

BUILDING A CONSENSUS FOR BETTER PENSIONS

A CHARTER TO CREATE AN ADEQUATE, AFFORDABLE AND FAIR PENSIONS SYSTEM

It's almost 20 years since the Pensions Commission proposed reforms to the UK pension system. Although, as a result of those reforms, more people are eligible for the state pension and are saving for retirement in the workplace, too many are falling far short of being on track for a good retirement income.

Achieving a new consensus for reform is essential for bringing about the changes needed to address the UK's under-saving crisis. This charter signifies a commitment from the pensions industry, stakeholder groups and policymakers to support a framework that will put pensions policy in the UK on a footing which will enable the UK's ageing society to thrive in retirement.

Charter signatories support:

- ▶ Setting clear objectives for the UK pension system: taken together, state, workplace and personal pensions, should be **adequate, fair and affordable**.
- ▶ A universal State Pension that protects everyone from poverty and covers all basic needs as it plays an essential role in the pension provision of most citizens, so its current value should be at least maintained.
- ▶ Retirement saving that benefits as many people as possible, in particular, traditionally under-pensioned groups including: the self-employed, gig economy workers, multiple job holders, low earners, women, and ethnic minority groups. This should be done by:
 - Getting more people into pension saving by expanding the scope of Automatic Enrolment.
 - Increasing contributions over time to put people on track to meet their retirement income goals.
 - Recognising other, shorter term, savings are also important, at enabling people to save in multiple ways.
- ▶ Improving outcomes to ensure that pensions provide a decent standard of living throughout retirement by:
 - Supporting savers with good quality advice and guidance, industry-led awareness and engagement initiatives, and accessible good-value retirement income products.
 - Designing policies in a way that are simple to communicate and enable people to make good decisions.
 - Promoting an integrated approach to pensions policy from across government departments.

