

Funded occupational pension schemes in the UK: October 2025 to March 2026

Financial Survey of Pension Schemes (FSPS) estimates including membership, income and expenditure, assets, and liabilities of pension schemes.

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Table of contents

1. [Main points](#)
2. [The market value of UK-funded occupational pension schemes](#)
3. [Private sector defined benefit and hybrid pension scheme assets](#)
4. [Insurance policies assets and deficit reduction contributions](#)
5. [Private sector defined contribution, and public sector defined benefit and hybrid pension scheme assets](#)
6. [Private sector defined contribution benefits](#)
7. [Data on funded occupational pension schemes](#)
8. [Glossary](#)
9. [Data sources and quality](#)
10. [Related links](#)
11. [Cite this statistical bulletin](#)

1 . Main points

- The market value of private sector defined benefit and hybrid pension schemes decreased from £1,137 billion to £1,091 billion (4%) between 30 September 2025 and 31 March 2026.
- The combined market value of private sector defined contribution, and public sector defined benefit and hybrid pension schemes increased from £1,001 billion to £1,051 billion (5%) between 30 September 2025 and 31 March 2026.
- Private sector defined benefit and hybrid pension scheme holdings of insurance policies decreased from their peak of £190 billion to £178 billion between 30 September 2025 and 31 March 2026.
- Lump sum benefits from private sector defined contribution pension schemes averaged £1.0 billion per quarter between Quarter 3 (July to Sept) 2024 and Quarter 1 (Jan to Mar) 2026.

2 . The market value of UK-funded occupational pension schemes

The market value of pension schemes includes all assets, the net value of derivative contracts that schemes have invested in, and liabilities other than pension benefits owed to members.

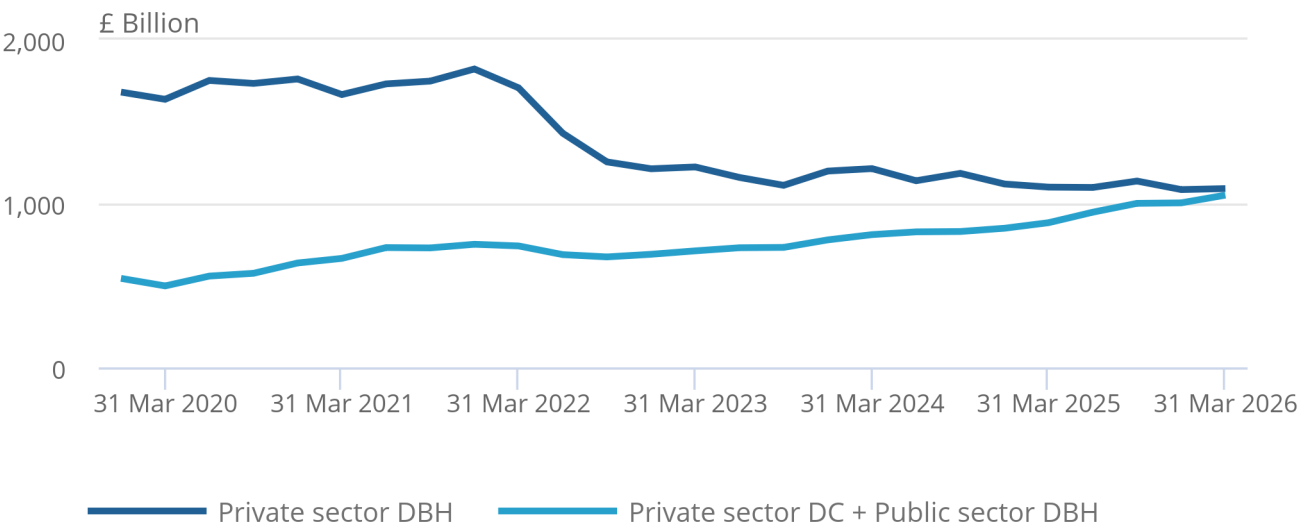
Please note that our market value estimates do not consider pension entitlement liabilities, which are required for estimates of schemes' total funding level.

Figure 1: The market value of private sector defined benefit and hybrid pension schemes decreased by £46 billion (4%) between 30 September 2025 and 31 March 2026

Market value, UK funded occupational pension schemes, 31 December 2019 to 31 March 2026

Figure 1: The market value of private sector defined benefit and hybrid pension schemes decreased by £46 billion (4%) between 30 September 2025 and 31 March 2026

Market value, UK funded occupational pension schemes, 31 December 2019 to 31 March 2026



Source: Financial Survey of Pension Schemes from the Office for National Statistics

Notes:

1. Private sector DBH equals private sector defined benefit and hybrid pension schemes.
2. Private sector DC plus public sector DBH equals private sector defined contribution and public sector defined benefit and hybrid pension schemes combined.

The market value of private sector defined benefit and hybrid (DBH) pension schemes decreased by £46 billion (4%), from £1,137 billion to £1,091 billion between 30 September 2025 and 31 March 2026. The decrease was mainly caused by a decrease in the value of assets, and to a lesser extent, a rise in the value of non-pension liabilities.

In comparison, the combined market value of private sector defined contribution (DC) and public sector DBH pension schemes increased by £50 billion (5%), from £1,001 billion to £1,051 billion between 30 September 2025 and 31 March 2026. The main reason for this increase was a rise in the value of direct investments for both scheme types, although the value of public sector DBH pooled investment vehicles also increased over the same period.

Please see our [accompanying dataset](#) for a full breakdown.

3 . Private sector defined benefit and hybrid pension scheme assets

The value of private sector defined benefit and hybrid (DBH) pension scheme assets decreased by £39 billion (3%) between 30 September 2025 and 31 March 2026. The main reason for this decrease was a £24 billion fall in the value of pooled investment vehicles (PIVs) (see [Section 8: Glossary](#)) and a £12 billion fall in insurance policies (see [Section 4: Insurance policies assets and deficit reduction contributions](#)). The value of direct assets also fell by £3 billion over the same period.

The fall in the value of PIVs between 30 September 2025 and 31 March 2026 was driven by changes in market value, including unrealised losses, and other changes, such as changes in income arrears. The fall in the value of PIVs during this period also came from pension schemes of all sizes and was seen mostly in mixed assets (a mixture of equity, fixed interest, and other asset classes), and equity.

For context, the UK 10-year gilt yield increased from 4.15% on 30 September 2025 to 4.37% on 31 March 2026 (see the [Bank of England's yield curves overview](#)). Bond (gilt) yields hold an inverse relationship to their price, meaning an increase in yield is associated with a decrease in price. The increase in gilt yields over this period may have contributed to falls in the market value of PIV holdings.

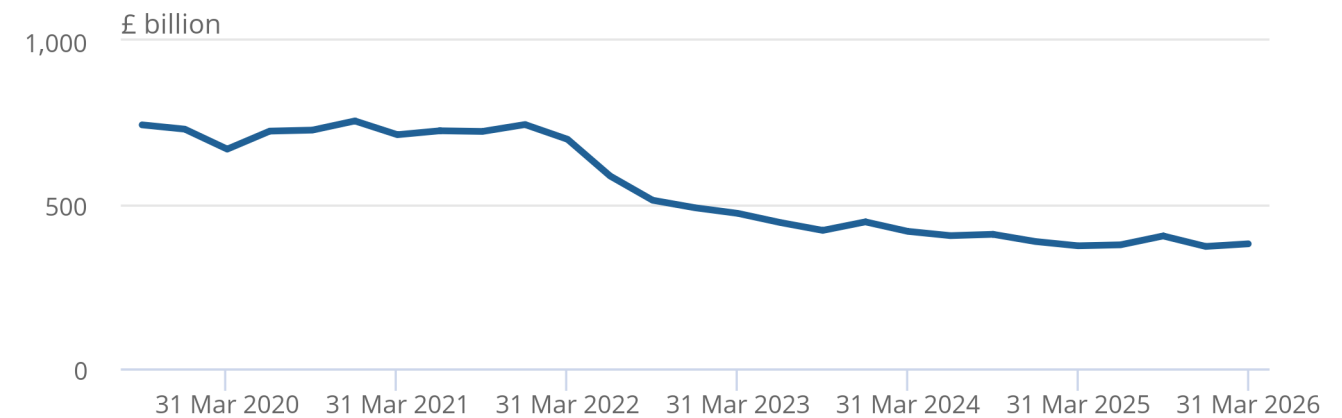
Overall, the value of private sector DBH PIVs remains much lower than levels seen before 2022, when the UK Bank rate began to rise from its record low level.

Figure 2: Private sector defined benefit and hybrid pooled investment vehicle holdings decreased by £24 billion (6%) between 30 September 2025 and 31 March 2026

Pooled investment vehicle holdings, private sector defined benefit and hybrid pension schemes, UK, 30 September 2019 to 31 March 2026

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Pooled investment vehicle holdings, private sector defined benefit and hybrid pension schemes, UK, 30 September 2019 to 31 March 2026



Source: Financial Survey of Pension Schemes from the Office for National Statistics

Notes:

1. Private sector DBH equals private sector defined benefit and hybrid pension schemes.

4 . Insurance policies assets and deficit reduction contributions

Insurance policies are annuity and deferred annuity contracts relating to buy-ins and longevity swaps. They are policies held with insurance companies that are recorded as assets of the occupational pension scheme. This allows the trustees to meet all or part of the scheme's pension liabilities.

Private sector defined benefit and hybrid (DBH) pension scheme insurance policies assets have increased in recent quarters, rising from £119 billion on 30 September 2023 to a peak of £190 billion on 30 September 2025.

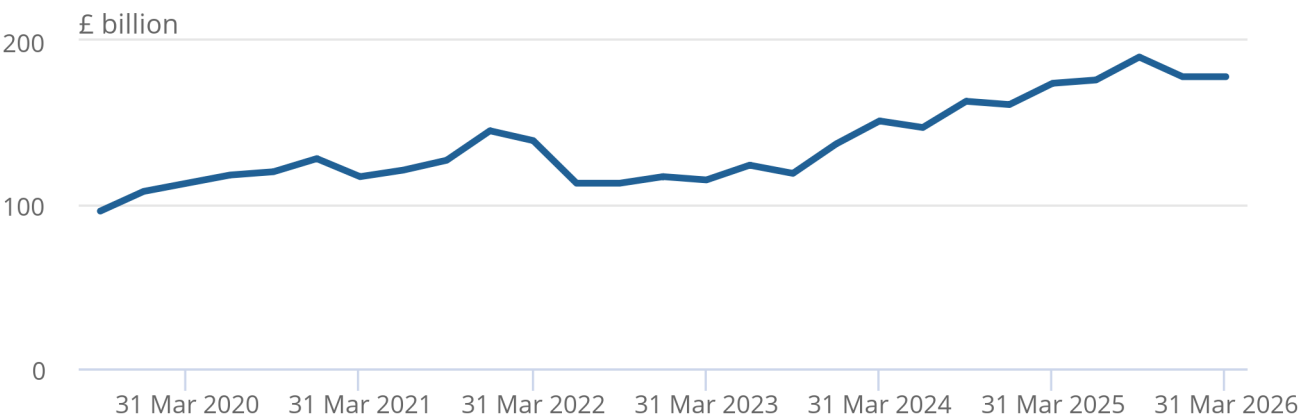
Holdings of insurance policies assets decreased by £12 billion (6%) between 30 September 2025 and 31 March 2026.

Figure 3: Private sector defined benefit and hybrid insurance policies assets holdings decreased by £12 billion (6%) between 30 September 2025 and 31 March 2026

Insurance policies assets, private sector defined benefit and hybrid pension schemes, £ billion, 31 December 2019 to 31 March 2026

Figure 3: Private sector defined benefit and hybrid insurance policies assets holdings decreased by £12 billion (6%) between 30 September 2025 and 31 March 2026

Insurance policies assets, private sector defined benefit and hybrid pension schemes, £ billion, 31 December 2019 to 31 March 2026



Source: Financial Survey of Pension Schemes from the Office for National Statistics

Notes:

1. Insurance policies are annuity and deferred annuity contracts relating to buy-ins, longevity swaps and insurance relating to death benefits.
2. Private sector DBH equals private sector defined benefit and hybrid pension schemes.

While pension schemes held a slightly lower value of insurance policies assets in the last two quarters, compared with 30 September 2025, the overall picture indicates that pension schemes and insurance companies continue to agree and hold buy-ins and longevity swap contracts.

It has been reported that UK pension risk transfer transactions with UK insurance companies have stood out in the pensions market in recent quarters (see the Pension Protection Fund's (PPF's) [Purple Book 2025 \(PDF, 1.38 MB\)](#)for more information).

Please note, this series is volatile because schemes may agree insurance policies infrequently and insurance policy assets may be transferred from the pensions sector to the insurance sector. For example, a pension scheme with insurance policies assets through a buy-in may move towards buy-out, where these insurance policies assets would go to zero as these assets would be transferred to the insurance company. Please see [Section 8: Glossary](#) for more information.

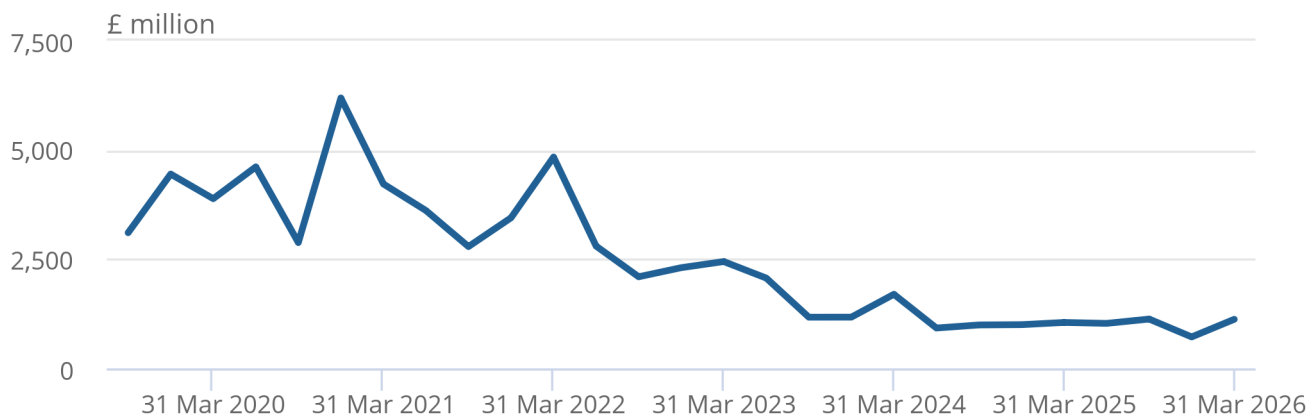
These holdings of insurance policies assets may reflect that schemes are better positioned to engage in risk transfer transactions because of improvements in scheme funding levels. Where pension schemes have shortfalls in their funding positions, they may use deficit reduction contributions (DRCs), to reduce these. Between 30 September 2025 and 31 March 2026, private sector DBH pension scheme DRCs remained comparatively low when compared with the overall time series (that started on 30 September 2019).

Figure 4: Private sector defined benefit and hybrid pension scheme deficit reduction contributions remained relatively low between 30 September 2025 and 31 March 2026

Deficit reduction contributions, private sector defined benefit and hybrid pension schemes, £ million, 30 September 2019 to 31 March 2026

Figure 4: Private sector defined benefit and hybrid pension scheme deficit reduction contributions remained relatively low between 30 September 2025 and 31 March 2026

Deficit reduction contributions, private sector defined benefit and hybrid pension schemes, £ million, 30 September 2019 to 31 March 2026



Source: Financial Survey of Pension Schemes from the Office for National Statistics

Notes:

1. Private sector DBH equals private sector defined benefit and hybrid pension schemes.

The recent levels of comparatively low DRCs, combined with an increase in insurance policies assets, may indicate that schemes have higher funding levels (see the PPF's [Purple Book 2025 \(PDF, 1.38MB\)](#)for more information).

Please note, we do not publish funding-level data in this bulletin and dataset.

5 . Private sector defined contribution, and public sector defined benefit and hybrid pension scheme assets

Private sector defined contribution (DC) pension scheme total assets increased by £16 billion (4%) between 30 September 2025 and 31 March 2026, while public sector defined benefit and hybrid (DBH) pension scheme total assets increased by £35 billion (6%). The main reason for this increase was a rise in the value of direct investments for both scheme types.

The value of direct investments held by public sector DBH pension schemes increased by £25 billion (10%), while the value of direct investments held by private sector defined contribution pension schemes increased by £17 billion (21%) in the same period.

In particular, the value of equities directly held by these schemes increased between 30 September 2025 and 31 March 2026. Our transactions data suggests that this was a combination of an increase in acquisitions of equities and a rise in the value of equities.

For context, the London Stock Exchange's [FTSE all-share UK equity index](#) increased by 6% in Quarter 4 (Oct to Dec) 2025, and by 2% in Quarter 1 (Jan to Mar) 2026, rising overall by 7% between 30 September 2025 and 31 March 2026. The [S&P 500 US equity index](#) decreased by 2% overall between 30 September 2025 and 31 March 2026, having risen by 2% in Quarter 4 2025, and fallen by 5% in Quarter 1 2026.

This continues the trend of growth in the value of equities held by these schemes in recent quarters and the longer-term trend of equities increasing as a share of direct investments by private sector DC pension schemes.

The value of public sector DBH pooled investment vehicles also increased by £11 billion (3%) between 30 September 2025 and 31 March 2026. Growth was mainly caused by fixed interest and other assets, with the largest increases seen in schemes with 25,000 or more members. The value of private sector DC pension schemes PIV holdings remained unchanged during this time.

6 . Private sector defined contribution benefits

The Financial Survey of Pension Schemes (FSPS) presents data on benefits paid to members by scheme type. These payments are split by pension payments and income withdrawals, and by lump sum benefits (including death benefits).

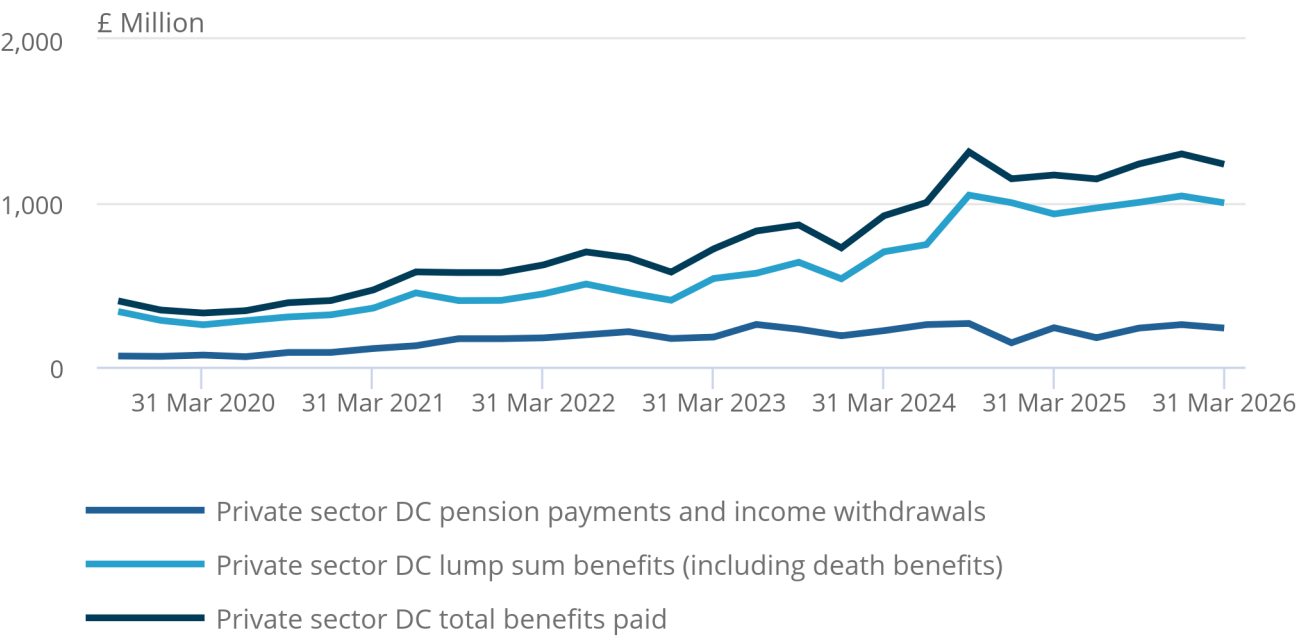
Total benefits paid by private sector defined contribution (DC) pension schemes each quarter have increased from £0.4 billion on 30 September 2019 (the beginning of our time series) to £1.2 billion on 31 March 2026. Most of this increase has been in the value of lump sum benefits paid by these schemes, particularly in recent quarters. Lump sum benefits averaged £0.99 billion between Quarter 3 (July to Sept) 2024 and Quarter 1 (Jan to Mar) 2026. This compares with averages of £0.59 billion between Quarter 4 (Oct to Dec) 2022 and Quarter 2 (Apr to June) 2024, and £0.43 billion between Quarter 1 (Jan to Mar) 2021 and Quarter 3 (July to Sept) 2022. The average recorded between Quarter 3 2024 and Quarter 1 2026 was the highest across the time series.

Figure 5: Private sector defined contribution pension scheme lump sum benefits averaged £1.0 billion per quarter between 30 September 2024 and 31 March 2026

Benefits by type paid, private sector defined contribution pension schemes, £ million, 30 September 2019 to 31 March 2026

Figure 5: Private sector defined contribution pension scheme lump sum benefits averaged £1.0 billion per quarter between 30 September 2024 and 31 March 2026

Benefits by type paid, private sector defined contribution pension schemes, £ million, 30 September 2019 to 31 March 2026



Source: Financial Survey of Pension Schemes from the Office for National Statistics

Notes:

1. Private sector DC equals private sector defined contribution.

For context, total benefits paid by funded occupational pension schemes in Quarter 3 2026 were £21.3 billion, of which private sector DC pension schemes represented 5.8%. Private sector defined benefit and hybrid (DBH) pension scheme benefits were £14.1 billion (66.3% of the total), while public sector DBH pension scheme benefits were £5.9 billion (27.9%).

7 . Data on funded occupational pension schemes

[Funded occupational pension schemes in the UK](#)

Dataset | Released 1 October 2026

Estimates on membership, contributions, benefits, expenses, assets (including overseas), and liabilities of UK-funded occupational pension schemes from Quarter 3 (July to Sept) 2019 to Quarter 1 (Jan to Mar) 2026.

8 . Glossary

Buy-in

A buy-in is an arrangement whereby the pension scheme trustees "buy-in" to an insurance policy to cover all or part of their pension liabilities. By contrast with a buyout, the members covered by a buy-in remain in the scheme and the scheme continues to be responsible for paying their pensions. The insurance policy is held as an asset by the scheme to cover its liabilities in respect of these pensions.

Buyout

A buyout is an agreement between an occupational pension scheme and an insurance company where all or part of the scheme's membership, together with the scheme's liability to pay the members' pension entitlements and related assets, are transferred to an insurance company. The Financial Survey of Pension Schemes (FSPS) asks that buyouts (but not buy-ins) be recorded as part of group or bulk transfers out of the scheme.

Defined benefit

A defined benefit (DB) pension is one in which the rules of the scheme specify the rate of benefits to be paid. The most common DB scheme is a final salary scheme in which the benefits are based on the number of years of pensionable service, the accrual rate, and the final salary. An alternative to the final salary scheme is the Career Average Revalued Earnings (CARE) scheme, which is also a DB scheme.

Defined contribution

A defined contribution (DC) pension is one in which the benefits are determined by the contributions paid, the investment return on those contributions (less charges) and the type of annuity purchased upon retirement, if any. It is also known as a money purchase pension.

Direct investment

Direct investments are all investment assets that a scheme holds directly rather than through a pooled investment vehicle. This includes assets that are held in a fund structure created for a single investor such as a Qualifying Investor Fund (QIF). Within our dataset, we present direct investments by asset class (such as cash and cash equivalents, short-term debt securities, and long-term debt securities, among others) for private sector pension schemes (defined contribution (DC) and defined benefit and hybrid (DBH) combined) and public sector DBH.

Funded scheme

A funded scheme is one in which benefits are met from a fund built up in advance from contributions and investment income. Such schemes have assets, even if these are not sufficient to meet all their liabilities, by contrast with unfunded schemes, in which liabilities are not underpinned by assets.

Hybrid scheme

A hybrid scheme is an occupational pension scheme where members have either a choice, or mixture, of DB and DC pension entitlements. In a "pure" hybrid arrangement, members receive benefits that are a mixture of DB and DC. In a "mixed hybrid" scheme, there are separate DB and DC groups of members (often organised in separate sections of the scheme).

Occupational pension schemes

An occupational pension scheme is an arrangement (other than accident or permanent health insurance) organised by an employer (or on behalf of a group of employers) to provide benefits for employees on their retirement and for their dependants on their death. They are a form of workplace pension. Occupational pension schemes for private sector employees are also referred to as trust-based schemes.

Pooled investment vehicles

Pooled investment vehicles are funds in which there is more than one investor in the fund or underlying fund(s). They exclude any funds that are created for a single investor.

A [full glossary](#) of terms is available.

9 . Data sources and quality

Data source

The [Financial Survey of Pension Schemes \(FSPS\)](#) is a quarterly survey that gathers information about membership, income and expenditure, transactions, and assets and liabilities of UK funded occupational pension schemes.

Coverage

All occupational pension schemes for private sector employees are within the scope of the survey, but the survey does not include all occupational schemes for public sector employees. Funded schemes for public sector employees such as the Local Government Pension Scheme (LGPS) are included, but unfunded schemes such as those for civil servants, teachers and NHS staff are not.

We present results for pension schemes for private sector employees (including those covered by the Pension Protection Fund) versus those for public sector employees, and by defined benefit including hybrid pensions versus defined contribution pensions. We use the term "schemes for public sector employees" but strictly speaking, these are government-managed pension schemes.

There are no defined contribution funded occupational pension schemes for public sector employees. Therefore, we present three categories:

- public sector employee schemes (which are defined benefit and hybrid schemes)
- private sector employee defined benefit and hybrid schemes
- private sector employee defined contribution schemes

Sample

We conduct the FSPS using a stratified random sample from The Pensions Regulator (TPR) register of UK-based pension schemes. Strata are defined based on the benefit type and membership size band of the scheme or scheme section. Data from the sample are then appropriately weighted, also accounting for non-response, to estimate UK-funded occupational pension schemes.

We update our sample periodically to reflect changes in the UK pensions landscape. We do this by obtaining an updated register of UK-based pension schemes from TPR. We used a new sample for data collected for Quarter 3 (July to Sept) 2025. This means that estimates in upcoming quarters may be subject to greater revisions. This sample will be used for at least six quarters.

As we receive new information from respondents, we can improve our estimates for earlier quarters. This may occur as newly selected schemes improve their understanding of the questionnaire and are better able to report in line with our requirements.

Weighting and estimation

Information on the sampling and weighting and estimation methods for the FSPS can be found in Section 5: Survey design of our [UK pension surveys article](#).

Revisions

Our [National Accounts Revisions Policy](#) is available to assist users with their understanding of the cycle and frequency of data revisions. You are strongly advised to read this policy before using these data for research or policy-related purposes.

Response rates

The response rate for Quarter 4 (Oct to Dec) 2025 and Quarter 1 (Jan to Mar) 2026 for the FSPS, for the latest results run, was 86.8% and 84.8%, respectively. Please note that even though the response date has passed, it is possible for there to be revisions to submissions for previous quarters, and for late submissions to be provided. However, estimates up to and including Quarter 1 2025 will not be subject to further revisions.

More quality and methodology information

More quality and methodology information (QMI) on strengths, limitations, appropriate uses, and how the data were created is available in our [Funded occupational pension schemes in the UK QMI](#).

View more information on [how we measure and communicate uncertainty for our surveys](#).

Accredited official statistics

Funded occupational pension schemes in the UK data are [accredited official statistics](#). These accredited official statistics were independently reviewed by the Office for Statistics Regulation in January 2023. They comply with the standards of trustworthiness, quality and value in the [Code of Practice for Statistics](#) and should be labelled "accredited official statistics".

10 . Related links

[Financial Survey of Pension Schemes](#)

Survey | Last updated 14 September 2026

A quarterly survey that gathers information about income and expenditure, transactions, assets and liabilities of UK-funded occupational pension schemes.

11 . Cite this statistical bulletin

Office for National Statistics (ONS), released 1 October 2026, ONS website, statistical bulletin, [Funded occupational pension schemes in the UK: October 2025 to March 2026](#)