

The Democratisation of Pensions:

Opening Up Retirement Planning for All

Get a sense of democratising pensions first hand by using Guiide yourself at www.guiide.co.uk (or use the QR code at the bottom).

If you have an interest or a passion for democratising pensions then please contact philiph@guiide.co.uk

Pensions are rapidly reaching a crisis point of accessibility, understanding and adequacy. The movement to democratise pensions seeks to open up retirement planning making it accessible, understandable, affordable and inclusive for everyone.

Evidence shows low participation or engagement in pensions, insufficient savings and large disparities:

- Nearly 9 million UK adults are “significantly under-pensioned”, with private pension incomes of just £3,650-£6,750 per year (PPI)
- About 38 % of the working population are not putting away enough for retirement (DWP)
- 16 % of workers report they do not save any income whatsoever for their pension (YouGov survey)
- The average worker faces an annual shortfall of about £12,000 toward their target retirement income (Royal London research)
- 15.3 million people are at risk of retirement poverty in the UK, with nearly 39 % of adults set to fall short of even a minimum retirement lifestyle (Scottish Widows)
- Nearly one-sixth of retirement savers have never checked their pension savings (People’s Partnership)

The traditional model, with complex schemes, employer-led access, and reliance on professional advice, has not kept pace with changes in employment patterns (gig work, freelance, job hopping) or in financial literacy and empowerment.

What does democratisation look like?

Democratising pensions means making pension planning accessible, understandable, affordable, flexible and empowering. Tools like Guiide give everyone a clear simple way to work out their retirement no matter what their circumstances or resources.

- Holistic modelling: Embrace everything that individuals can use towards their retirement then model how much income can be drawn, how long it will last, and how tax/charges will affect outcomes.
- Accessibility: Open up planning to those who may not afford financial advice or who are outside traditional employment norms; available directly to individuals (and embedded via B2B in pension schemes/employers).

- **Clarity & empowerment:** Instead of opaque projections or generic calculators, offer clear outputs on what the user can afford, when they could retire, what income they might expect, and what happens if they change contributions or withdrawal patterns.
- **Bridging the advice gap:** With many people under-saving and not engaging with their pensions, provide a way for users to engage proactively, explore “what-if” scenarios, and make informed decisions rather than being passive.
- **Inclusive of multiple income sources:** Given the modern retirement income mix (state pension, private pots, ISAs, other savings), modelling should acknowledge more than just “one pension pot” and so address gaps in conventional planning.

Given that many people are likely to retire with inadequate income, tools like Guiide help shift the narrative from “I don’t know what I’ll get/what I should do” to “here is what I have, here is what I could do, here is what it might mean for me.” That empowerment is central to democratising pensions. It helps reduce the barrier of advice cost, simplifies complexity, and invites broader participation outside the traditional “employee in large firm” model.

The democratisation of pensions is not just a nice-to-have, it is a social and economic imperative. With millions of people under-saving, disengaged, or lacking clear understanding of their retirement outlook, the risk of widespread retirement insecurity looms large. Platforms like Guiide demonstrate how fintech can play a meaningful role in remedying this, by making planning accessible, transparent and actionable. In doing so, they contribute to a future where retirement security is not the preserve of the few, but a realistic possibility for many.

