

Press Release



06 July 2021

Impact of ageing society on pension schemes massively underestimated, says PTL

PTL, the leading independent trustee and governance services provider, today said that not nearly enough is being done to prepare for the impact of an increasingly ageing society, with most of the industry massively underestimating the long-term implications and not making appropriate plans to deal with the challenges ahead.

Commenting, Richard Butcher, MD at PTL said: “As a population we are getting older at a rapid rate. Over the next 20 years our population will grow by 9%, a significant increase. But that’s not the whole story; the under-45 population will stay around the same, increasing by just 2% over the same period, whereas the over 75s will increase significantly, by over 50%. We’re all living longer which is a good thing, but this means people need more retirement savings and are therefore working longer, pushing the retirement age steadily year on year.

“So what, you might say? Once you add in the long-term effects of Freedom and Choice, introduced in 2015, and the issue of cognitive decline and increasing susceptibility to scams, we end up with an ageing workforce with too little savings, who risk running out of money, or being scammed, and who are less and less able to make the complex decisions they need to as they get older. The prospects are scary.”

Butcher continued: “We need to build pathways through to better retirement outcomes, to stop encashment becoming the de facto option because of lack of understanding, or a scammer’s greater cunning. We need to build far more robust processes with a greater capacity to deal with vulnerable members, meeting with them as they age and leading them to a good outcome.”

Here is the link to the blog: <https://www.ptluk.com/blog/Horizon-scanning-an-ageing-society>

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NOTES TO EDITORS:

PTL is a top five independent trustee firm with offices in London, Leeds, Reading, and Birmingham.

PTL acts as an independent trustee and provides a range of governance services, predominantly to occupational pension schemes, including trust based defined benefit and defined contribution schemes and contract-based pension schemes including group personal pension plans. PTL also provides a range of governance services to other non-pension trusts.

PTL is a member of the Pensions and Lifetime Savings Association, the Association of Corporate Trustees and the PMI Independent Trustee Group.

More information can be found on our website – www.ptluk.com

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The logo for KBPR, with 'KB' in a dark grey serif font and 'PR' in an orange sans-serif font.

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