

# PRESS RELEASE

EMBARGOED UNTIL 0001 WEDNESDAY 14 MAY 2025

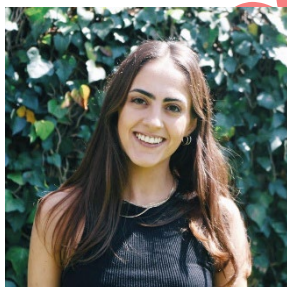
# PPI

## “PPI research highlights opportunity for joint working to improve retirement support for savers”

On Wednesday 14th May 2025, **The Pensions Policy Institute (PPI)** published the first in a series of reports examining what an assessment of Value for Money (VfM) could look like in the decumulation stage of retirement. This report, titled **Assessing the UK Retirement Income Market: Defaults, Active Choices, Innovation, and the existing gaps and challenges for Delivering VfM** is sponsored by The Pensions Regulator (TPR).

Based on a review of existing literature and a series of stakeholder interviews, the research sets out a comprehensive picture of the retirement income market landscape, exploring how Defined Contribution (DC) savers access and use their pension savings, and whether the products and support structures currently available meet the diverse needs of savers. Key insights include:

- **Saver support in decumulation is lagging:** Unlike accumulation, where defaults have enabled passive saving, most schemes offer no structured retirement income options, leaving members to make complex decisions alone or transfer out of scheme.
- **Two “informal defaults” have emerged:** full cash withdrawals and passive continuation in accumulation strategies are two patterns that have emerged in the retirement income market, both of which may be misaligned with long-term retirement needs.
- **Advice and guidance gaps persist:** Many savers, especially those with smaller pots, make decisions without support. Regulatory uncertainty limits how much help providers feel able to give.
- **Data remains fragmented:** Most information is collected at the pot level, with limited visibility across multiple schemes, making it difficult to assess outcomes or design better support mechanisms.
- **There is momentum, but more coordination is needed:** Recent and ongoing policy developments and innovation offer potential, but without alignment across the market, many savers may continue to fall through the cracks.



**Mariana Garcia Requejo, Senior Policy Researcher at the PPI** said “This research marks an important first step in defining what “value” might look like in decumulation. It plays a role in mapping savers’ needs and behaviours. The development of a more comprehensive evidence base is highlighted as both a challenge and an opportunity. Setting the direction for what data is relevant for the market to collect could guide us to the evidence needed to improve saver outcomes.

As DC pensions become the primary source of private retirement income, it is increasingly important that savers are supported to make sustainable choices. This report sets the stage for the second in the series, due later this year, which will explore future opportunities to design a more effective retirement income market that can provide VfM for all savers. “

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Under Embargo

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