



The next decade in Life & Pensions:

Why admin platform technology must evolve

To mark its 40th anniversary, the ABI commissioned WPI Economics [to look at the insurance and retirement sector's role over the next ten years](#).

In this article, we look at some of the main aspects through the lens of how data and technology will play a key role in ensuring that the UK's reputation as a global leader in the Life & Pensions market can be sustained in the face of a fast-evolving environment, driven by increased regulation, cost pressures and customer expectations.

The ABI's 10-year vision sets out a clear challenge: to build a more resilient, innovative and customer-centric financial system. Yet, for many providers, the reality is stark-legacy administration systems are holding back transformation.

Outdated, product-centric models mean:

- Siloed data prevents a single customer view and limits data insights.
- Manual processes drive up costs and create inefficiencies.
- Limited external connectivity slows integration with third-party products, services and systems.
- Inflexible systems make product innovation slow and expensive.
- Migration risks make implementing new technology seem daunting.

This isn't sustainable. If insurers and pension providers want to remain competitive, they must act now. Addressing how data is managed and using updated technology to deliver this isn't just a shift of emphasis - it's a strategic necessity. But, until recently, the fragmented nature of the solutions available, and the legacy of poor data, has hampered the industry.

Tackling systemic risks: A new approach to deliver unified data

The ABI report identifies climate change, cyber threats and an ageing population as key challenges shaping the next decade. Yet, insurers still rely on fragmented legacy systems that make risk-modelling difficult and limit proactive management.

Up-to-date, unified data models provide:

- A single customer view, improving risk assessment and underwriting.
- Real-time analytics, helping providers anticipate and respond to market shifts.
- Integrated automation, ensuring faster claims processing and better operational efficiency.

UK Life & Pensions providers remain challenged by siloed legacy systems that struggle to serve today's and tomorrow's data requirements. These disconnected systems lead to duplication, inefficiencies and manual workarounds, making risk assessment and customer service cumbersome. To address this, insurers must consolidate data into centralised platforms, reducing complexity and improving efficiency. While middleware and data integration tools can help bridge legacy gaps, the goal should be to streamline systems for a more resilient and future-proofed approach.

Customer expectations are changing rapidly and providers need to be able to adapt. Consumers now expect pensions to function like their bank accounts—instant access, mobile control and frictionless withdrawals. Yet, many providers still rely on manual processes and outdated interfaces, creating delays and frustration. Customers want flexibility, the ability to withdraw or adjust payments instantly, without human intervention.

Without automation and mobile-first platforms, providers risk losing engagement, especially among younger age groups. To stay relevant, life and pensions products need to match the speed and convenience of digital banking, whilst maintaining the controls that governance demands—slow, manual processes are no longer acceptable.

Automation & connectivity: Lowering costs, improving service

One of the ABI's core themes is financial resilience - helping consumers and businesses manage financial shocks. But high operational costs and inefficiencies mean insurers often pass on unnecessary expenses to policyholders and scheme members.

By implementing a fully automated admin platform, insurers can:

- Reduce operational costs by eliminating manual workarounds.
- Improve claims processing through AI and straight-through automation.
- Integrate seamlessly with external platforms (for example, HR systems, benefits providers, investment platforms).





Streamlined data flows and efficient technology systems not only benefit end-customers but also provide internal operational efficiencies. As noted in Celent's Dimensions: Life & Health Insurance IT Pressures & Priorities 2024 report: "Budgets are mainly spent on maintaining systems and keeping the lights on." Providers who can revolutionise their technology and leverage these benefits improve significantly their operational resilience and long-term sustainable operating models, whilst redirecting valuable and skilled employee resources to higher value and more innovative work.

At the heart of this decision to change is the ability for the chosen platform to offer long-term, sustainable support. This includes the flexibility to configure and operate multiple product types and processes, together with a commitment to a continual renewal programme to keep the system updated over the longer term and avoid another drift to obsolescence.

The savings can be transformational – Lumera's client AMF, a leading mutual pension company, was able to simplify its administration beyond recognition and, as a result, halved the fees for its almost three million. Everyone's a winner!

Driving growth & innovation: The API-first advantage

UK L&P providers offer truly advanced products, even though the technology systems used are sub-optimal. To accelerate innovation and lower costs, the ability to integrate and connect to other parts of the ecosystem is no longer "a nice to have" - it is essential.

A truly API-first platform allows providers to:

- Quickly configure and launch new products - from embedded insurance to hybrid savings solutions.
- Enable third-party integrations, unlocking partnerships with fintechs and digital-first providers.
- Support scalable migrations, making transformation projects smoother and less risky.

A good example of compliance-driven change is the Value for Money (VfM) framework set to take effect in early 2026, requiring pension providers to prepare for a new era of data-driven compliance and disclosure. The framework's emphasis on transparent reporting, standardised performance metrics and cross-scheme comparisons demand greater data accessibility and agility. Providers will need to interrogate investment performance, costs and service quality in real-time, ensuring they can quickly assess, benchmark and act on insights gained.

This shift underscores a broader trend: compliance is no longer just about meeting regulatory obligations - it's a catalyst for vastly improved data management. The ability to centralise and analyse data efficiently will generate competitive advantage, enabling firms not only to meet the upcoming VfM requirements but also to improve operational efficiency, customer outcomes and strategic decision-making. As regulation tightens, providers that invest in flexible, API-driven data platforms will be best-placed to stay ahead, streamline their reporting and drive much-improved value for savers.

The case for action

The next decade will redefine Life & Pensions. The ABI's vision is clear: insurers and pension providers must evolve to meet rising customer expectations, regulatory demands and market challenges. Change is no longer optional. Legacy systems and fragmented data are holding the industry back, but market expectations and regulatory change – like the VfM framework - is accelerating the need for automation, integration and real-time insights.

Providers that embrace API-first, cloud-native platforms will not only meet compliance demands but also reduce costs, enhance efficiency and unlock innovation. Those that fail to act risk losing ground to more agile, tech-driven competitors. The industry is at a turning point - the question isn't whether prudent revolution will happen, but who will lead it.



About Lumera

Lumera is dedicated to the digital transformation of the European Life and Pensions industry. As insurtech innovators, we provide future-proof core technology for policy administration.

The Prudent Revolution is our mission – bridging technology and partnership to navigate the fastest, safest path through complex change for L&P providers.

We combine tech and industry expertise with relevant market experience to offer a broad range of consultancy and data services – from managing faultless legacy system migration to facilitating compelling end-user experiences.

Based in Stockholm, Lumera has significant presence with offices in the United Kingdom, the Netherlands, Norway, Sweden, India and Vietnam.

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