

Open Letter from UK Tech in Support of the Chancellor's Pension Fund Reforms

Rt Hon Rachel Reeves MP
1 Horse Guards Road
Westminster
London
SW1A 2HQ

14 November 2024

Dear Chancellor,

We welcome your prioritisation of the pensions agenda in your first Mansion House address, building on the successful first steps of the last government.

The focus of your announcement recognises the urgency of ensuring that our pension funds provide security for retirees, deliver returns for pensioners, whilst also contributing to the broader goals of economic resilience, innovation, and sustainable growth.

Pension reform is one of the biggest levers the government can pull to meet its growth mission. Alongside other reforms, picking up the previous agenda and driving ahead work on the consolidation of Local Government Pension Scheme (LGPS) and defined contribution schemes into megafunds will give them the necessary scale to invest in high growth potential asset classes.

We support your proposed reforms which respond to the changing investment landscape where traditional models, heavily reliant on bonds and low-risk assets, are no longer sufficient to meet the needs of today's pensioners. By redirecting a portion of pension fund assets into domestic innovation, we can catalyse the growth of emerging industries, create high-quality jobs, and support the development of a sustainable economy, as well as ensuring that pension savers are able to benefit from risk-adjusted returns of high-growth sectors.

It's now essential to maintain pace on this agenda across the Parliament, to ensure the ambitions of these reforms are realised. Our organisations look forward to working together to ensure the proposed reforms deliver stronger returns and foster domestic innovation.

Sincerely,

**STARTUP
COALITION**

BIA
UK BioIndustry Association

ten THE ENTREPRENEURS
NETWORK

techUK

UKBAA
UK Business Angels Association

**FOUNDERS
FORUM
GROUP**

TECH NATION

UKDayOne