ASSOCIATION OF CONSULTING ACTUARIES

PRESS RELEASE

Report maps out pension reform, so lifelong financial independence is secured for all

13 October 2025: A report out today says the UK's retirement system is built on outdated assumptions: people retire at 65, live modestly for a decade, and state and workplace pensions suffice. That era is over. Today brings longer lives, rising inequality, insecure housing, and fragmented savings – with millions working hard all their lives, yet falling short of dignity in retirement.

Reflecting these challenges, the **Association of Consulting Actuaries (ACA)** commemorated the sudden and early death of its former chair, Patrick Bloomfield, by establishing the annual **Bloomfield Lecture**. The inaugural 2024 lecture was given by **James Smith AIA, C.Act**, pensions actuary and financial wellbeing consultant and **Alexandra Miles FIA**, investment actuary and DC pension fund manager and its theme was ***Retirement reimagined: Securing lifelong financial independence for all***

Today a report based on the lecture was published by the two lecturers proposing:

• A **restructured State Pension with means-tested later-life supplements**, potentially saving up to £34bn a year. HM Treasury please note!

• A **Universal Employment Pension ("UEP")**, alongside a reformed State Pension, to guarantee a basic income – indexed to the Minimum Income Standard ("MIS").

• **Use of existing infrastructure and evolving regulation** – like the National Wealth Fund and multi-employer Collective Defined Contribution ("CDC") rules – to align pensions with UK growth, unlocking up to £25bn a year.

• **Default sidecar saving** to boost today's resilience and tomorrow's security, without harming retirement outcomes.

The case studies the report explores, alongside existing data, reveals what it says is a stark truth: those who need most often get least. Homeownership now drives financial security more than income. Renters and women face significantly higher retirement shortfalls in order to meet the same objective of dignity in retirement.

James Smith said: "*Our retirement system remains tied to rigid thresholds and averages, failing to reflect real lives. This report reimagines retirement across* ***four phases: the phase-in, the white-linen years, the television years, and the increased dependency years****. Each builds on the last and is rooted in delivering financial security before enabling financial ability, flexibility and contingency."*

Alexandra Miles added: "*The recommendations in our report are focussed on securing dignity for all in retirement, and preparing for 100-year lives. But we are clear that achieving reform cannot rest solely with individuals. Employers and the state must step up, with systems fit for modern life, not Victorian ideals. Lifelong financial independence shouldn't be a privilege. It should be a right*," Welcoming the report, **ACA Chair Stewart Hastie added**: *"Both the lecture and the report look to the huge challenges we face as a society both today and more so in the years ahead. Unrestrained by the kind of restrictions Government tends to apply to reviews, whilst the report's proposals are not ACA policy, we warmly welcome the refreshing ideas that have emerged."*

Alexandra Miles and **James Smith** will be hosting a Chatham House-style event in mid-November in central London, where they're keen to continue the conversation and build on the ideas set out in the report. Whether you agree with their conclusions or have a different perspective, this is a chance to shape collectively what comes next. They're looking to spark thoughtful debate, challenge assumptions, and build consensus around what might be practically possible and what should be prioritised so that we might all reimagine retirement. If you'd like to register your interest and contribute to this event you can do so **here**.

Please note the contents of the report are those of the authors alone and do not represent the views of other ACA or IFoA members or those of the firms they work for.

For further comments:

James Smith, AIA C. Act is a pensions actuary and financial wellbeing consultant. Increasingly disruptive, James is unconvinced that the system works and believes that by rethinking solutions holistically, we can deliver a more equitable and thriving society. james.smith@hymans.co.uk - www.linkedin.com/in/james-smith-aia

Alexandra Miles, FIA is an investment actuary, and DC pension fund manager. She is also Chair of both the Pensions Gap Working Party and Ageing Populations Working Party at the Institute and Faculty of Actuaries. Endlessly curious, Al believes that to address the structural shifts we all face requires creative thinking, and that this lies in creating opportunities for new and unexpected connections.
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About the Association of Consulting Actuaries (ACA)

Members of the ACA provide advice to thousands of pension schemes, including most of the country's largest schemes. Members of the Association are all qualified actuaries and all actuarial advice given is subject to the Actuaries' Code. Advice given to clients is independent and impartial. ACA members include the scheme actuaries to schemes covering the majority of members of private sector defined benefit pension schemes. The ACA is the representative body for UK consulting actuaries, whilst the Institute and Faculty of Actuaries is the professional body.

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