

# 60 SECONDS ON THE UK PENSION MARKET: BUY-INS AND BUY-OUTS

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Another development in the pension scheme space is the rise of buy-ins and buy-outs that pension schemes are looking to do. This has increased quite a lot in the last few years in particular. A buyout, for example, is where a pension scheme would look to transfer the liabilities to another party, typically an insurer. They will pay that insurer to pick up the liabilities, and in return, in this example, the insurer would be responsible for the liabilities going forward, including the payment of pension benefits. It does have its challenges and pension schemes shouldn't underestimate the work involved in making these arrangements happen. It can take time. There are lots of parties involved. You have to think about contracts, due diligence and most importantly working with your employer, your sponsoring employer to get them onside.



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