



## UK schemes must act now on technology to seize CDC opportunity says Festina Finance

### PRESS RELEASE

10 October 2025

**Festina Finance**, a leading European provider of pension administration technology, has urged UK schemes and administrators to act now to prepare their systems for upcoming Collective Defined Contribution (CDC) pension reform.

It will be possible for unconnected multi-employer CDC schemes to gain regulatory approval in 2026 and begin accepting contributions in 2027. Schemes must upgrade their technology and operational capabilities if they wish to participate and remain compliant and competitive.

**Dan McLaughlin, UK Country Head at Festina Finance, commented:** “CDC schemes are coming. We may not know exactly what form they will take, but they are coming, and providers need to be prepared, and this introduces significant complexity for technology.

“CDC occupies a new space and requires a fundamental rethink of how we track, calculate, and communicate benefits on a collective and dynamic basis.”

**McLaughlin added:** “It’s a mistake to think that CDC administration can be based on reheated DB systems. There are significant differences as CDC pensions demand real-time tracking of collective fund performance and dynamic income adjustments based on actuarial modelling. This presents a unique challenge for administrators, who must:

- Implement **new data models** that account for pooled assets and shared risk.
- Build **adaptive calculation engines** for variable benefit payments.
- Deliver **transparent accurate member communications** that explain collective risks and benefits.
- Comply with **regulatory reporting** standards unique to CDC governance frameworks.

“CDC isn’t just another scheme type, that a systems upgrade will solve. It is a strategic shift that will require purpose-built solutions and fundamentally different tooling.”



**McLaughlin concluded:** “Despite the complexity, this presents a huge opportunity. CDC offers a scalable opportunity to potentially offer more stable retirement incomes without reverting to the high cost of DB provision. The technology uplift is real, but the prize is worth it.”

## Notes to Editors

### Festina Finance

Festina Finance is a leading Danish fintech company, developing advanced financial software systems for pension administrators, pension funds, insurance companies and banks across Europe.

Festina’s flagship platform, ‘FF Life and Pension’, is a modular, fully configurable system built to support the full spectrum of pension and life insurance products—including Defined Benefit (DB), Defined Contribution (DC), Collective Defined Contribution (CDC), and life insurance. The platform enables pension providers to choose only what they need, innovate products, streamline operations, respond swiftly to regulatory changes enabling them to deliver optimal outcomes for their members.

With an established strong track record in Denmark and the Netherlands, Festina Finance already supports Europe’s largest pension provider, managing over £500 billion in assets. The company is now scaling rapidly and is on track to support more than £700 billion in assets and 8 million savers, cementing its position as Europe’s premier life and pensions software platform.

Festina Finance launched in the UK in 2025.

For more information, please visit [www.festinafinance.com](http://www.festinafinance.com)

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