do this year

- Finalise **VFM framework** rules (subject to legislation and feedback), giving firms time to implement system changes before the 2028 launch.
- Support the development of the framework proposed in the Pension Schemes Bill for member transfers through **contractual override** and **assessment against scale test**.
- Conclude the **unit-linked price and value review** and publish our findings. We will engage firms within the review where we have specific areas of concern.

Our priorities:

Encouraging effective support for consumers

Firms providing or advising on personal pensions, group personal pensions, and retirement income products

What we expect firms to do

- **Prepare for change in the market:** Consider what support consumers might need to better understand and make decisions as the market changes, whether due to the Pension Schemes Bill or wider events and market volatility. Also consider how your support may need to evolve in response to potential changes in consumer behaviour driven by dashboards.
- **Talk to us:** We're keen to work with industry and other stakeholders to ensure that our regulatory framework supports good consumer outcomes now and in the future. We welcome views as to whether there are any other aspects of reform we should consider. We will continue to engage extensively on targeted support journeys and the wider Advice Guidance Boundary Review.

Pensions, especially retirement decisions, present consumers with complex choices. Many struggle and rarely seek professional advice, leading to low engagement and decisions that aren't fully informed. This can have a significant negative financial impact. In 2024, only 25% of DC pension holders aged 45+ had a clear plan for how to take their money (Financial Lives 2024 survey).

Pension providers play a critical role in helping consumers make informed decisions. As more people rely on DC pension savings, firms must provide timely, effective support at key stages of the retirement journey to help consumers achieve better outcomes.

We are prioritising work to enable firms to confidently deliver this support; through FCA initiatives and by supporting the government pension reform agenda. We will also develop a policy framework to implement default pension benefit solutions in decumulation and will work to ensure that the regulatory frameworks that exist for targeted support and guided retirement support effective consumer journeys.

What we'll do this year

- Continue work on the **Advice Guidance Boundary Review**, supporting firms **that want to provide targeted support**.
- Finalise new rules for interactive **digital pension planning tools** and **non-advised DC transfers**, subject to feedback on Consultation Paper 25/39.
- Continue work with the **Pensions Dashboards Programme** and the Department for Work and Pensions on the development and introduction of **private sector pensions dashboards**.
- Publish a discussion paper on **retirement journeys**, including our approach to **guided retirement** in workplace contract-based pensions, subject to Parliamentary approval of the Pension Schemes Bill.

Our priorities:

Supporting growth and innovation

Firms that provide, manage and support the provision of pension schemes and retirement income products

What we expect firms to do

- **Review your approach to asset allocation:** Including opportunities for investment in private assets where this is judged to be in the best interests of savers. Pay attention to the recommendations we made in our review of private market valuation practices.
- **Consider your control framework:** If you are investing in a broader range of asset classes or paying performance fees, consider how your control framework may have to evolve.

Supporting growth and innovation is a key part of our FCA Strategy.

We want to support growth by enabling firms to innovate and adapt, while ensuring our regulatory approach remains proportionate.

While investment choices are for firms to make, we want to remove any unnecessary barriers to investing in private markets. We want to support firms to deliver against the Mansion House Accord and government initiatives. Investment in private assets has the potential to offer greater returns over the long term and provide benefits of diversification. While private assets can match pension schemes' long time horizon well, they also carry particular risks which need to be carefully managed. We will maintain a supervisory focus on ensuring firms have the right controls in place to manage these risks.

What we'll do this year

- We will consult on the **pension charge cap and performance fees**, with the aim of facilitating access to a broader range of asset classes while maintaining an appropriate degree of consumer protection. We will also consider any safeguards that may be appropriate to protect consumers and evaluate current market practice.
- We will lead work to ensure valuation processes used by firms servicing pension schemes are robust, including through cross-cutting supervisory work with asset managers and working internationally to **update IOSCO valuation recommendations** to account for developments including greater investment in private assets.

Our priorities:

Modernising pensions & long-term savings

Life insurers and other firms with legacy pensions and long-term savings products

What we expect firms to do

- **Talk to us:** We're keen to discuss the barriers and longstanding issues that increase costs and prevent firms from improving consumer outcomes.
- **Engage and innovate:** As we develop solutions, we would like firms to give feedback and test ideas.

Longstanding issues related to legacy systems and products can prevent firms from better serving their consumers, cutting costs and embracing innovation. These issues include ageing systems, difficulty contacting consumers and consumers locked in older products or funds with limited flexibility to change.

We want a conversation with firms and stakeholders to find innovative ways to tackle these issues. The areas will likely be a mix of regulatory, legislative, product or process challenges or flow from changes to consumer needs and preferences.

We are not starting from scratch. Our discussions with firms and our own analysis have highlighted areas for improvement. Examples identified include: the 'goneaways' issue where firms are often unable to find and connect with consumers, product and administration complexity, the proportionality of Part VII (FSMA 2000) and Part VIII (Friendly Societies Act 1992) transfers, and addressing challenges for with-profit funds. But there are more areas for improvement, and we want to hear from industry and other stakeholders on their ideas.

We will also continue to focus on improving the regulatory framework in the SIPP market, so consumers can buy a broad range of SIPP products with confidence. Exploring how we can rebalance risk and improve outcomes for consumers and firms will be central to our approach across the pensions market.

What we'll do this year

- We'll engage with firms and stakeholders to discuss areas for **improvement in the pensions and long-term savings market** and work together to implement change.
- We'll consult on rules relating to **due diligence** and the **handling of pension scheme money and assets** in the **SIPP market**, following our Discussion Paper published in December 2024.

Other areas of focus

Supporting the delivery of government initiatives

All firms in market

We will continue to support the delivery of government measures set out in the Pension Schemes Bill and the wider government reforms. Although these initiatives are largely part of longer-term reforms, we will see their impact start to take shape over 2026, and we will work to ensure their successful development and implementation across the contract-based market. We will continue to ensure that where possible there is alignment between the contract and trust-based sides of the market.

Operational incidents and material third parties reporting

All firms in market

Alongside the PRA, we'll introduce new rules for reporting operational incidents and information on material third parties following [CP24/28](#). We will engage with firms during the implementation period following publication.

Senior Managers and Certification Regime

All firms in market

Working with the Treasury and the PRA, we're reviewing the efficiency and effectiveness of the Senior Managers and Certification Regime to halve its regulatory burden.

Artificial intelligence

All firms in market

We encourage firms to experiment with AI and use our [sandbox services](#), and look at our [Innovation Pathways](#). We have specific services open to smaller market participants, including our Supercharged Sandbox. We'll publish an evaluation report from AI Live Testing by the end of this year.

Ongoing supervisory work

All firms in market

We will also continue to focus on assessing issues in pockets of the market like poor product governance, complex charging structures, lack of transparency and other issues that impact consumers. We remind firms of their obligations regarding use of third parties and appointed representatives, which should be subject to robust oversight. Where we identify serious misconduct, we will consider the use of all tools available to us, including the use of supervisory interventions or enforcement.

Key publications and speeches

Speeches

[Financial wellbeing goes beyond one size fits all](#) | FCA (Sarah Pritchard, FCA deputy chief executive, at The Investing and Saving Alliance's (TISA) annual conference, November 2025)

[On the right track: Connecting consumers, products and growth](#) | FCA (Nikhil Rathi, chief executive, at the JP Morgan Pensions and Savings Symposium, March 2025)

Policy publications

[CP26/1: The Value for Money Framework: Response to consultation, further consultation and discussion paper](#) | FCA

[CP25/39: Adapting our requirements for a changing pensions market](#) | FCA

[PS25/22: Supporting consumers' pensions and investment decisions: rules for targeted support](#) | FCA

Multi-firm reviews

[Life insurers' pension transfer process – review](#) | FCA

[Thematic review of Retirement Income Advice](#) | FCA

Thematic review follow-up article: [Retirement income advice: good practice and areas for improvement](#) | FCA

Other

[Supporting growth of the mutuals sector](#)

[Tribunal upholds ban and fines for corrupt and dishonest adviser](#) | FCA

[Upper Tribunal ruling in the cases of Toni Fox and David Brian Price](#) | FCA

[Regulatory Initiatives Grid \(RIG\)](#) (December 2025)

[Consumer Duty publications and resources](#) | FCA

Timeline of key events

Our indicative timeline of key dates is set out below. Plans may change if we have new priorities or existing priorities change scope.

Ensuring well-run schemes that provide value for money to savers

Q2 2026 **Unit Linked price and value review:** Good and areas for improvement publication

VFM framework consultation: Final consultation on rules for VFM framework

Q4 2026 **VFM policy statement:** Publishing our final rules for the VFM framework

Encouraging effective support for consumers

Q2 2026 **Retirement journeys discussion paper:** Publishing a discussion paper focused on retirement journeys as part of work related to guided retirement measures in the Pension Schemes Bill. Subject to the Pension Schemes Bill and wider government timings.

H1 2026 **Simplifying our advice rules:** Consultation on simplifying and consolidating our investment advice rules and guidance.

Targeted support applications: Firms begin applying for permission to provide targeted support before new rules come into effect.

H2 2026 **Adapting our requirements for a changing pensions market policy statement:** Policy statement following our consultation on interactive digital pension planning tools and potential policy statement supporting non-advised transfers.

Adopting targeted support: We'll supervise firms implementing targeted support.

Supporting growth and innovation

Q2 2026 **Exempting performance fees from pensions charge cap:** Consultation on allowing flexibility to charge higher performance fees where this can demonstrably lead to better performance, subject to appropriate consumer protection.

Modernising pensions & long-term savings

Q2 2026 **Longstanding issues engagement:** Start external engagement and roundtables on addressing longstanding issues in the pensions and long-term savings market.

H1 2026 **SIPPs – due diligence and handling of scheme assets:** Consultation on rules around SIPP operators' due diligence obligations and handling of pension scheme money and assets.

Other areas of focus

H1 2026 **Senior Managers and Certification Regime:** Working with HMT and the PRA, consultation to improve the efficiency and effectiveness of the Senior Managers and Certification Regime.

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