

# ANNUAL REPORT AND FINANCIAL STATEMENTS

*1 February 2024 – 31 January 2025*





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# About the Pensions Policy Institute

## The Pensions Policy Institute (PPI)

is an independent, not-for-profit, research Institute. For nearly 25 years we have been at the forefront of informing policy making around pensions and later life savings. Robust, independent analysis has never been more important to shape future policy decisions, and our work facilitates informed decision making, showing the likely outcomes of current policy and illuminating trade-offs implicit in any new policy initiative. We do not lobby for any particular cause, and we are not a think-tank, taking politically influenced views.

## Why is the PPI needed?

The PPI is required primarily because too few people understand what is needed for the provision of an adequate income in later life. There are also complex intergenerational issues and a mix of State and private provision that seek to provide for individuals in later life. The PPI brings these elements together and presents the trade-offs for any policies that seek to address them.

We acknowledge that our research is most relevant at the policy-making level, through the part we play, with others, in raising the wider understanding of pensions and retirement income provision.

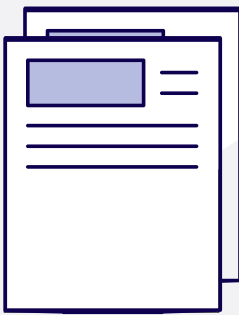
We have a clear vision, supported by our mission, which underpins all activities undertaken by the Institute.



## Since our Launch in 2001 we have...



launched over  
**170** research  
reports



launched over  
**139** Briefing  
Notes



Responded to over  
**74** Consultations  
and calls for  
evidence

## Our Vision

**Better informed policies and decisions that improve later life outcomes**

We believe that better information and understanding will lead to better policy framework and better provision of retirement for all

## Our Mission

**To promote, evidence-based policies and decisions for financial provision in later life through independent research and analysis.**

We aim to be the authoritative voice on policy on pensions and the financial and economic provision in later life.



# Report by PPI Director



Chris Curry

**A warm welcome to the Institute’s Annual Report and Accounts. When writing my reflections for the Annual Report I often start by saying how busy it has been and how much we have achieved. 2024 has been no different, but this year I would like to begin by congratulating and thanking the PPI Team on another magnificent year which reflects their commitment and hard work to the Institute. I am immensely proud of the PPI team’s positivity, dedication and passion. Thank you.**

2024 was a year filled with many different highlights for the industry and the institute. We saw a change of government, the first CDC scheme became active, the Chancellor’s Mansion House Speech announced LGPSs investment would operate through investment pools, changes to the inherited DC pension pots, plus a number of consultations and calls for evidence. As I have mentioned in previous years, development in pensions is relentless and this is the one aspect that appears to remain consistent. But what also remains consistent is the vital role the PPI plays in informing developments. We balance discussions by providing objective and accessible information on the extent

and nature of later life financial provision, and any associated implications. This is achieved through our continual contribution to the policymaking process.

In 2024 a clear demonstration of the vital role the PPI plays in facilitating discussion feeding into policymaking was achieved when we were asked by HM Treasury to deliver workshops to provide an opportunity to engage directly with industry.

We were delighted to work with the Treasury to deliver two workshops concentrating on two major areas, Phase One of the Pensions Review and then in January this year a second workshop which focused upon the Pensions Investment Review consultation ‘Unlocking the UK pensions market for growth’. As you would expect, the discussions at both events were fascinating and brought together many different opinions and perspectives. I was fortunate to chair both events enabling the PPI’s evidence based findings to be shared in the context of the discussions and sharing the trade offs which need to be considered in the policymaking process.

Looking ahead to the next twelve months there is still plenty of work to do and many challenges to face and we are already working on a varied and interesting research agenda.

I hope you enjoy reading more about our impact and achievements in the Annual Report.

**As always, we remain grateful to all our Supporters, Research Sponsors, Individual Donors for your choosing to support us. Without you we would cease to exist.**

*Chris*

# Report by PPI Chair of Trustees



Madeline Forrester

**It gives me great pleasure to introduce the PPI’s twenty-fourth annual report and my third as Chair of Trustees.**

As with last year I would like to begin with a thank you to the PPI Team and the Board of Trustees. This year has been very busy, and we have asked more this year from the Board than in previous years as we have undertaken a Strategic Review. The Team and Trustees have risen to the challenge, and I am delighted to announce that the Strategic Review has now concluded. It has been a fascinating process with each, and every person involved embracing and being involved in the discussions and development. I would personally like to thank everyone, and I hope you have enjoyed being part of the process as much as I have.

Following a year of focused (and at times intense!) discussions and workshops involving Trustees and the Team which looked at the way we work internally and externally, the outputs we produce, and our routes of dissemination, we agreed to adopt a six-year strategy to have a louder voice. Our louder voice will cement our position as the UK’s pensions expert. In December we approved the final strategic plan and delivery

timeline, and work has already begun to implement the strategic objectives. The new output PPI Digest came directly from the strategic review, and I was delighted to see how well the first two Digests were received and look forward to seeing the evolution of this communication.

During the strategic period the institute will also be celebrating our 25th anniversary in 2025. I have always had an awareness of the PPI, and passion for what they stand for and work to achieve, it has been fantastic to be a part of the journey since I joined the Board in 2013, and I very much look forward to the anniversary year.

The PPI will as always remain committed to writing and publishing rigorous research which informs the constant changes and challenges the industry faces. I am certain that we will rise to the challenges and capitalise upon the opportunities which arise. None of our successes would be possible without the support of our Governors, Supporters, Research Sponsors, Trustees and the PPI Team who all help us undertake the vital work we do. I will end as I did last year with the simple statement which remains true.

**We may be small, but we are mighty!**

*Madeline*



# Chair of Trustees' Report - *continued*



And most importantly -  
*Thank You!*

On behalf of the Board of Trustees and the PPI Team I would like to extend my sincere thanks to the many people who have supported, worked with and alongside us in 2024.

As always without the donations we receive from our Supporters and Individual Donors we would not be here, so our successes and achievements are as much yours to celebrate as they are ours.

I hope you are as proud as I am of the part you have played in continuing to lead the debate around pensions policy.

# ANNUAL REPORT

The Trustees are pleased to present the Annual Report and Financial Statements of the Pensions Policy Institute (the 'PPI' 'Institute') for the year ending **31 January 2025**.

The Trustees confirms that the Annual Report and Financial Statements of the Institute comply with current statutory requirements, the requirements of the Institute's governing documents and the provisions of the Statement of Recommended Practice (SORP) 'Accounting and Reporting by Charities' Second Edition.





# Objectives and Activities

The Institute is an educational research charity established in 2001 to undertake rigorous research on pensions and retirement income from a long-term perspective.

Our research looks at the economic and social effects of existing policies and assesses the impact of potential changes. The aim of the research is to help all those

interested to achieve a better, wider understanding of retirement provision issues and for policy decisions to be based on fact-based analysis.

During 2024 the Strategic Review undertaken by the Board of Trustees and the PPI team concluded. As part of the strategic review the Board of Trustees and PPI Team revisited the Institute's **Pillars of Purpose**.





# Our Aims

The Institute aims to be “the authoritative voice on policy on pensions and the financial and economic provision in later life.” We believe that better information and understanding will help lead to a better policy framework and better provision of retirement income for all. The Institute is unique in the study of UK pensions and retirement income as it is:

## INDEPENDENT

With no political bias or vested interest.

The Institute provides factual, evidence-based research outlining potential outcomes for individuals and for Government spending on particular policy directions and analysis of trends within the pensions’ landscape.

Led by experts focused on pensions and retirement income provisions	Considers the whole pensions and retirement income framework; assets derived from the state provision, private pension and the interaction between them.	Pursues both academically rigorous analysis and practical policy commentary	Encourages dialogue and debate with multiple constituencies.
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Our research will have most immediate relevance for Government policy-makers and their advisers, pension and savings providers, pension scheme trustees, employers, trade unions, charities, trade bodies, academics, and commentators. The Institute’s work will also contribute to raising the wider public’s understanding of pensions.

However, it is also important that all of our publications are accessible to everybody and, therefore, all research is published on the website and links made available on various social media platforms for free downloading.



# Our Core Activities

Each year the Institute carries out a number of core activities which are funded by financial donations received from our Supporters and Individual Donors, these include:

**The Pensions Primer: a guide to the UK pensions system** which provides a comprehensive overview of the UK pensions system and is intended for people wanting to learn about the UK pensions policy framework. The document is updated annually with new policy changes, developments and economic assumptions. **Last year the Pensions Primer was downloaded just under 1100 times.**

**Pension Facts** is a compendium of key facts and statistics on pensions and retirement provision in the UK. The aim is to collate this into a single place with a range of different statistics on demographic change, key State Pension and private pension indicators. The Pension Facts key tables are updated as new data becomes available. **Last year Pension Facts was downloaded just under 700 times.**

**Consultation Responses** We regularly respond (both in writing and orally) to consultations and calls for evidence relevant to pensions and retirement policy.

**Pensions Glossary** which supports the terminology most used as part of our successful **Knowledge Sharing Seminars: an introduction to the UK pensions system** but also covers the common abbreviations and terminology frequently used within the sector.

**PPI Digest** Following the conclusion of the Institutes strategic review, we introduced a new form of communication, PPI Digest, which expands the current suite of core work we undertake funded by donations from our Supporters. PPI Digest are used for short messaging, either in quick response to announcements, or to provide a brief summary of a topic.

The first two Digests responded to the **Autumn Budget statement** and the **Chancellor’s Mansion House Speech** **To date PPI Digest’s have been downloaded over 500 times.**


**Parliamentary Engagement:** Our research is used as evidence presented to the Work and Pensions Select Committee and Bill Committees, briefings with Ministers and opposition shadows, senior civil servants and citations in Parliamentary debates, Government consultations and papers. Additionally, we have close working links with Government Departments. This year we were delighted to be asked to work with HM Treasury to deliver two workshops to facilitate a discussion with the wider industry. Further details of these workshops can be found under the 2024 Impact Case Studies section on page 14 of this report.

**External Engagement:** Regular meetings take place with individuals, Government, academics and organisations from within the pensions and financial services industry and other areas around later life issues. The PPI Team also undertake various external speaking engagements at industry events. Various members of the team have continued to be members of the Living Pension Steering Group, the PEG steering group, PLSA Adequacy Steering Group and the PLSA Policy Board.


# The Power of the PPI’s Models

## The PPI maintains a suite of models used to build up a view of the future.


### Considering impacts upon:



Individuals and their finances



The Exchequer and their cashflow



Employers in private sector provision

The Institute maintains a suite of simulation models, capable of analysing long-term outcomes under the current UK pensions system and the impacts of possible reforms. These represent the current pensions system and economic forecasts, including uncertainties, and allow for particular scenarios to be modelled. The models can also illustrate projections of the impact on both an individual’s post-retirement income and on future pensions systems revenue and expenditure cashflows to the Exchequer.

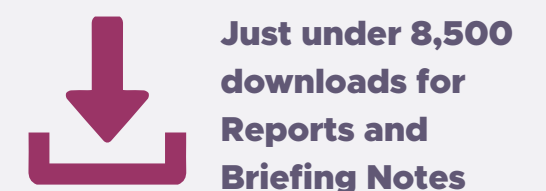
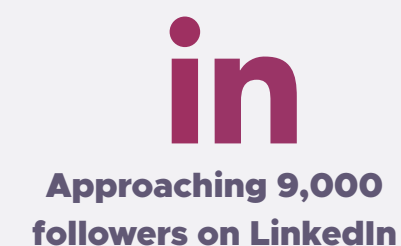
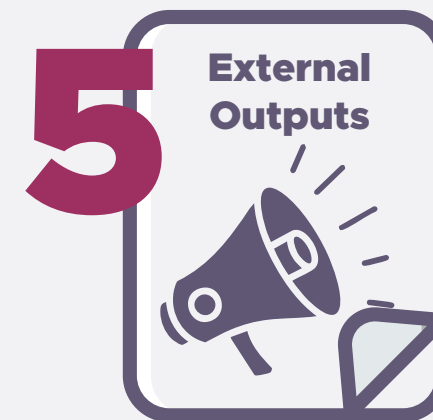
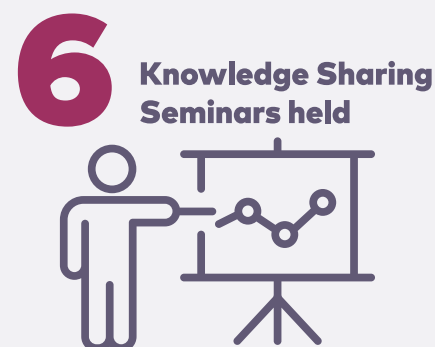
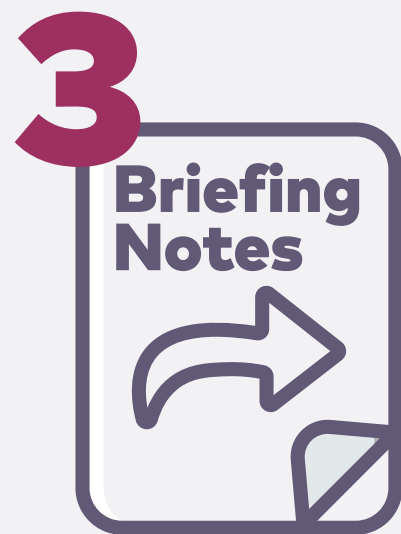
[Further information on the PPI’s suite of models can be found here.](#)

## Risk Management of the PPI Models

The Institute has a dedicated Model Review Board (MRB), consisting of a group of independent industry experts in modelling, who provide guidance regarding the modelling capability and assumptions used. This validates the assumptions and the Institute’s approach, and ensures there is oversight of the models. Each member contributes in a personal capacity, but the results and analysis are the responsibility of PPI staff, and not members of the MRB.

### Current Model Review Board (MRB) members:

- |                      |                  |
|----------------------|------------------|
| Prof. John Armstrong | Andy Mealor      |
| Jonathan Cribb       | Paul Nixon       |
| Kathryn Fleming      | Teemu Pennanen   |
| Prof Ruth Hancock    | Andrew Singleton |
| John Hawksworth      | Andrew Young OBE |
| Steve Hitchiner      |                  |





# RESEARCH SPONSORS

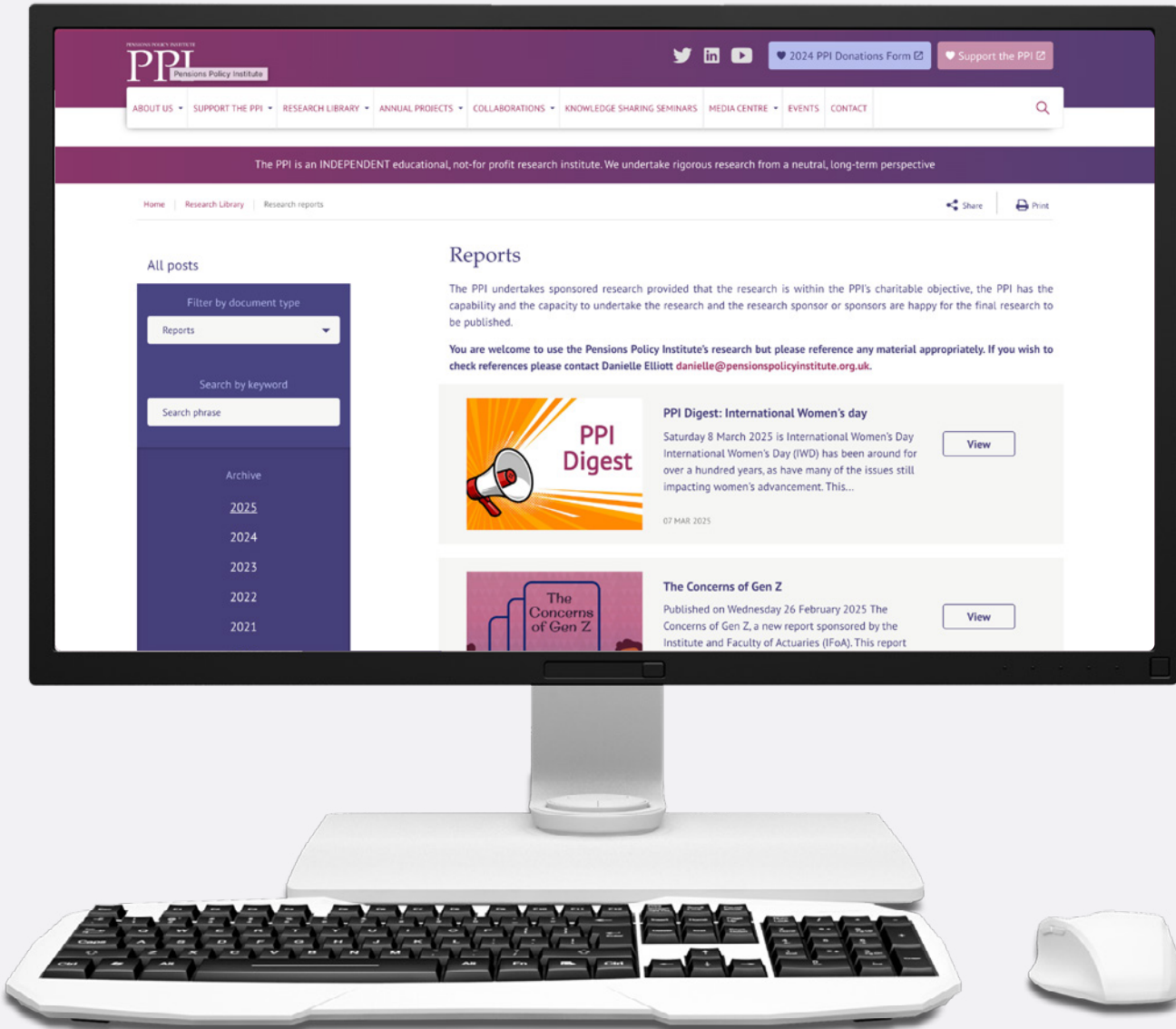
During 2024, the PPI launched eleven Research Reports, three sponsored Briefing Notes, two PPI Digests, and three General Election Briefing Papers. These outputs were sponsored by a variety of organisations.

Our thanks are extended to all our Research Sponsors:

- Aegon
- Association of British Insurers
- Age UK
- Aviva
- Barnett Waddingham
- Capita Pension Solutions
- Columbia Threadneedle Investments
- Fidelity
- Hargreaves Lansdown
- Institute and Faculty of Actuaries
- LCP
- Legal & General
- M&G
- Money and Pensions Service
- National Centre for Social Research (NatCen)
- Nest

- now:pensions
- Nuffield Foundation
- People’s Partnership
- Pensions and Lifetime Savings Association
- Phoenix Insights
- Phoenix
- Punter Southall
- Royal London
- Schroders
- Scottish Widows
- Standard Life, Part of Phoenix Group
- Smart Pension
- The Pensions Regulator
- Universities Superannuation Scheme
- World Gold Council

To view the reports launched during this financial period  
please click here to visit the PPI’s website.



# Research Reports and Briefing Notes

## Research Reports Launched in 2024

- [The Underpensioned: Defining the Gender Pension Gap](#)
- [Modelling of pension policy options, analysis based upon the Wealth and Assets Survey dataset](#)
- [What could effective pensions engagement look like?](#)
- [How could a Lifetime Provider Model impact members, employers, and industry?](#)
- [Pension scheme assets – how they are invested and how and why they change over time](#)
- [Pension scheme assets - a deep dive into alternatives](#)
- [Celebrating 10 years of The DC Future Book](#)
- [Pension scheme assets - a deep dive into infrastructure](#)
- [PPI Digest: Autumn Budget 2024](#)
- [PPI Digest: The Chancellor's Mansion House Speech](#)
- [Technical Report: How effectively does the current UK pension system support positive later life outcomes?](#)
- [A 50-Year Retrospective](#)
- [The UK Pensions Framework: Red Sky in the Morning? Inequalities, Savings Gaps and the UK pension system](#)



## Briefing Notes Launched in 2024

- [Briefing Note 137 - How might CDC develop in the UK?](#)
- [General Election 2024 Briefing paper #1 – The Triple Lock](#)
- [General Election 2024 Briefing Paper #2 – AE Contributions](#)
- [General Election 2024 Briefing Paper #3 – Manifestos and later life provision](#)
- [Briefing Note 138 – Lost Pensions 2024](#)
- [Briefing Note 139: Quantifying multi-employer and single employer CDC outcomes](#)
- [Briefing Note 140: Does the UK need another Pensions Commission?](#)



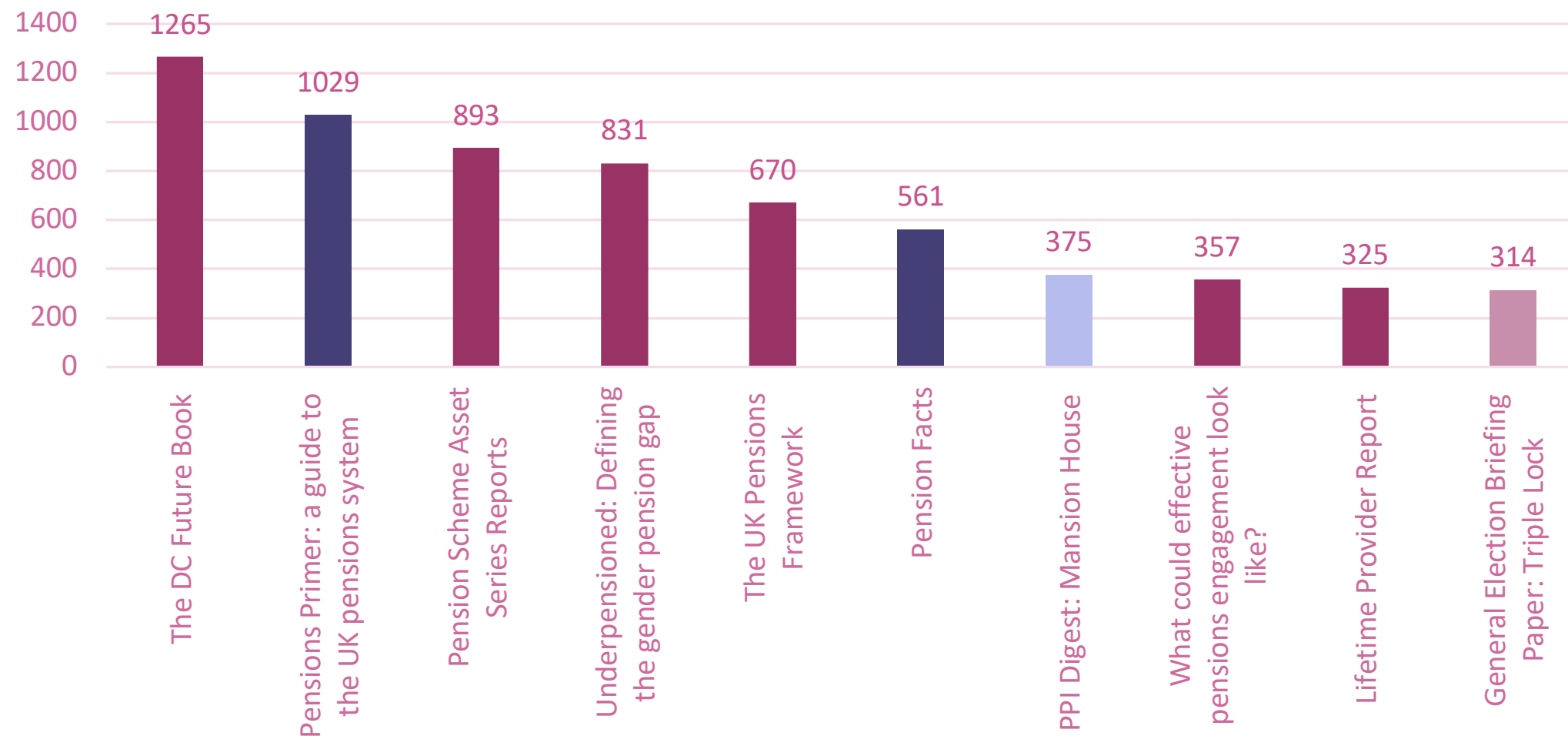


# Top Ten Downloads



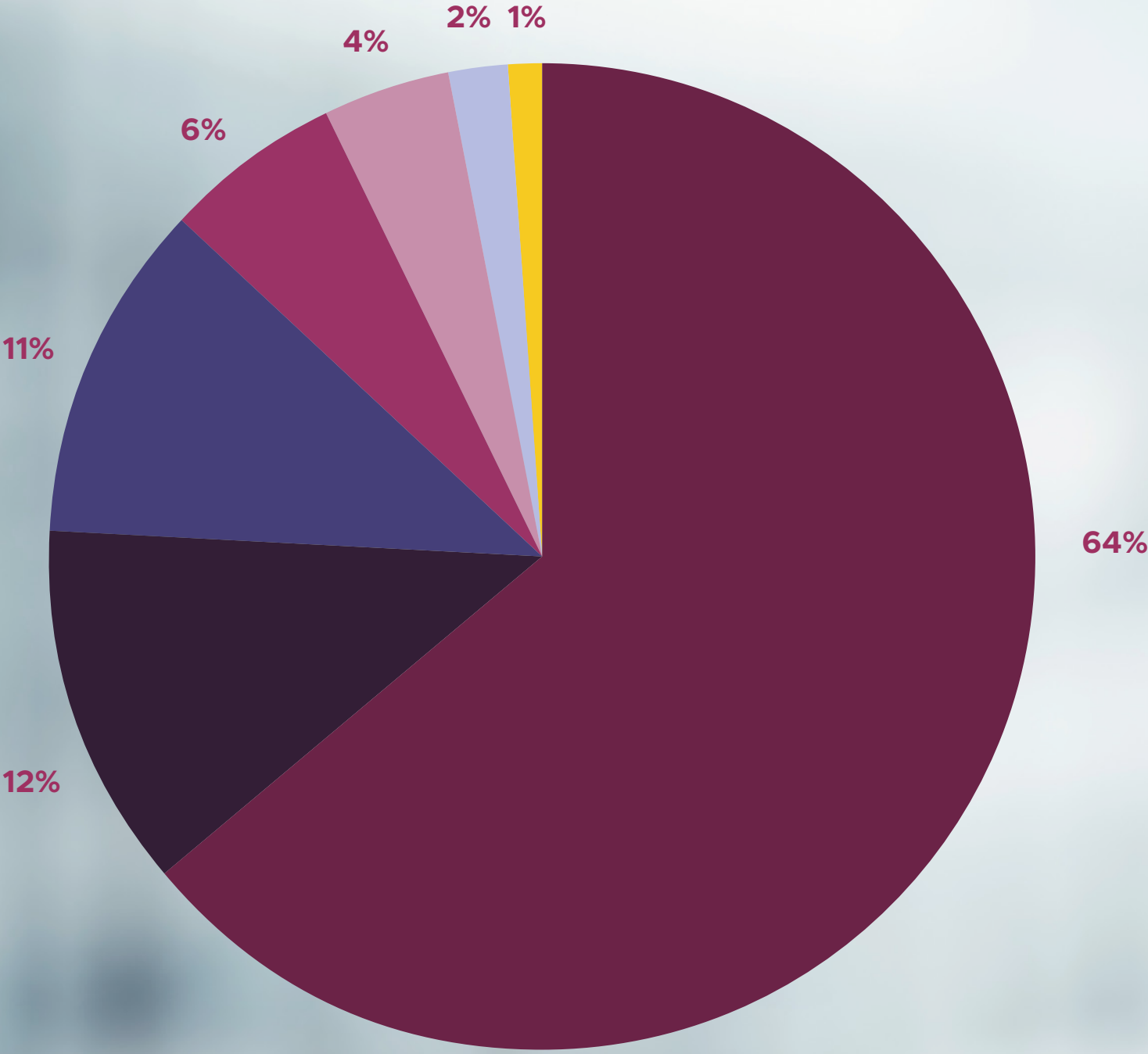
**Most downloaded publications**  
**01 February 2024 – 31 January 2025**

Top 10 Downloads - by topic



Key
Report
Briefing Note
Primer and Facts
Digests

2024/25 Downloads by Publication Type



# 2024 IMPACT CASE STUDIES

KEY

- Reports
- Primer & Facts
- Briefing Notes
- Other
- Digests
- Press Releases
- Consultation Responses



## The DC Future Book

The DC Future Book in association with Columbia Threadneedle Investments is an annual compendium that sets out available data, annual and longitudinal analysis and projections of future trends.

In 2024 we celebrated ten years of The DC Future Book. A decade is a very long time in pensions, and since the first edition was published in 2015, The Future Book has grown to be an invaluable collection of DC thought leadership. It plays a vital role in tracking changes and trends in DC data and bringing everything together in one place becoming the go to source for DC pension information.

The 10th edition of The DC Future Book reflected upon significant changes over the past decade but also provided valuable insights into the future direction of DC pensions. Through analysing past trends and anticipating future developments, industry and policymakers can better support members in navigating the evolving pension landscape, ultimately securing improved later life outcomes.

The PPI would like to thank Columbia Threadneedle Investments (Platinum Supporters of the PPI) who have sponsored this research since its launch in 2015.



## Pensions Scheme Assets



In 2024 we launched a new annual series Pension Scheme Asset which consisted of three outputs, the main report and two individual deep dives.

With this new annual publication the PPI is looking to shine a light through the mist, bringing together data showing how pension scheme asset allocation changes over time, and why.

We know ‘quite a lot’ but ‘not enough’ about the assets that back current and future retirement incomes. ‘Quite a lot’ because there are several sources of data that map pension fund assets and the way in which they are invested. ‘Not enough’ because there are gaps in our knowledge and a multiplicity of data sets that classify assets in slightly different ways. The timing of different reports can also create difficulty mapping assets consistently as asset values change all the time! Supported by a survey, this annual report will bring much needed clarity to an opaque topic as well as supporting discussions with Government about how assets can be defined and reported in the future.

The first report set out how pension schemes and annuity providers are investing. These findings fill a significant market gap. Alongside the main report we published two deep dives into infrastructure and alternatives which added to the knowledge base around how investors view these assets and what they plan to do in future. The report, and separate deep dives have been incredibly well received and are already being widely used by Government and industry. The event to launch the main report was attended by over 50 industry stakeholders and Emma Reynolds MP, the then Parliamentary Under Secretary of State for Pensions at HM Treasury and Department for Work & Pensions (DWP), provided the keynote address which included an overview of the Government’s current approach and planned activities relating to pensions investment.

As the first Minister to sit jointly across Treasury and DWP, the Government intends to break down silos and create a cross-policy approach to the challenges faced in pensions, with two main objectives: Increasing pension scheme investment in UK productive assets; and improving outcomes for future pensioners.



## Working with HM Treasury



During 2024 we were delighted to be asked to work with HM Treasury to deliver two exclusive workshops, bringing together the industry with Government stakeholders and facilitate discussions on two key areas.

The first workshop, kindly hosted by ABI, took place in September concentrated on **Phase One of the Pensions Review**. This canvassed thoughts and opinion on consolidation and scale for DC schemes and LGPS asset pools, the role of employers, advisers, trustees/Independent Governance Committees and pension providers in considering value over cost in the workplace DC market, and on increasing investments into UK asset classes. The workshop provided the invaluable opportunity for attendees to share their thoughts, opinions and barriers directly to the Treasury team working on the review.



the industry to share their thoughts on what further action might be required to drive an increased focus on value over cost to deliver better outcomes for future pensioners. It looked at how we could ensure that all participants in the pensions ecosystem are focused on value, and to share their perspective about the proposals aimed at driving scale and consolidation in the workplace DC pensions market, as well as the potential introduction of a contractual over-ride on the transfer benefits, without consent for contract-based schemes.

On both occasions the workshops were opened by the then Parliamentary Under Secretary of State for Pensions Emma Reynolds MP who provided an update and overview of the topic area and took questions from all attendees.

Both days allowed industry to directly engage with the teams from HM Treasury and DWP who work working on the specific areas.

The second, in January 2025, kindly hosted by PLSA, concentrated on the open Pensions Investment Review consultation, **Unlocking the UK pensions market for growth**. It brought together key stakeholders from across

## Lost Pensions 2024

In October 2024 the PPI released our eagerly anticipated update to the 2022 Lost Pensions Survey, which was undertaken to coincide with National Pensions Tracing Day and supported the Pay your Pension Some Attention campaign.

The findings from the research showed there are now an estimated 3.3 million lost pots, containing £31.1 billion worth of assets. The work undertaken by the Institute was quoted just over 250 times in both national and trade press. The findings from the research also featured on the BBC News at 10, during a segment which addressed the average size of a lost pots.

We would like to thank ABI and PLSA for sponsoring this vital and impactful research which allows us to understand the scale and progression of this problem.



### An INDEPENDENT Briefing Note by the

Pensions Policy Institute

# PPI

Kindly sponsored by



Supported by the Pay Your Pension Some Attention campaign





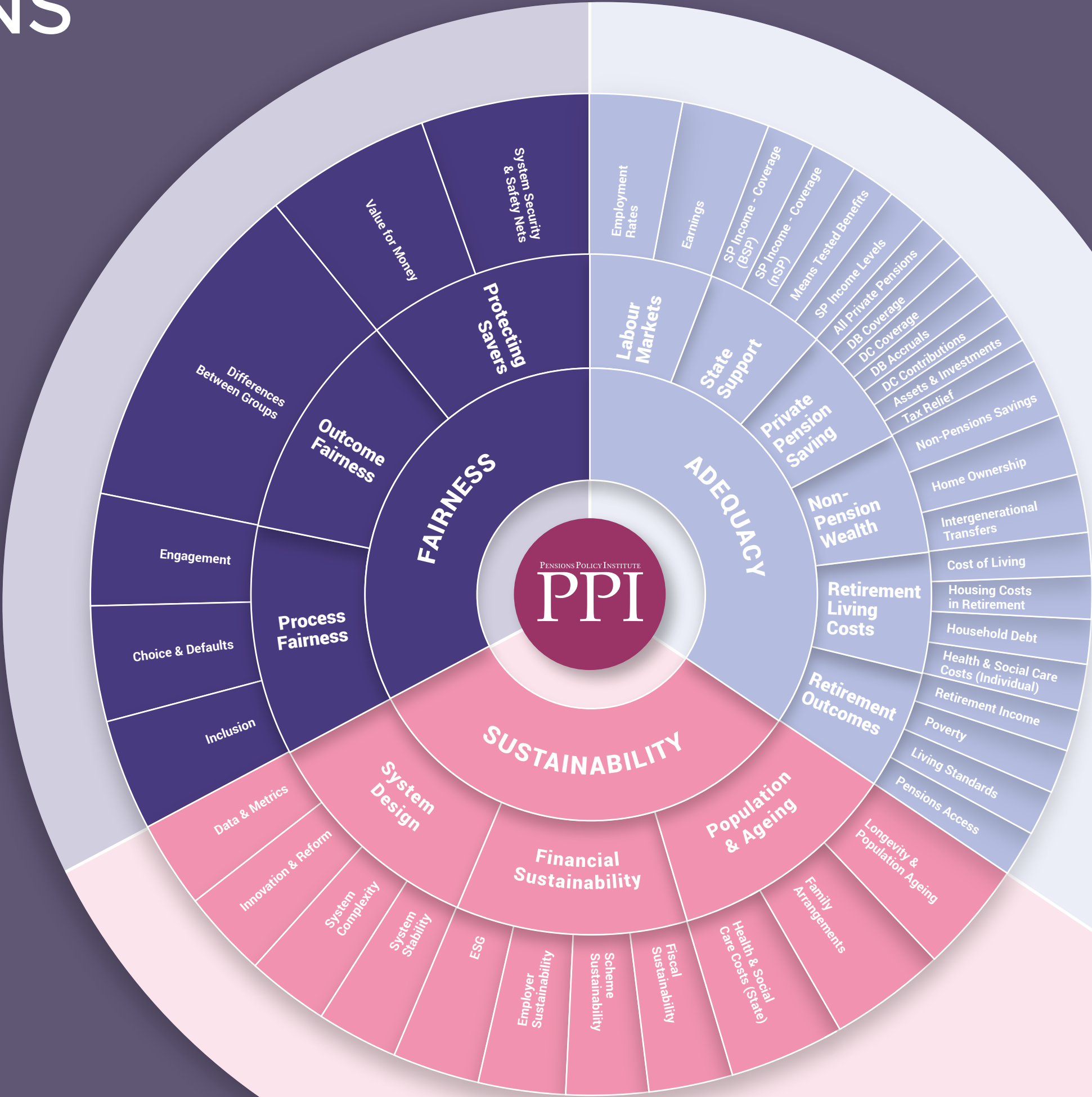
# THE UK PENSIONS FRAMEWORK



The PPI UK Pensions Framework, sponsored by Aviva, is an innovative multi-year project that tracks how the UK pension system is performing against a set of core objectives, which overall determine the financial security that people have in later life.

Its aim is to become established as an essential practical tool for assessing and improving the UK pensions landscape, through constructing a clear, evidence-based picture of how strengths and vulnerabilities in the system relate to each other, and how

they are evolving over time. The Framework also supports one of the Institute’s strategic objectives to ‘encourage the right framework for long-term pension planning’ and, along with its Pensions Policy Wheel visualisation tool, is fast gaining recognition across the pensions world.





On 27 November, we launched the fourth report in our UK Pensions Framework series, based on the very timely topic of inequality and the UK pension system. As always, we remain grateful to our sponsors Aviva who not only continue to make this work possible, but who also provide expert support for the project along with our esteemed Advisory Group.

We know that inequality is rising across different dimensions of UK society, but what does is this signal for pension saving, and ultimately for living standards in later life?

The UK Pensions Framework 2024 research provides evidence of where inequalities look set to widen differences in retirement adequacy as well as where pension reforms are helping to narrow them. By looking at both sides of this complex picture.

The Framework showed clearly that pension reforms including automatic enrolment and the new State Pension are helping to close historic savings gaps and lift retirement income among the poorest pensioner households. However, it also showed that without further reform, these gains will stall and future progress towards better retirements could be jeopardised by persistent savings gaps coupled with widening inequalities in health, wealth, housing and employment.

These inequalities matter to later life because evidence consistently shows that the socioeconomic gaps we see across the population today will become the pension and retirement gaps of tomorrow.

The report found that:

- Health inequalities are making it harder for people from poorer backgrounds to work and save through a continuous career, while also adding pressure on those with longer lives to save more for retirement. The share of working-age adults with a disability rose from 16% in 2012-13 to 23% in 2022-23, while the gap in life expectancy between the most and least deprived areas of the country reached ten years, and the gap in healthy life expectancy was 18 years.
- Growing wealth gaps are making it harder for people on lower incomes to move up the wealth ladder, buy homes and save for later life. Between households with the lowest 10% and highest 10% of wealth, the gap in total wealth rose by 50% or £3.5 trillion between 2011 and 2019.
- Falling home ownership among working age adults means that, by 2040, 1.2 million households could be renting privately through retirement. However, fewer than one in five have sufficient pension income to afford a one-bedroom flat.
- The type of employment people have remains a strong predictor of their ability to save. On average, workers with large employers have higher employer contributions and are more likely to save into a workplace pension than those with SMEs; around 3 million workers do not qualify for automatic enrolment; and fewer than one in five of the UK's 4.2 million self-employed workers saves into a pension.



Conclusion:

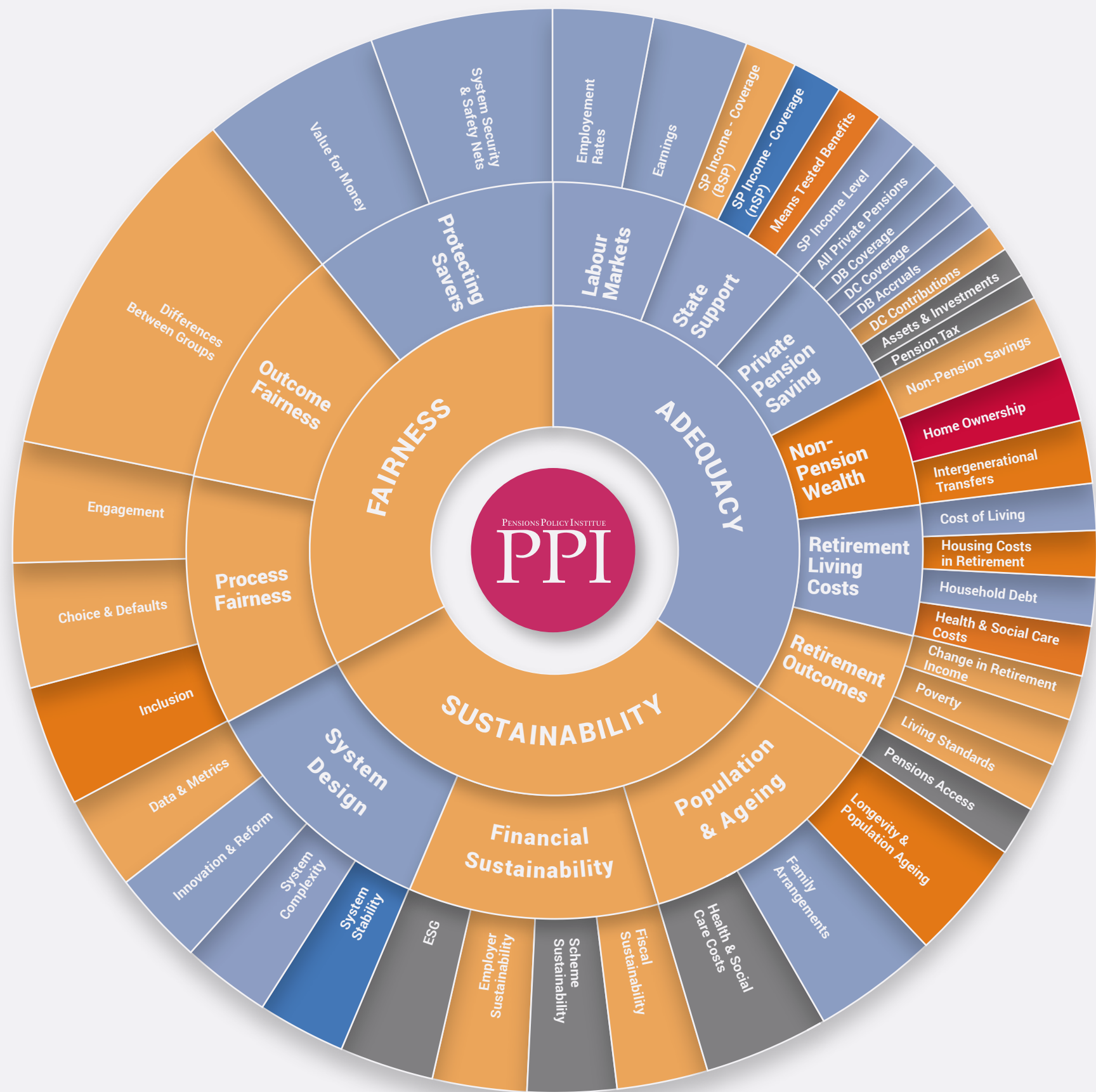
The report concludes that widening inequalities are an early warning signal for stark differences in pension saving and the living standards people will have in retirement.

While recent pension reforms have had important successes, there is more to be done, and focusing on retirement income alone misses important and growing divides that have a material impact on living standards in later life.

The Government’s Pensions Review comes at a critical time, and we hope that the Framework can contribute to the evidence needed to make the system better.

**Key:** Changing trends in underlying gaps or inequalities could contribute to:

L6	Much higher levels of adequacy across the population
L5	Somewhat higher levels of adequacy across the population
L4	Slightly higher levels of adequacy across the population
L3	Slightly lower levels of adequacy across the population
L2	Somewhat lower levels of adequacy across the population
L1	Much lower levels of adequacy across the population
	No data, or no recent change in trends that will affect adequacy



## Research Plans for 2025

Our confirmed 2025 research programme already covers topics including:

*The fifth year of the UK Pensions Framework  
in association with Aviva*

*The eleventh year of The DC Future Book*

*The sixth year of the Underpensioned  
in association with now:pensions*

*Value for Money in Decumulation*

*The Concerns of Gen Z*

*Making CDC work in the UK*

*Low Earners' Retirement  
Incomes*

*The second year of  
Pension Scheme Assets*

**We also planning research on:**

**Lost Pensions**

***An update on the recommendations of the Turner Commission***

## Sponsoring PPI Research

*The PPI gives you the power to shape the cutting-edge of policy making.*

*Each research report combines experience with independence to deliver a robust and informative output, ultimately improving the retirement outcome for millions of savers.*

*If you would be interested in discussing sponsoring future reports, please contact Dr Suzy Morrissey FCA, Deputy Director – [suzy@pensionspolicyinstitute.org.uk](mailto:suzy@pensionspolicyinstitute.org.uk)*



# The Pensions Data Project

An exciting new pensions research initiative, managed independently on behalf of the entire UK pensions industry by a small group of master trusts and the Pensions Policy Institute.

They share a common goal of wanting to contribute to a wider societal benefit where everyone has a better provision and can achieve a positive outcome in retirement. Currently a long-term home for the Pensions Data Project is being secured.

[Visit Website](#)

This crucial new facet, which does not currently exist anywhere else, is the ability to link across the various pension pots which individuals have with different providers, thus generating unprecedented levels of insight for both pension providers and Government.



## About the Pensions Data Project

Participants in **The Pensions Data Project** include:



as well as PwC, who will be processing the data on behalf of The Pensions Data Project.

In the UK there is currently no central longitudinal research base of people's total retirement savings. This exists in other countries (such as the USA) and is a powerful tool for evidencing how individual citizens' retirement savings, aggregated across their different schemes and providers, are evolving over time.

Discussions about establishing such a research database for the UK have taken place for many years, across Government and the pensions industry. The Pensions Commission identified this data deficiency for making evidence-based policy in their First Report in November 2004. More recently, discussions about addressing this need for evidence have been led by the PPI.

Initially, data will be aggregated across the Defined Contribution (DC) pots which individuals have with different trust based providers, thus generating insights for both pension providers and Government. In the longer term, there may be an opportunity to provide other industry-wide insights on the adequacy of individuals' total retirement savings, and their resulting incomes, by linking to:


- Other trust based and contract based Defined Contribution (DC) data;
- Defined Benefit (DB) schemes;
- Decumulation data; and
- Other data sets, such as the Annual Survey for Hours and Earnings.

## Private Beta


After more than 10 years the Private Beta phase of the Pensions Data Project is now fully underway. In August 2024 the 5 providers (**Legal & General**, **NEST**, **now:pensions**, **People's Partnership** and **Smart Pensions**) all successfully transmitted their full pensions book to PwC.

Initial analysis by PwC was undertaken to merge this data with key decisions made in the following areas:


How to anonymise the data in such a way that the data can still be matched




The best method for encrypting the data



The best method for transferring the data



What data items to use in the matching process



The Pensions Data Project Private Beta Phase has been kindly sponsored by a consortium of funders; **The Association of British Insurers (ABI)**, the **Department for Work and Pensions (DWP)**, the **Pensions and Lifetime Savings Association (PLSA)** and **The Pensions Regulator (TPR)**.

## During 2025, three different reports will be published



**February 2025**

Learning on quality of data, levels of matching across providers, key data items required to be seen as acceptable matches.



**Summer 2025**

How small pots are proliferating across the different providers (including persistency, pot size and pot build up).



**Spring 2025**

Learnings from running a "big data project" such as this.



# Structure, Governance, Management & Risk

## Constitution and Objects

The Institute was formed on **22 January 2001** and is registered as a charitable company limited by guarantee. It is governed by its [Memorandum and Articles of Association \('constitution'\)](#).

The principal object of the Institute is the advancement of education for the benefit of the public by the promotion, on a non-political basis, of the study of, and the dissemination of the useful results of the study of, pensions and other provision for retirement and old age, and the economic and social effects and influences of existing arrangements and possible changes to them. There have been no changes in its objects since the last Annual Report.

## Members' (Governors') Liability

As a company limited by guarantee, the Institute has a maximum of 120 members ('Governors'). Governors have voting rights and operate in a personal and non-executive capacity. Their responsibilities are as stated in the Institute's constitution. As members, Governors guarantee to contribute an amount not exceeding £1 to the assets of the Institute in the event of winding up.

Governors are recruited for their expertise in pensions, retirement or finance, although Governors are not responsible for the Institute's work and do not speak on behalf of the Institute. The Board of Trustees have expanded the Governor responsibilities to help preserve the Institute's objects, the independence and impartiality of the Institute, and to ensure that no interest group is able to exert undue influence on the Institute's work.

Part of the implementation of the strategy to amplify the PPI's voice, to cement our position as the UK's pensions experts, is evaluating the role of Governors which will take place during 2025.

117 Governors served during the period ending 31 January 2024, and current Governors are listed on the PPI's website and can be found [here](#).

## The Board of Trustees

### Trustee and Committee Composition

Trustees can serve for a maximum of three terms, and the Chair of Trustees can serve for a maximum of two terms. The terms are made up of three or four years, depending on rotation. In accordance with the constitution, the minimum number of Trustees in office at any given time must be seven, the maximum number is fifteen persons.

**The full list of Trustees who served on the Board during the period ending 31 January 2025 is listed below:**

- **Katie Banks**
- **Sangita Chawla**
- **John Chilman**
- **Sharon Collard**
- **Chris Curry**
- **Mel Duffield**  
*(Appointed June 2024)*
- **Kathryn Fleming**
- **Madeline Forrester**  
*(Chair of Trustees)*
- **Jonathan Guthrie**  
*(Appointed June 2024)*
- **Jamie Jenkins**
- **Robert Laslett CBE**  
*(Retired June 2024)*
- **Darren Philp**
- **Roshni Thakrar**  
*(Appointed June 2024)*
- **Lynda Whitney**
- **Natasha Wilson**

Further details of our Board of Trustees can be found [here](#).

Trustees have the power to appoint Committees of which the Institute currently has four. The Board have reviewed and updated the Committees Terms of References during the year:

**Finance, Audit & Risk Committee**

**Committee Chair: John Chilman**

Provides financial oversight for the PPI, monitoring the financial administration and risk management of the PPI and report to Board of Trustees on the PPI’s financial health.

**External Relations Committee**

**Committee Chair: Lynda Whitney**

To provide intelligence which strengthens the Institute’s external relations, helping support the Executive in developing medium to long-term strategic objectives and delivering against them.

**Governance & Nominations Committee**

**Committee Chair: Katie Banks**

Provides oversight of the Board’s governance arrangements and leads on the recruitment and selection of Governors and Trustees.

**Remuneration Committee**

**Committee Chair: Natasha Wilson**

Approves issues relating to the remuneration of staff, with specific responsibility for making recommendations to the Board regarding the PPI’s Remuneration Policy and the Director’s remuneration. It provides assurance to the Board that the PPI has an effective pay and performance policy in place.

Trustees meet quarterly, to take strategic decisions and to review the performance of the Institute. During the year three separate strategy days were also held.

A review of the **skills expertise and diversity** of Trustees, and Governors, is undertaken annually. Governors are invited to update their information, skills, and expertise biennially. The Board are actively looking at broadening the diversity of the Trustees and the Governor body.

All new Trustees undertake an **Induction process** which provides them with more in-depth information about the Institute and an understanding of what is required of their role on the Board. It includes a variety of activities spread over a period of time including meetings with and introductions to relevant Board Members and staff, invitations to events, meetings and presentations and invitations to attend Trustee training.

They also receive a **Trustee Induction Pack** which includes the history and current activities of the Institute, details of the policies and procedures and governance and management information. Throughout the year, Trustees are encouraged to attend training for continued personal development and to remain up to date with relevant issues relating to their role.

**Conflicts of Interest Registers** are kept up-to-date and are reviewed by the Board of Trustees on an annual basis. A record is maintained of Related Party Transactions of Trustees who are employed by, or may appear to have influence on, organisations who are Supporters or sponsors of research. The details of them are in the Notes to the Financial Statements on page 35.



## Trustee Responsibilities

Trustees (who are also directors of the Institute for the purposes of company law) are responsible for preparing the Trustees’ Report and the Financial Statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

Company and charity law requires Trustees to prepare Financial Statements for each financial year which give a true and fair view of the state of affairs of the charitable company and of the incoming resources and application of resources, including the income and expenditure, of the charitable company for that period. In preparing these Financial Statements, Trustees are required to:

- Select suitable accounting policies and then apply them consistently;
- Observe the methods and principles in the Charities SORP;
- Make judgements and estimates that are reasonable and prudent;
- State whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the Financial Statements; and
- Prepare the Financial Statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue in business.

## Trustee elections

In addition to an open recruitment process, Trustees are elected and co-opted in accordance with the constitution.

At the Annual General Meeting on 25 June 2025, one third of the Trustee Board (excluding the Director), or the number nearest to but not greater than one third, shall retire from office. The Trustees to retire every year will be those who have been longest in office since their last election or appointment. All retiring Trustees shall be eligible for re-election if their term has not ended.

Trustees are responsible for keeping proper accounting records that disclose with reasonable accuracy at any time the financial position of the charitable company and enable them to ensure that the Financial Statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the charitable company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities. They are also responsible for the maintenance and integrity of the corporate and financial information included on the charitable company’s website. Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

So far as each of the Trustees are aware, at the time the report is approved:

- There is no relevant audit information of which the charitable company’s auditors are unaware.
- The Trustees have taken all steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the auditors are aware of that information.

## Management and Staff

The Senior Management Team consists of Chris Curry, Director of the Institute, with overall responsibility for leading and managing the Institute, and Dr Suzy Morrissey, Deputy Director, with overall responsibility for the research programme. Chris is also separately employed by the Money and Pensions Service (MaPS) as the Principal of the Pensions Dashboards Industry Delivery Group.

In total, there is a core team of eleven full-time and three part-time members of staff. Plus, three Research Associates who work with the Institute on a consultancy basis.

The Institute is pleased to offer internships and secondments.

[Further details about the PPI Team can be found here.](#)

## Equity, Diversity and Inclusion statement

The Institute recognises and promotes the values of diversity and inclusion as fundamental to all our policies and practices. Everyone is different and has something unique to offer. The Institute wants to respect and understand these differences and to make the most of everyone’s background, talents and abilities. We are committed to promoting an inclusive environment where all can be themselves, are valued for their differences, and are supported to work at their best. We therefore aim to ensure that the values of inclusiveness, diversity and respect for all are embedded into everything that we do. This includes identifying policy initiatives which are likely to reduce inequalities in the UK Pension system.

We were proud to continue our partnership with the 10,000 Interns Foundation during 2024. Over the summer we welcomed two Interns Bethel Kyeza and Rosa Wright.

## Remuneration Policy

In accordance with the Charities SORP, the Companies Act 2006 and the Charities Act 2011, the Institute disclose the following:

- Any payment made to Trustees. Trustees do not receive ‘pay’ although they are entitled to claim for appropriate expenses.
- The number of staff in receipt of more than £60,000 (in bands of £10,000) and pensions and other benefits of key staff (personnel) are detailed in the Notes to the Financial Statements.

The Institute has a **Remuneration Committee**, which meets annually, and is comprised of four Trustees with relevant skills and expertise in HR and employee benefits. The Director is in attendance (leaving for the discussion about their remuneration).

The main responsibilities of the Remuneration Committee are to:

- Approve and monitor the broad salary policy, pay structure progression and approach to performance management and changes to terms and conditions.
- Review and determine the remuneration package of the Director and receive salary recommendations from the Director for the Deputy Director on an annual basis (or more frequently if considered necessary), having regard to the PPI Remuneration Policy, other comparable organisations and such other factors as the Committee considers relevant.
- Agree the Director’s overall high-level proposals for salary increases/bonuses for staff, and any other significant individual recommended changes (such as large increases or no increases), on an annual basis in time for the year end, and on other elements of the PPI staff remuneration scheme as necessary.
- Ensure there is coherence between Executive pay and broader staff pay.
- The Chair of the Remuneration Committee to consult the Chair of the Finance, Audit and Risk Committee about the overall affordability of remuneration decisions.

- As well as being guided by the PPI Remuneration Policy, take full account in its decision making of relevant external senior remuneration governance guidelines and requirements, including (but not limited to) the Five Principles of Good Pay set out in ACEVO's Good Pay Guide for Charities and Social Enterprises (December 2013); the Higher Education Code of Governance published by the Committee of University Chairs; and the UK Corporate Governance Code (January 2024).

The Institute is committed to ensuring that its staff are paid fairly and in a way that ensures it attracts and retains the right skills to have the greatest impact in delivering our charitable objectives.

The objective of the Remuneration Policy is to ensure that the Institute's staff are provided with appropriate incentives to encourage enhanced performance and are, in a fair and responsible manner, rewarded for their contributions to the Institute's success. The appropriateness and relevance of the policy is reviewed annually.

## Gender Pay Gap

Gender pay regulations require private sector employers with more than 250 employees to publicly report a range of gender pay information. Despite not reaching that criteria we believe transparency in this area is vital. Our small team size means that our gender pay gap is subject to large movements from small changes.

As of 31 January 2025, the median annual salary was £44,000 (2024: £41,400) and (mean) average was £47,300 (2024: £43,700). Within the Senior Leadership Team\*, the mean annual salary was £66,700 (2024: £64,100). 71% (2024: 71%) of the Institute's employees are female and, within the Senior Leadership Team, the gender balance remains 67% female and 33% male (ratio 2:1). The gender pay gap across the Institute is 36% and the median to the top ratio is 2.1.

\*Senior Leadership includes - Senior Management, Head of Modelling, Head of Policy Research, Head of Finance and Operations and the Head of Membership and External Engagement

## Risk Management

It is the responsibility of all Trustees to monitor the risks posed to the ongoing viability and ability of the Institute to fulfil its charitable objective. The Trustees regularly assess the major risks to which the Institute is exposed, in particular those related to finances, operations, governance and the reputation of the Institute. The Trustees are satisfied that systems are in place to mitigate its exposure to these major risks.

The Finance, Audit and Risk Committee have delegated responsibility to oversee risk management, however, there is a collective decision on matters that are reserved for the Board.

In maintaining the quality and standard of its research, at least two Trustees review the Institute's major pieces of research. Trustees and Governors are also selected to sit on specific research steering groups and the Institute has Research Procedures that are designed to ensure appropriate quality assurance of research and to mitigate the reputational and operational risk that could arise from the issuing of, or external resources circulating, factually inaccurate or misleading research. Governors are encouraged to monitor and provide feedback on the Institute's research and activities to ensure they remain within the charitable objects and that the Institute retains its independent, evidence-based and balanced stance. The proportion of research that has come from ideas from the sponsors of the research and the proportion where the topic has been chosen by the Institute before seeking sponsorship, is carried out to check on aspects of our independence.

Over the next 12-18 months, the focus continues to be on securing income, maintaining the quality and standard of research, strengthening existing relationships and extending our networks.

## Public Benefit

Trustees confirm that they have complied with the duty in section 17 of the Charities Act 2011 to have due regard to the public benefit guidance published by the Charity Commission in determining the activities undertaken by the Institute. The Trustees' view is that the Institute complies with this guidance because:

- All research is published and is available to members of the public to download from the website and social media platforms, ensuring the broadest possible reach for the research.
- An email, alerting those who have signed up to the PPI's mailing list, is sent regarding new research. The PPI's media contacts also receive a press release and an email when publications are available.
- The public benefits if the policy debate on pensions and retirement provision is informed by apolitical, independent and evidence-based research.
- Any individual or organisation can sponsor research from the PPI provided:
  - The research falls within the Institute's charitable objectives;
  - The Institute has the skills and capability to conduct the research; and
  - The organisation is able to fund the research and acknowledges that the research is published.
- Any organisation can join the PPI's Supporters Scheme if it wishes to attend the PPI's research seminars and engage more closely with the PPI. A reduced membership rate applies for charities, charitable trusts, smaller Defined Benefit/Defined Contribution schemes, local government authorities, Independent Governance Committees, trustees and smaller organisations that have an interest in pensions policy.





# FINANCIAL REPORT

FOR YEAR ENDED 31 JANUARY 2025



# **Our Funding Model consists of...**

**Supporters Subscriptions  
Voluntary Donations  
Grants  
Earned Income  
from Research and  
dissemination activities**

**The balance and diversity of our income is not only essential for the ongoing viability of the PPI as it provides a regular stream of income but it is also important to ensure the PPI's independence and impartiality.**



# Review of Financial Position

## Results for the year

### 2024/25

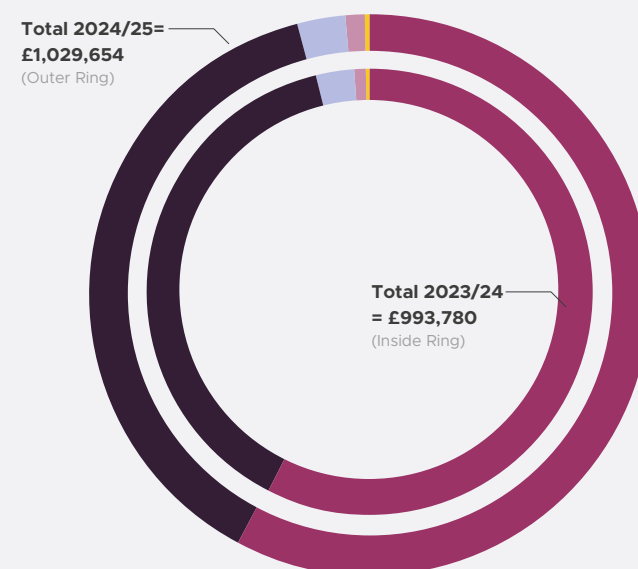
- Sponsored Research £595,059
- Supporters Scheme £393,519
- Other Income £28,748
- Interest £10,802
- Donations £1,525

**Total 2024/25 = £1,029,654**

### 2023/24

- Sponsored Research £573,398
- Supporters Scheme £384,188
- Other Income £27,910
- Interest £6,221
- Donations £2,063

**Total 2023/24 = £993,780**



In 2024/25, income increased by 4% to £1,029,654 (2023/24: £993,780). Expenditure was maintained £985,441 (2023/24: £986,767). The outcome for the year is a surplus of £44,213.

**The Supporters Scheme** has remained stable with the majority of Supporter's renewing throughout 2024/25. We did however, have two non-renewals, AXA and MNOPF. However, we were delighted that Hymans Robertson LLP upgraded to Gold Level Supporters.

**HYMANS ROBERTSON**

**Sponsored Research** income has increased with a mixture of recurring and one-off projects. Although the economic environment remains challenging, we were pleased to have launched two new recurring projects.

**Other income** was mainly driven by the Knowledge Sharing Seminars.

The PPI is registered for gift aid and individuals can donate through the individual donation scheme. The Institute does not engage in any specific fundraising activities or use third parties for fundraising activities. There were no fundraising complaints during the year.

## Reserves

The Board agreed a risk based contingency type of reserve target that has a range that is determined by the Institute's commitments and strategic direction. The calculation considers the level of wind-down costs, primarily staff and accommodation costs, there may be other costs involved that may need to be considered and the actions that may be taken if income streams begin to fall. The actual reserve range will be calculated according to these principles every year as part of the Budget setting process and kept under regular review during the year by the Finance, Audit and Risk Committee.

The targeted range for 2024/25 was determined to be £278,600 to £364,900 (2023/24: £262,200 to £343,000). It is the Institute's intention to maintain a level of reserves in the range. The targeted range which takes effect from 2024/25 is £306,450 to £408,600.

In line with the Statement of Recommended Practice (SORP) for all registered charities, the portion of income that relates to the subsequent financial year is treated, for accounting purposes, as deferred income. The Institute received deferred income of £184,542 (2023/24: £282,111) and its total reserves at 31 January 2025 were unrestricted and totalled £333,645 (2023/24: £289,432). Unrestricted reserves, excluding amounts tied up in fixed assets were £331,895 (2023/24: £286,500). The Institute's reserves are currently in the middle of the targeted range.

## Investment Policy

Under the **Memorandum and Articles of Association**, the Institute has the power to deposit or invest funds in any manner (but to invest only after obtaining advice from a financial expert and having regard to the suitability of investments and the need for diversification). Currently the Institute's funds are held in cash as the Board does not think it prudent to invest in more volatile assets.

## Appointment of Auditors

A resolution proposing that TC Group be reappointed as auditors of the company will be put to the Annual General Meeting on 25 June 2025.

## Approval

The report of the Trustees has been prepared in accordance with the special provisions relating to companies subject to the small companies' regime within Part 15 of the Companies Act 2006.

This report was approved by Board and signed on its behalf by:

*Madeline Forrester*

Madeline Forrester  
Chair of Trustees  
15 May 2025

*John Chilman*

John Chilman  
Chair of Finance Audit &  
Risk Committee  
15 May 2025

# Independent auditor’s report to the members of Pensions Policy Institute

## Opinion

We have audited the financial statements of The Pensions Policy Institute (the ‘charitable company’) for the year ended 31 January 2025 which comprise the Statement of Financial Activities, the Statement of Financial Position and the notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 The Financial Reporting Standard applicable in the UK and Republic of Ireland (United Kingdom Generally Accepted Accounting Practice).

In our opinion, the financial statements:

- give a true and fair view of the state of the charitable company’s affairs as at 31 January 2025 and of its incoming resources and application of resources, including its income and expenditure for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

## Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the *Auditor’s responsibilities for the audit of the financial statements* section of our report. We are independent of the charitable company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC’s Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

## Conclusions relating to going concern

In auditing the financial statements, we have concluded that the trustees’ use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the charitable company’s ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

Our responsibilities and the responsibilities of the trustees with respect to going concern are described in the relevant sections of this report.

## Other information

The other information comprises the information included in the trustees’ annual report, other than the financial statements and our auditor’s report thereon. The trustees are responsible for the other information contained within the annual report. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

Our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the course of the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

## Opinions on other matters prescribed by the Companies Act 2006

In our opinion, based on the work undertaken in the course of our audit:

- the information given in the trustees’ report incorporating the directors’ report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the directors’ report have been prepared in accordance with applicable legal requirements

## Matters on which we are required to report by exception

In the light of the knowledge and understanding of the charitable company and its environment obtained in the course of the audit, we have not identified material misstatements in the directors’ report.

We have nothing to report in respect of the following matters in relation to which the Companies Act 2006 requires us to report to you if, in our opinion:

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of directors’ remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit; or
- the trustees were not entitled to prepare the financial statements in accordance with the small companies regime and take advantage of the small companies’ exemptions in preparing the trustees’ report and from the requirement to prepare a strategic report.

## Responsibilities of trustees

As explained more fully in the statement of trustees’ responsibilities, the trustees, who are also the directors of the charity for the purpose of company law, are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the trustees are responsible for assessing the charity’s ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the trustees either intend to liquidate the charitable company or to cease operations, or have no realistic alternative but to do so.

## Auditor’s responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor’s report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

Irregularities, including fraud, are instances of non-compliance with laws and regulations. The extent to which our procedures are capable of detecting irregularities, including fraud, is detailed below.

## Extent to which the audit was considered capable of detecting irregularities, including fraud

The objectives of our audit, in respect to fraud, are: to identify and assess the risks of material misstatement of the financial statements due to fraud; to obtain sufficient appropriate audit evidence regarding the assessed risks of material misstatement due to fraud, through designing and implementing appropriate responses; and to respond appropriately to fraud or suspected fraud identified during the audit. However, the primary responsibility for the prevention and detection of fraud rests with both those charged with governance of the entity and its management.

Our approach was as follows:

- We identified areas of laws and regulations that could reasonably be expected to have a material effect on the financial statements from our general commercial and sector experience, and through discussion with the trustees and other management (as required by auditing standards), and discussed with the trustees and other management, the policies and procedures regarding compliance with laws and regulations;
- We focused on specific laws and regulations which we consider may have a direct material effect on the financial statements or the operations of the charitable company, including the Companies Act 2006, the relevant tax compliance regulations in the UK, the legal and regulatory frameworks directly



applicable to the financial statements reporting framework (FRS 102) and Charity SORP;

- We considered the nature of the industry, the control environment, business performance and KPI's for a charitable company;
- We communicated identified laws and regulations within the audit team and remained alert to any indications of non-compliance throughout the audit. These include Health and Safety, employment law and adequate insurances, including those required to be taken by 3rd parties;
- We considered and reviewed the procedures and controls that the charitable company has established to address risks identified, or that otherwise prevent, deter and detect fraud; and how senior management monitors those procedures and controls.

Based on this understanding we designed our audit procedures to identify non-compliance with such laws and regulations. Where the risk was considered to be higher, we performed audit procedures to address each identified fraud risk. These procedures included: testing manual journals; reviewing the financial statement disclosures and testing to supporting documentation; performing analytical procedures; and enquiring of management, and were designed to provide reasonable assurance that the financial statements were free from fraud or error.

Owing to the inherent limitations of an audit, there is an unavoidable risk that we may not have detected some material misstatements in the financial statements, even though we have properly planned and performed our audit in accordance with auditing standards. For example, the further removed non-compliance with laws and regulations (irregularities) is from the events and transactions reflected in the financial statements, the less likely the inherently limited procedures required by auditing standards would identify it. The risk is also greater regarding irregularities occurring due to fraud rather than error, as fraud involves intentional concealment, forgery, collusion, omission or misrepresentation. We are not responsible for preventing non-compliance and cannot be expected to detect non-compliance with all laws and regulations.

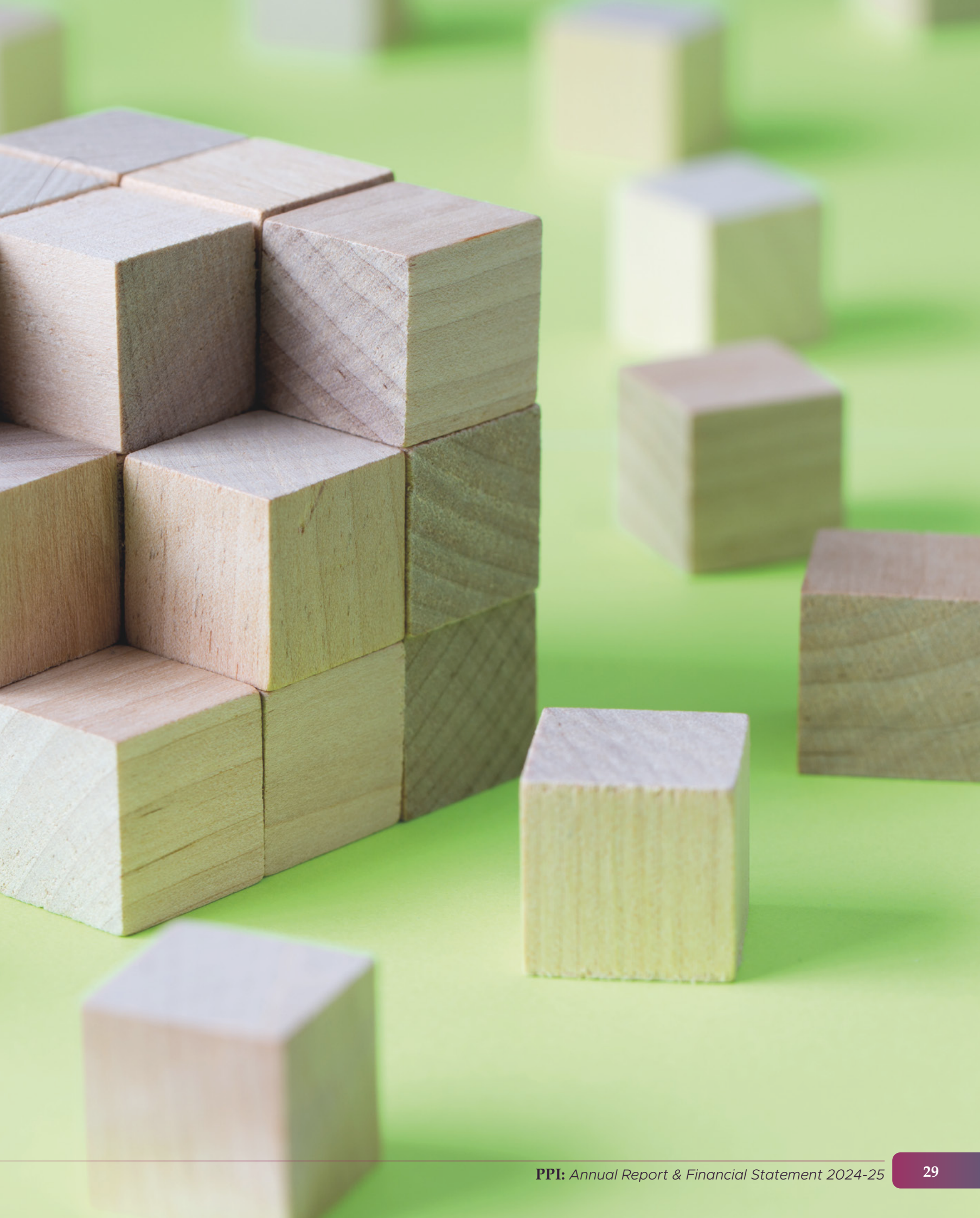
Use of our report

This report is made solely to the charitable company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the charitable company's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charitable company and the charitable company's members as a body, for our audit work, for this report, or for the opinions we have formed.

TC Group

Mark Cummins FCCA (Senior Statutory Auditor)  
for and on behalf of TC Group  
Statutory Auditors  
Office: Steyning, West Sussex

15 May 2025



Statement of Financial Activities for the year ending 31 January 2025  
(incorporating income and expenditure account)

		Restricted Funds 2025 £	Unrestricted Funds 2025 £	Total Funds 2025 £	Total Funds 2024 £
Income	Notes				
Donations		-	1,525	1,525	2,063
Income from charitable activities:					
Research	2	62,855	954,472	1,017,327	985,496
Investment income	3	-	10,802	10,802	6,221
		-----	-----	-----	-----
Total income		62,855	966,799	1,029,654	993,780
		-----	-----	-----	-----
Expenditure					
Expenditure on charitable activities:					
Research	4	62,855	922,586	985,441	986,767
		-----	-----	-----	-----
Total expenditure		62,855	922,586	985,441	986,767
		-----	-----	-----	-----
Net/income and net movement in funds for the year	7	-	44,213	44,213	7,013
Reconciliation of funds					
Total funds brought forward		-	289,432	289,432	282,419
		-----	-----	-----	-----
Total funds carried forward		-	333,645	333,645	289,432
		=====	=====	=====	=====

The Statement of Financial Activities includes all gains and losses recognised in the year.

All transactions are derived from continuing activities.

The notes on pages 32-35 form part of these Financial Statements.

Balance Sheet as at 31 January 2025  
Company Number: 04145584

	Notes	£	2025 £	£	2024 £
Fixed assets					
Tangible fixed assets	9		1,750		2,931
Current assets					
Debtors	10		215,462	189,664	
Cash at bank			352,693	461,050	
			-----	-----	
			568,155	650,714	
Creditors: amounts falling due within one year	11		(216,497)	(346,393)	
			-----	-----	
Net current assets			351,658		304,321
			-----		-----
Total assets less current liabilities			353,408		307,252
Creditors: amounts falling due after more than one year	12		(19,763)	(17,820)	
			-----	-----	
Net assets	16		333,645		289,432
			=====		=====
Institute funds					
Unrestricted General Funds	15		333,645		289,432
			-----		-----
			333,645		289,432
			=====		=====

The Financial Statements were approved and authorised for issue by the Trustees and were signed on their behalf by:

Madeline Forrester

Madeline Forrester  
Chair of Trustees  
15 May 2025

John Chilman

John Chilman  
Chair of Finance Audit & Risk Committee  
15 May 2025

The notes on pages 32-35 form part of these Financial Statements.



Statement of Cashflow

	2025 £	2024 £
<b>Cashflows from operating activities:</b>		
Net cash (used in) by operating activities	(117,644)	(27,021)
<b>Cashflows from investing activities:</b>		
Interest received	10,802	6,221
Purchase of IT equipment	(1,514)	-
	-----	-----
<b>Net cash used in investing activities</b>	<b>9,288</b>	6,221
	-----	-----
<b>Change in cash and cash equivalents in the reporting period</b>	<b>(108,357)</b>	(20,800)
<b>Cash and cash equivalents at the beginning of the reporting period</b>	<b>461,050</b>	481,850
	-----	-----
<b>Cash and cash equivalents at the end of the reporting period</b>	<b>352,693</b>	461,050
	=====	=====
<b>Reconciliation of net (expenditure) to net cash flow from operating activities</b>		
<b>Net (expenditure) / income for the reporting period (as per the statement of financial activities)</b>	<b>44,213</b>	7,013
<b>Adjustments for:</b>		
Depreciation charges	2,696	779
Interest received	(10,802)	(6,221)
Increase in debtors	(25,798)	(82,735)
Increase / (decrease) in creditors	(127,953)	54,143
	-----	-----
Net cash (used in) by operating activities	(117,644)	(27,021)
	=====	=====
<b>Analysis of cash and cash equivalents</b>		
Cash in hand	268,089	229,610
Notice deposits (less than 12 months)	84,604	231,440
	-----	-----
<b>Total cash and cash equivalents at the end of the year</b>	<b>352,693</b>	461,050
<b>A net debt reconciliation note has not been presented as the charity has no debt.</b>	=====	=====

Notes to the Financial Statement for the year ending 31 January 2025

<b>1. Accounting policies</b>
The principal accounting policies adopted, judgements and key sources of estimation uncertainty in the preparation of the financial statements are as follows:
<b>1.1 Basis of preparation of Financial Statements</b>
The financial statements have been prepared in accordance with Accounting and Reporting by Charities: Statement of Recommended Practice (SORP) applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2019) – (Charities SORP FRS 102) (Second Edition), and the Companies Act 2006.
The Pensions Policy Institute meets the definition of a public benefit entity under FRS 102. Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy note(s).
<b>1.2 Preparation of accounts on a going concern basis</b>
The Board consider there are no material uncertainties about the Institute’s ability to continue as a going concern. The review of our financial position, reserve levels and future plans gives the Board confidence the Institute remains a going concern for the foreseeable future.
<b>1.3 Critical Accounting Judgements and key sources of estimation uncertainty</b>
In the application of the accounting policies, Trustees are required to make judgements, estimates and assumptions about the carrying value of assets and liabilities that are not readily apparent from other sources. The estimates and underlying assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates. The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period, or in the period of the revision and future periods if the revision affects current and future periods.
In the view of the Trustees, no assumptions concerning the future or estimation uncertainty affecting assets or liabilities at the balance sheet date are likely to result in a material adjustment to their carrying amounts in the next financial year.
<b>1.4 Company status</b>
The Institute is a company limited by guarantee and does not have any share capital. The members of the Institute are the Governors named on the PPI website. In the event of the Institute being wound up, the liability in respect of the guarantee is limited to £1 per member of the Institute. It was incorporated in England and Wales on 22 January 2001 (company number: 04145584) and registered as a charity on 3 August 2001 (charity number: 1087856). The registered address is on page 37.
<b>1.5 Fund accounting</b>
General funds are unrestricted funds which are available for use at the discretion of the Board in furtherance of the general objectives of the Institute and which have not been designated for other purposes.
Restricted funds are funds which are to be used in accordance with specific restrictions imposed by donors which have been raised by the Institute for particular purposes. The cost of raising and administering such funds is charged against the specific fund. The aim and use of each restricted fund are set out in the notes to the Financial Statements.
<b>1.6 Income recognition</b>
All income is included in the Statement of Financial Activities when the Institute has entitlement to income, it is probable that income will be received, and the amount of income receivable can be measured reliably.

Notes to the Financial Statement for the year ending 31 January 2025 continued

1.7 Donations and legacies

Donations and gifts are included in full in the Statement of Financial Activities when there is entitlement, probability of receipt and the amount of income receivable can be measured reliably.

1.8 Income from charitable activities

Income from charitable activities is recognised as earned as the related services are provided. Income from other trading activities is recognised as earned as the related goods are provided.

- When donors specify that donations and grants given to the Institute must be used in future accounting periods, the income is deferred until those periods.
- PPI Supporters renew their membership on a 12-month rolling basis. All Supporters' income relating to the financial period covered by this report is recorded in the Statement of Financial Activities. Any Supporters' income relating to the subsequent financial year is stated, for accounting purposes, as deferred income.
- Grants are recognised in full in the Statement of Financial Activities in the year in which the charity has entitlement to the income, the amount of income receivable can be measured reliably and there is probability of receipt.

1.9 Investment income

Investment income is recognised on a receivable basis once the amounts can be measured reliably.

1.10 Expenditure

Liabilities are recognised as expenditure as soon as there is legal or constructive obligation committing the Institute to that expenditure, it is probable that settlement will be required and the amount of obligation can be measured reliably.

Expenditure is recognised on an accruals basis as a liability is incurred.

Charitable activities comprise costs of research and dissemination of research. These costs reflect staff time and direct costs along with an allocation of support costs.

Support costs have been allocated between governance costs and other support costs. Governance activities comprise organisational administration and compliance with constitutional and statutory requirements. Costs include direct costs of external audit, legal fees and other professional advice.

Governance and other support costs have been apportioned between all activities based on staff head counts and usage by activity. The allocation of governance and other support costs is analysed in note 5.

1.11 Operating leases

Rental charges are charged on a straight-line basis over the life of the lease.

1.12 Employee benefits

- Short-term benefits** including holiday pay are recognised as an expense in the period in which the service is received.
- Employee termination benefits** are accounted for on an accruals basis, and in line with FRS 102.
- Pensions** - All staff members employed by the Institute are eligible for membership of a Group Stakeholder Pension Plan. The Institute makes contributions into the plan. Employees may also make individual contributions within the limits set by HM Revenue and Customs. Such contributions are held in funds administered completely independently of the Institute's finances. The contributions made by the Institute are accounted for on an accruals basis.

1.13 Tangible fixed assets and depreciation

All fixed assets costing more than £300 are capitalised.

Tangible fixed assets are stated at cost less depreciation. Depreciation is provided at rates calculated to write off the cost of fixed assets, less their estimated residual value, over their expected useful lives on the following bases:

Office Equipment	10%	straight line
Computer Equipment	33.33%	straight line

1.14 Financial instruments

The Institute only has financial assets and financial liabilities of a kind that qualify as basic financial instruments. Basic financial instruments are initially recognised at transaction value and subsequently measured at their settlement value.

1.15 VAT

The Pensions Policy Institute is registered for VAT.

1.16 Debtors

Trade and other debtors are recognised at the settlement amount due after any trade discount offered. Prepayments are valued at the amount prepaid net of any trade discounts due.

1.17 Cash at bank and in hand

Cash at bank and cash in hand includes cash and short-term highly liquid investments with a short maturity of twelve months or less from the date of acquisition or opening of the deposit or similar account.

1.18 Creditors and provisions

Creditors and provisions are recognised where the charity has a present obligation resulting from a past event that will probably result in the transfer of funds to a third party and the amount due to settle the obligation can be measured or estimated reliably. Creditors and provisions are normally recognised at their settlement amount after allowing for any trade discounts due.

2. Income from charitable activities – research

	Total Funds 2025 £	Total Funds 2024 £
Sponsored research	595,059	573,398
Supporter Income	393,519	384,188
Other income	28,749	27,910
	-----	-----
Total	1,017,327	985,496
	=====	=====

3. Investment income

	Total Funds 2025 £	Total Funds 2024 £
Bank interest receivable	10,802	6,221
	=====	=====



# Notes to the Financial Statement for the year ending 31 January 2025

## continued

### 4. Expenditure

	Direct staff costs £	Other direct costs £	Support costs £	2025 £
Research	718,439	74,751	192,251	985,441
	-----	-----	-----	-----
Total	718,439	74,751	192,251	985,441
	=====	=====	=====	=====
				2024
Research	708,647	85,972	192,148	986,767
	-----	-----	-----	-----
Total	708,647	85,972	192,148	986,767
	=====	=====	=====	=====

Research Associate costs are included within direct staff costs but not included in Note 8 (staff costs and employee numbers).

### 5. Support costs include

	Staff Costs £	Office costs £	Other costs £	2025 £
Governance	57,789	-	14,637	72,426
Other Support costs	59,379	27,159	33,287	119,825
	-----	-----	-----	-----
Total	117,168	27,159	47,924	192,251
	=====	=====	=====	=====
				2024
Governance	56,621	-	14,674	71,295
Other Support costs	60,073	32,008	28,772	120,854
	-----	-----	-----	-----
Total	116,694	32,008	43,446	192,148
	=====	=====	=====	=====

### 6. Governance

	Total Funds 2025 £	Total Funds 2024 £
Salaries	57,789	56,621
Audit and accountancy	11,650	11,000
Legal and professional fees	2,545	3,493
Other costs	442	181
	-----	-----
	72,426	71,295
	=====	=====

### 7. Net (expenditure)

	2025	2024
	£	£
This is stated after charging:		
Depreciation of tangible fixed assets:		
- owned by the Institute	2,696	779
Auditor’s remuneration – audit services excluding VAT	11,650	11,000
Pension costs	73,029	72,387
	=====	=====

During the year, no Trustee received any remuneration (2023/24: NIL).  
During the year, no Trustee received any benefits in kind (2023/24: NIL).  
During the year, one Trustee received reimbursement of travel expenses £442 (2023/24: £189).

### 8. Staff costs and employee numbers

	2025	2024
	£	£
Wages and salaries	662,012	659,681
Social security costs	64,492	61,987
Other pension costs	73,029	72,387
	-----	-----
	799,533	794,055
	=====	=====

The average total number of staff employed in the period was 14 (2023/24: 14); including full-time staff of 11 (2023/24: 11) and 3 (2023/24: 3) part-time staff.

The number of employees whose emoluments (excluding pension contributions) amounted to over £60,000 in the year was as follows:

	2025	2024
£60,001 - £70,000	2	1
£70,001 - £80,000	1	1
£80,001 - £90,000	-	-
£90,001 - £100,000	-	1
	-----	-----
	3	3
	=====	=====

The key management personnel comprises the senior management team and is made up of the following positions within the organisation - Director and Deputy Director.

	2025	2024
	£	£
Salaries	183,786	175,664
Social Security	21,455	19,682
Pension	21,949	21,071
	-----	-----
	227,190	216,417
	=====	=====

Notes to the Financial Statement for the year ending 31 January 2025 continued

9. Tangible fixed assets

	Furniture, fittings and equipment
Cost	£
At 1 February 2024	32,689
Additions	1,514
Disposals	(1,470)
	-----
At 31 January 2025	32,733
	-----
Depreciation	
At 1 February 2024	29,757
Charge for the year	2,696
Disposals	(1,470)
	-----
At 31 January 2025	30,983
	-----
Net book value	
At 31 January 2025	1,750
	=====
At 31 January 2024	2,931
	=====

10. Debtors: due within one year

	2025	2024
	£	£
Trade debtors	56,766	142,811
Prepayments	27,617	23,927
Accrued income	131,079	22,926
	-----	-----
	215,462	189,644
	=====	=====

11. Creditors: amounts falling due within one year

	2025	2024
	£	£
Social security and other taxes	23,971	49,880
Accruals	19,771	27,820
Deferred income (see note 13)	164,779	264,291
Other creditors	7,976	4,402
	-----	-----
	216,497	346,393
	=====	=====

12. Creditors: amounts falling due after one year

	2025	2024
	£	£
Deferred income (see note 13)	19,763	17,820
	-----	-----
	19,763	17,820
	=====	=====

13. Deferred income

	2025	2024
	£	£
Deferred income brought forward at 1 February 2025	282,111	249,122
Supporters income received in advance	184,007	206,968
Sponsored Research received in advance	-	72,173
Other income received in advance	535	2,970
Released to Statement of Financial Activities	(282,111)	(249,122)
	-----	-----
Deferred income carried forward at 31 January 2025	184,542	282,111
	=====	=====

14. Pension commitments

The Pensions Policy Institute contributes to a Group Stakeholder Pension Plan administered by Royal London. The pensions cost charge represents contributions made by the Institute and amounted to £73,029 (2023/24: £72,387).

15. Statement of funds 2024/25

	Brought Forward	Income	Expenditure	Carried Forward
	£	£	£	£
Unrestricted funds				
General funds	289,432	966,799	922,586	333,645
	-----	-----	-----	-----
Restricted funds				
Kings CDC Grant funded by the Nuffield Foundation	-	62,855	62,855	-
	-----	-----	-----	-----
Total Funds	289,432	1,029,654	985,441	333,645
	=====	=====	=====	=====

Restricted funded projects 2024/25

**Collective Defined Contribution pensions with investment choice:** making CDC work; working with Kings College London. This project is funded by the Nuffield Foundation and is a unique collaboration, studying CDC schemes with choice from mathematical and policy perspectives. The mathematics will show how to design investment and risk-sharing strategies to achieve the best welfare outcomes. Our policy work will examine the obstacles to implementing such a scheme and the implications for legislation.



Notes to the Financial Statement for the year ending 31 January 2025 continued

2023/24	Brought Forward £	Income £	Expenditure £	Carried Forward £
<b>Unrestricted funds</b>				
General funds	282,419	988,722	981,759	289,432
	-----	-----	-----	-----
<b>Restricted funds</b>				
Kings CDC Grant funded by the Nuffield Foundation	-	5,008	5,008	-
	-----	-----	-----	-----
Total Funds	282,419	993,780	986,767	289,432
	=====	=====	=====	=====

Restricted funded projects 2023/24

**Collective Defined Contribution pensions with investment choice:** making CDC work; working with Kings College London. This project is funded by the Nuffield Foundation and is a unique collaboration, studying CDC schemes with choice from mathematical and policy perspectives. The mathematics will show how to design investment and risk-sharing strategies to achieve the best welfare outcomes. Our policy work will examine the obstacles to implementing such a scheme and the implications for legislation.

16. Analysis of net assets between funds

	Unrestricted Funds 2025 £	Total Funds 2025 £
Tangible fixed assets	1,750	1,750
Current assets	568,155	568,155
Creditors due within one year	(216,497)	(216,497)
Creditors due after one year	(19,763)	(19,763)
	-----	-----
Total	333,645	333,645
	=====	=====
	2024 £	2024 £
Tangible fixed assets	2,931	2,931
Current assets	650,714	650,714
Creditors due within one year	(346,393)	(346,393)
Creditors due after one year	(17,820)	(17,820)
	-----	-----
Total	289,432	289,432
	=====	=====

17. Related party transactions

PPI Trustee	Related Party Transaction
Jamie Jenkins is Director of Policy & External Affairs at Royal London.	Royal London are silver level supporters (£9.5k) and joined the IGC consortium (£1k)
John Chilman was Chief Executive of Railpen Limited until October 2024.	Railpen are gold level supporters committing for three years (£35k) 2023-2025.
Kathryn Fleming is a Partner and the Head of DC At-Retirement Services for Hymans Robertson.	Hymans Robertson were silver level supporters (£9.5k) and upgraded to gold level in October 2024 (£14k).
Lynda Whitney a Senior Partner at Aon.	Aon are silver level supporters (£9.5k).
Madeline Forrester is Managing Director at MFS Investment Management.	MFS are gold level supporters (£14k).
Mel Duffield is Chief Pensions Strategy Officer at the Universities Superannuation Scheme (USS).	USS are silver level supporters (£9.5k)
Sangita Chawla is Chief Marketing Officer at Standard Life part of Phoenix Group.	The Phoenix Group are gold level supporters (£14k). They sponsored research (£25k) and joined the IGC consortium (£1k).

18. Operating lease commitments

At 31 January 2025, the Institute's future minimum operating lease payments are as follows:

Building	2025 £	2024 £
within 1 year	9,478	37,914
within 2 - 5 years	-	9,478
	=====	=====

Operating lease charges made to the Statement of Financial Activities during the year totalled £37,914 (2023/24: £37,914).

# Reference and Administration Details



The Board of Trustees and PPI Staff are very grateful to the many individuals and organisations that support the PPI as a thriving, independent research Institute.

[For full details of the PPI’s Governors please click here to visit our website.](#)

# PPI Supporters at 31st January 2025

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From an opportunity to add credibility to both your message and brand to actively becoming involved in the cutting edge of policy making, supporting the PPI offers you the opportunity to **MAKE A DIFFERENCE.**

If you wish to support the PPI and help shape the future of later life income provisions, please contact:

**Danielle Elliott** – Head of External Relations

**danielle@pensionspolicyinstitute.org.uk**

Administration Details

Company registration number:	04145584	
Charity registration number:	1087856	
Principle Operating Office & Registered Office:	Pensions Policy Institute Thanet House 231-232 Strand Temple London WC2R 1DA t: 07718 647 567 e: info@pensionspolicyinstitute.org.uk w: www.pensionspolicyinstitute.org.uk	
Auditors:	TC Group The Courtyard, Shoreham Road Upper Beeding, Steyning, West Sussex BN44 3TN	
Solicitors:	Hogan Lovells International LLP Atlantic House, Holborn Viaduct London EC1A 2FG	
Bankers:	Unity Trust Bank Nine Brindley Birmingham B1 2HB	United Trust Bank 80 Haymarket London SW1Y 4TE
HR Support:	Advo Group Advo House St Leonards's Road Allington Kent ME16 OLS	

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