

Corporate Pensions Newsletter – September 2025

For trustees and employers



As we look ahead to Autumn, with Pension Engagement season upon us – it's a great time to encourage your members to take another look at their pension. This year's campaign adopts a fitness and strength theme, aiming to demonstrate how putting in the work now can lead to longer term gains. This edition covers a run through of the current regulatory updates, including key points on the Normal Minimum Pension Age (NMPA) changes. We also touch on next year's industry launch of the Pensions Dashboard, with a reminder for Trustees on how to approach getting connected.

This Pension Engagement Season, we're proud to be a sponsor of the industry's Pay Your Pension Some Attention campaign. Get attention by **sharing our toolkit** with your members and help them strengthen their pension. 🌐



As in previous years, we're delighted to support a campaign that asks your members to 'Pay Your Pension Some Attention'. We'd like to support your members in taking full advantage of the important workplace benefit you provide – showing how taking a few small steps now, can make a big difference later down the line.

We hope your members will notice our campaign activity – “Strengthen Your Pension” encourages individuals to take active steps towards building a more secure financial future. Much like physical fitness, pension health improves with regular attention and consistent effort. Just as small, steady changes in a fitness routine can lead to long-term benefits, reviewing a pension regularly can help ensure it's in the best possible shape.

To get started, and help your members build greater confidence and stability in the years ahead when it comes to their pension, we'd encourage these three simple steps:

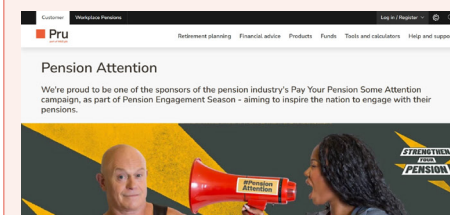


Getting attention:

Members who regularly receive our updates will get their latest newsletter from us over the next week. We talk to them about the importance of staying on top of their pension, and make it easy to run a pension health check – with videos focusing on the need to build regular contributions.



Employees can also visit our **Pension Attention** page for useful tips, articles, tools and calculators.



A summary of the latest regulatory updates for you and your employees:



A reminder – Normal Minimum Pension Age (NMPA) is increasing from 55 to 57 on 6 April 2028

The earliest age individuals are usually able to take their pension, increases from 55 to 57 on 6 April 2028. If you have members who will be under 57 at 6 April 2028, they will have to wait until they reach age 57 to start drawing their pension – unless they:

- are retiring because of ill-health, or
- have a protected pension age under the rules of your pension scheme, or as a result of a transfer of a previous pension with a protected pension age into your scheme

You should check the Rules of your scheme which were in force on 11 February 2021 (if you haven't yet done so), to confirm the minimum retirement age for your scheme. If the Rules explicitly state an age before age 57, then those scheme members who joined your scheme before 4 November 2021 would have this as their protected pension age. All members who joined the scheme on or after 4 November 2021 will have a minimum pension age of 57. **If you have a protected pension age for your scheme please tell us as soon as possible.**

Those employees / members who reach 55 before 6 April 2028 are able to take their pension before that date. But from 6 April 2028 they'll have to wait until they reach 57 to access their pension.

This change in minimum retirement age will not affect your employees / members who will be over 57 at 6 April 2028.

Please note that this represents the *earliest* age that your members could draw their pension if they wanted to. They don't have to take the pension at this time. Anyone thinking about their retirement options should consider taking financial advice.

Some points to consider:

- **Are any of your employees / members using a lifestyle investment option and have selected an intended retirement age before age 57?**

If they have, their investments will reach their retirement position too early, and may not provide the best investment return for them. They should consider changing their intended retirement age to age 57 or beyond, so that the gradual switching of investments to match their planned retirement date doesn't start too early.

- **Are there any members with a lifestyle investment option who are over their intended retirement age?**

Again, they should be prompted to update their intended retirement age so that the target investment mix is achieved at, not before, their intended retirement age.

A summary of the latest regulatory updates for you and your employees:



Pension Schemes Bill 2025

The Pension Schemes Bill was presented for its first reading in Parliament on 5 June 2025, with a second reading on 7 July. The Government has described it as being designed to “transform the £2 trillion pension landscape to ensure savers get good results for each pound they save, and drive investment into the economy”.

Key features include:

- Introducing a new Value for Money (VFM) framework for trust-based schemes, mirroring arrangements already introduced by FCA for contract-based arrangements, to protect savers from getting stuck in underperforming schemes.
- Proposals for the automatic consolidation of small DC pots (less than £1,000) into a small number of “large, good value schemes.” Consultations are planned for 2027/28, with consolidators selected in 2029 and transfer duties coming into force in 2030.
- New duties placed on trustees to offer members retirement income solutions after retirement age, where members continue beyond retirement age

Timing

The Bill includes the Government’s roadmap and timetable for change. The Bill is expected to receive Royal Assent in 2026, with an aim for all changes to be in force by the end of 2030.



A summary of the latest regulatory updates for you and your employees:



Inheritance Tax on Pension Savings

In the 2024 Budget, the Chancellor announced that Inheritance Tax (IHT) would be charged on pensions savings for payments made from April 2027. This would include payments which have been distributed by pension schemes to beneficiaries determined by the Trustees under their discretionary powers. After representations from various parties, including the Fire Brigades Union and the pensions industry, these provisions have been modified in two areas:

- All death in service benefits payable from registered pension schemes will be out of scope of IHT, whether these were discretionary or non-discretionary
- Personal Representatives, rather than pension scheme administrators will be primarily responsible for reporting and paying IHT on any unused pension funds

Draft legislation has been produced for technical consultation, with a deadline for responses of 15 September 2025.



Pension Commission

The Government recently announced that a Pension Commission is being established to consider the long-term future of the pension system to “make today’s workers better off in retirement”. It will be chaired by Baroness Jeanie Drake, with Sir Ian Cheshire and Professor Nick Pearce.

The Commission will focus on:

- How to improve retirement outcomes, particularly for those on the lowest incomes
- Outcomes and risks for future cohorts of pensioners
- The role of private pension provision and wider savings in delivering financial security in retirement

- The long-term challenge of supporting an ageing population
- Proposals for change beyond the current Parliament to deliver financial security in retirement through a pensions framework that is “strong, fair and sustainable”

The Commission will consult with various interested parties, and is due to issue its final report in 2027.



Pension Age Review

The Government is launching the third review of State Pension Age Review, as required by the Pensions Act 2014. These reviews are carried out every 6 years, with the previous reviews reported in 2017 and 2023. The review is being led by Dr Suzy Morrissey. The Terms of Reference include the consideration of:

- The merits of linking State Pension Age to life expectancy, including unfairness between generations
- The role of State Pension Age in managing the long-term sustainability of the State Pension
- International experience of automatic adjustment mechanisms for making decisions about State Pension Age

Based on previous reviews, the report is expected in 2029.



Autumn Government Budget

The next Government Budget will be delivered on 26 November 2025. There are many media reports on areas where the Chancellor may be looking to raise more revenue. A number of these reports suggest that there could be a potential impact on pensions. We'll be including details of the Budget in our Newsletter following the announcement.

With the pension engagement season campaign activity in full swing and encouraging members to check their pension online – here's a practical reminder for those who'll need help getting there.

Registering for online access is simple – it takes just five minutes to register and then log in for the first time



Visit pru.co.uk/registernow and follow these five simple steps:

Step 1

Choose a username and password

You'll need your email address to receive an activation email

Step 2

Enter your personal details

Enter your surname, date of birth and National Insurance number

Step 3

Enter some of your policy information

Enter your scheme number and the year you joined the scheme

Step 4

Choose a PIN

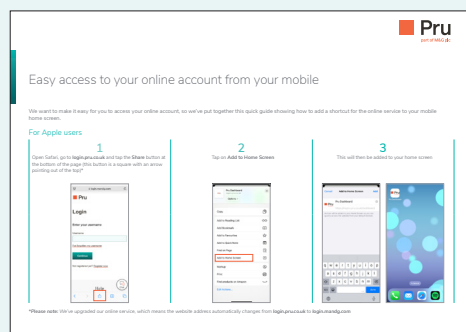
Step 5

Sign in to the online service

Sign in using the username, password and PIN you've chosen

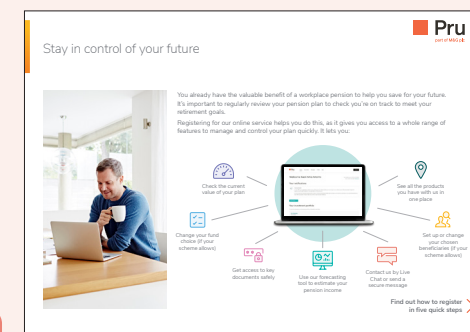
Once registered, it's now easier to access online accounts via mobile devices, by creating a homescreen shortcut – here's how, via our quick guide.

Click on the guide to download



You can access our flyer we created to let you share the 'how to' easily with your members.

Click on the flyer to download



Pensions Dashboard: support for trustees

Here's a helpful reminder for our Trustees of the options available to get connected

Government-initiated pensions dashboards will enable individuals to access their pensions information online, securely and all in one place. Dashboards will provide clear and simple information about their multiple pension savings, including their State Pension.

If your scheme has more than 100 members you will need to connect to the Pensions Dashboard. All schemes have connection dates set by The Pensions Regulator.



If you're unsure of your date, you can find it here:

The Pensions Regulator

We know that there's a lot to prepare for as you get ready to connect with the Dashboard – we're here to support you.

pru.co.uk

1 Multi-source – Directly through our ISP with or without a pension link

Multi-source connection happens when different parts of your pension scheme are connected to the Pensions Dashboard independently, often by different providers or administrators.

For example:

- Your **main pension benefits** might be connected by your scheme administrator
- Your **Additional Voluntary Contributions (AVCs)** might be connected separately by us using our Integrated Service Provider (ISP)

Even though these parts are linked separately, they're all part of the same pension scheme.

The Pensions Link is a unique identifier that ensures:

- All benefits from the same scheme are grouped
- You see a **complete and organised view** of your pension, even if the data comes from different sources

2 Single Source – We send data back to the trustee or main scheme administrator

With single source connection, we'll send data to you or your scheme administrator by Secure File Transfer Protocol (SFTP).

You or your administrator will then have responsibility to connect all the data to the Dashboard – sending all values, and ensuring there's a feed of relevant data from the AVC provider on a frequent basis.

Our teams have been working closely with multiple AVC administrators, Pensions Administration Standards Association (PASA) and our ISP to ensure that we're fully engaged with developments and views on the most effective option available.

Whilst we can support all connection methods – we believe the Single Source option is the most effective way to connect your members where we don't hold full member data and/or can't service customers directly.



Your timeline

- All employee schemes will have their own connection timeline – these dates will be between 30 April 2025 and 30 September 2026
- If you're unsure of your connection deadline date, you can access a tool to help you [here](#)
- **You'll need to get in touch with us at least nine months before your connection date** – we need enough time to collate all the data needed to connect your members
- The Dashboard is expected to go live to the public, sometime in 2026



Moving forward

For more information, next steps and FAQs – you'll find all you need to move forward [here](#).