Pensions Leaders

November 2025

The Resourcing Challenges in Pensions

We are committed to bringing pensions leaders together to discuss shared experiences, challenges and opportunities.

In this **Pensions Leaders Roundtable** held in central London on 13 November, we focused on one of the most challenging issues facing the industry today: effective resourcing. Pension schemes are operating in an increasingly complex environment with rising workloads, yet the sector is experiencing an exodus of experienced professionals, taking with them invaluable know-how and technical expertise.

As this cohort of expertise diminishes, pensions leaders (as well as trustee boards) are grappling with pressures from all sides.

A growing industry challenge

Participants agreed that expertise and knowledge gaps are becoming a systemic issue across the pensions landscape. Trustee boards face resourcing challenges as they navigate growing complexity. They are looking for new skill sets and increased diversity of thought to help address more complex situations in areas like member communications, digital and cyber security, exacerbated by the growing role of DC. It was commented that, 'trustees are becoming a lot more hands on and working with complexity – more so than corporate plc NED roles.'

Traditional governance models no longer meet all the requirements in this evolving landscape. Rapidly emerging risks such as AI and cyber threats require different thinking, new expertise and a greater level of oversight - one participant commented that 'cyber risk is the number one topic on our risk register.'

Trustees are often pulled too deeply into detail, when greater focus is needed on long-term strategy to manage increasing complexity and future risks. Because not all advisers are made equal, asking the right questions remains key to drive appropriate challenge. It was also commented that corporate executive presence on a trustee board can bring invaluable experience and knowledge to the table. However, potential conflicts of interest need to be carefully managed.

Advisers are also struggling with their own resourcing challenges, which have been intensified by the amount of project work e.g. Pensions

Dashboards, buy-in transactions, the General Code and Own Risk Assessment, ESG and consolidation. As a result, some participants perceived that advisers have lost sight of providing genuinely outcomes-focused advice.

In-house pensions teams are shrinking as experienced staff retire, creating gaps in expertise and knowledge. Lack of experienced resource to steer the ship makes it difficult for schemes to give the right level of focus at the right time e.g. for end-game planning, whilst also progressing other resource-intensive projects like GMP equalisation. More reliance is being placed on outsourcing roles and tasks to consultants, who themselves are trying to keep up with the pace of change in the industry.

Administrators too, face challenges. It was commented that 'many technical people have left the sector and as a result, there is a struggle to build knowledge. This means that people don't have the breadth of knowledge when talking to clients and there are even different standards across offices.' It was widely discussed that administrators have a pivotal role to play in the delivery of a pension scheme's strategy, but they have always been seen as a cost rather than a value driver. The consequences of driving down administration costs directly impact members: loss of knowledge, lack of investment in systems and technology, and less effective communications all lead to poorer member service and experience. Greater recognition of the value of getting administration right, particularly when it comes to data quality, will help reset the imbalanced relationship between cost and expected service. There was some acknowledgement however, that this is now happening.

Even the Pensions Regulator is not immune, good people with a clear remit can make a difference with the right tools, but relationships with schemes need to improve.

Talent and experience

With an ever-dwindling pool, finding the right talent is key. As experience exits the industry, the importance of succession planning has come into sharp focus, especially within pensions management teams. Resilience is needed – projects are bigger, the governance burden is greater, the pace of work is quicker and expectations of the capability of trustees is greater. Participants had seen examples of orderly succession planning as well as fire-fighting to secure quality resource quickly when staff retired or left at short-notice.

Having good technical talent in a pensions team has always been a requirement given the sheer complexity in pensions. However, resourcing challenges are being compounded by the difficulty of recruiting technical pensions talent with the breadth of skills and dynamism required to manage today's increasingly diverse and complex challenges.

The need for good project management skills was noted, with the volume of projects underway moving at pace and in parallel, which means things potentially get missed. This is especially so for schemes moving to endgame, trying to manage their journey plan at the same time as dealing with BAU issues and regulatory-driven project work such as GMP equalisation, Pensions Dashboards and the ORA. If projects are tackled as distinct pieces of work, the "invisible connections" get missed as no one person is seeing how they all overlay or interconnect with each other to be able to wrap the right governance around them. Programme management skills on top of being a good project manager are valued by those trying to deal with multiple stakeholders and complexity. 'If our advisers don't work together, we have project management in silos, rather than programme management focused on delivering against our needs.'

It's also important to have people that are practitioners in their role, who have had real experience in the doing, not just the theory – 'investment consultants sometimes do not know what it's like to manage money and the challenges faced, for example, when you have to sell a large amount of gilts.' Bringing in specialist investment or actuarial consultants was not always felt to be the answer.

Having the right experience and knowledge in-house means that advisers and consultants can be challenged in the right way.

The discussion briefly touched on member communications where responsibilities are split. DB communications tend to be highly technical and are led by people with deep subject expertise. In contrast, DC communications are often led by HR or benefits teams, where pensions knowledge may be more limited. Yet these communications form the foundation of member engagement. As a result there is a growing risk of DC members being less-well served at all stages of their journey.

It was another example of the importance in building and maintaining pensions knowledge in areas that sometimes get missed.

Increasing potential for conflicts of interest

The group explored whether greater segregation of trustees and the corporate is needed to manage conflicts more effectively, particularly when the industry is seeing some very large schemes, still with active members, moving to sole corporate trustee at the company's behest. The group shared diverse views, some thinking the current approach makes schemes run better by improving information flow and decision-making, especially when working through complex issues. For example where a Head of Pensions has a foot in both camps and they are seen as trusted, honest brokers to help secure compromise between different parties. However, others recognised that conflicts of interest can lead to poor trustee decision-making and potentially erode member outcomes.

It's therefore crucial to be aware when conflicts of interest can arise, call them out and above all, focus on putting members first. Having a framework on how to manage conflicts is important, with strict conflict protocols in place. There will always be differences of opinion, which need to be managed before they explode into a fully blown conflict issue, however boards should have the ability to work

together to deal with such situations. 'It requires the right people in the right roles and requires a lot of goodwill between trustee boards and the corporate.'

The stakes are continually rising. Take decision-making around surplus as an example, where relying on goodwill may become even more challenging. Conflicts are likely to increase. Deficit decisions have been a challenge, but the overwhelming consensus is that discussions around surplus are an entirely different ball-game.

Surplus extraction is an area of high-stakes decision making for trustees. Dominant voices can further amplify conflict risks – 'conflicts come through all over the place when there is a dominant voice.' This makes strong governance and clear boundaries essential.

It was commented that, 'I can see the increase in potential conflicts, and everyone involved across the decision-making process needs to think about how they are going to manage these conflicts.'

We must remain vigilant

The discussions highlighted significant and growing resourcing pressures across the industry, but particularly among in-house pensions teams. A cohort of technical expertise is disappearing at a time of substantial change, heightening operational risk and impeding the delivery of complex projects.

Building talent pipelines, prioritising succession planning and strengthening governance frameworks will be critical for the sector's resilience in the years ahead.