

Pensions Policy  
Financial Conduct Authority  
12 Endeavour Square  
London  
E20 1JN

Sent by email to: cp25-39@fca.org.uk

12 February 2026

Dear Sir/Madam,

**Re: Adapting our requirements for a changing pensions market**

UK Private Capital is the industry body and public policy advocate for the private equity, venture capital and private credit ecosystem in the UK. With a membership of 600 firms, we represent UK-based private capital firms, as well as their professional advisers and a large base of UK and global investors. The private capital industry has a vital role to play in driving national and regional growth. Currently over 13,000 companies, employing more than 2.5 million people, are backed by private capital investment in the UK.

We appreciate the opportunity to respond to CP25/39. Below we wanted to flag one area that we hope will be considered in the development of the new rules.

Clearly there is a significant drive underway to enable and encourage DC pension funds to invest into asset classes that would maximise the returns of savers and contribute towards UK growth. The Pension Schemes Bill currently progressing through Parliament is seeking to ensure this and, separately, the majority of DC providers have now made commitments through the Mansion House announcements to invest in private capital.

The consultation sets out new proposals that would ensure individuals are able to make fully informed comparisons between existing providers and those they may transfer to (on a non-advised basis). We recognise the importance of ensuring savers are equipped to make informed decisions. However, clearly the investment growth element of pension products is complex, and most savers (and employers) do not currently benefit from detailed information on the likely growth of investments when choosing providers.

As has been acknowledged via the ongoing development of a Value for Money framework, as long as this is the case, there is a risk providers may be discouraged from making private capital investments by the perceived commercial risk of offering products that seem more expensive, or which don't typically follow a 'j-curve' pattern

We would therefore urge the FCA to consider how any new rules would not either provide savers with misleading information, or penalise providers unfairly for taking decisions in savers' longer term interests, and ensure that the rules provide a similarly comprehensive analysis as that being developed as part of the Value for Money framework. Savers should, for example, have an understanding of the likely outcome of investments made, in keeping with the recognition of the need for a forward-looking metric within the VFM framework.



If you have any questions or would like to discuss any of the above in more detail, please do not hesitate to contact Karen Hurst, [khurst@ukprivatecapital.co.uk](mailto:khurst@ukprivatecapital.co.uk) and Tom Taylor, [ttaylor@ukprivatecapital.co.uk](mailto:ttaylor@ukprivatecapital.co.uk).

Yours sincerely

**Tom Taylor**