



### Summary

- Many people who work in the pensions industry are in a very similar position to people working in other industries as they approach the end of their careers – except that hopefully they possess some useful financial knowledge and understanding of the pensions system.
- Some people who work in senior positions within the pensions industry are able to take on non-executive or other strategic roles as they reach the end of their careers, reducing the intensity of their work.
- Even if you do know a lot about pensions, there is still a need to prepare for the emotional and psychological reality, as well as the financial reality, of retirement.
- Whatever you want to do as you approach retirement and beyond, practice as the industry preaches, and plan ahead.

# Retiring from the retirement business

**You might think that people who work in pensions should be well equipped to find a good route towards retirement, including a gradual reduction in working hours, if that is what they want. But does being in the industry make a helpful difference? David Adams finds out whether pensions veterans are benefitting as much as they should**

As someone who works in the pensions industry, you probably spend more time than most people thinking about retirement; and perhaps also about how retirement is evolving away from a cliff-edge hard stop to a slow wind-down, with reduced working hours, or a move

into a different role. But does a greater level of knowledge mean people working in pensions are planning the latter part of their careers, or their retirement, more effectively than other people?

Richard Butcher, former managing director of PTL (acquired by Zedra in 2021), a part-retired, experienced

professional pension scheme trustee and consultant, thinks not.

“For some people in this industry there is an opportunity to wind down their careers in part-time roles, but the only way in which we may be different is that hopefully we can approach the financial aspects of retirement with the benefit of a little additional knowledge,” he says.

People who work in pensions may have some extra knowledge, but research published by Aviva in 2023 showed that almost half of people then aged between 55 and 64 (44 per cent of this group) working in any industry were planning to move into semi-retirement before the age of 65. Also in 2023, research commissioned by Aegon showed that only 27 per cent of people in employment expect to experience a hard-stop retirement.

Those trends are being driven by many different positive and negative factors: People may be able to change their lifestyle and work/life balance as they get older, or they may have pleasant, or less pleasant caring responsibilities or other obligations that mean it is helpful to be work fewer hours. But even within the pensions industry, says Mercer senior partner, Graham Pearce, it will be easier for some people to take this step than for others. He thinks people working in senior roles are most likely to feel confident about doing so, in part because their financial circumstances are likely to be relatively healthy anyway.

### Late stage careers

Some people who have held senior roles within the pensions industry have been able to construct a late-stage career based on work in less intense, less time-consuming non-executive, trustee or consultancy-type roles. For example, Lawrence Churchill, a former chief executive of three insurance groups, has spent the past 20 years in various roles including serving as founding chairman of both the Pension Protection Fund

(PPF) and of the National Employment Savings Trust (NEST). At present, he is chair of DB scheme consolidator Clara-Pensions, and of the Independence Governance Committee at Vanguard. He has also served as a trustee for organisations including the International Longevity Centre (ILC) and the Pensions Policy Institute. He will become chair of the ILC in February 2025.

Churchill says he first started thinking about retiring more than 20 years ago, when in his late 50s, married for a second time and wanting to spend more time with his family than had been possible as a CEO. Since then, he has often held four or more non-executive or trustee roles simultaneously, for organisations in the private, public and/or third sectors. He says he enjoys the work because he is so interested in the organisations he is working for. "All of them are grappling with fascinating problems," he says. "Do I have to work? The answer is, not for money. But for my mental health, absolutely. I need problems to solve."

ILC chief executive, David Sinclair, points out that not everyone in the industry who tries to pursue this course is able to do so. "There's a group of people who want to become consultants but struggle to find the work," he says. He wonders if ageism sometimes counts against people in this group. It can clearly be a factor, even in this industry: Even someone with as remarkable a CV as Lawrence Churchill says he thinks he has sometimes not been offered jobs because of conscious or unconscious ageism.

## Concerns

But concerns have also been expressed by some in the industry about a possible downside if more older people continue to work for longer: A reduction in promotion opportunities for younger people. Sinclair thinks these fears are sometimes exaggerated.

"Generally speaking, older people don't take jobs from younger people," he

says. "If a company is employing very experienced older people to add value at a senior level they may be more likely to be creating business opportunities that support jobs for younger people within the business."

Every organisation is different, and every career is different, but some issues are the same in any industry. Aries Insight co-founder, Ian Neale, has now largely retired after more than 30 years working in the pensions industry, but his route to semi-retirement has been complicated by the fact that he was co-owner of a small business.

Neale and his business partner, Gary Chamberlin, turned Aries into a huge success after its foundation in the 1990s, specialising in swift provision of definitive information and guidance on the evolution and application of pensions legislation. But Neale always felt that running the business had stopped him spending as much time with his family as he would have liked. He promised his wife he would retire no later than his 72nd birthday, which fell in May 2022.

As this milestone approached, Neale and Chamberlin considered selling the business, but neither wanted to see it disappear. Instead, as Chamberlin currently has no plans to retire, he purchased Neale's stake. Neale is still involved with Aries on a small-scale and retains his Aries email address, but he and his wife now run the Balmaha Bunkhouse, a self-catering (and by Neale's account, a very comfortable) bunkhouse beside the West Highland Way long distance footpath near Loch Lomond. It sleeps up to 12 people and is open between April and October.

"So this is my retirement job and it does keep me busy," says Neale. "It's more work than I anticipated!"

The experience in late career/retirement of both Neale and Churchill highlight the fact that family circumstances can have a huge influence on late career or retirement planning. Carefully thought-out plans for semi-

retirement may also be disrupted by unexpected events – by an individual or a close family member becoming seriously ill, for example.

Even if everything runs smoothly, Butcher says his own experience of moving towards retirement has showed him how important it is for people to try to prepare emotionally and psychologically for the transition from work to retirement. In his own case, semi-retirement has arrived more quickly than anticipated, because an opportunity to participate in a management buyout at PTL arose in 2017; and was then followed by an unexpected opportunity to sell the business to Zedra in 2021.

"I hadn't anticipated those transactions, but they have allowed me to substantially retire," says Butcher. The experience has been enjoyable and stimulating; he is now working part-time for Zedra – he "just looks after his clients", as he puts it, usually for no more than three days a week. He also holds a couple of non-executive roles, as a governor at the Pensions Policy Institute; and for a start-up charity, the Trail Riders Fellowship.

Will he eventually retire completely? "I expect so," he replies. "But if someone said: 'Here's a really interesting non-exec role,' I would think about it."

Churchill is also not ready to retire completely. "Not yet!" he says. "It's always another five years away." He says he bases his plans on what actuarial tables tell him about when he is likely to die – which is surely something that people who have not worked in the pensions industry are much less likely to do – but whatever the tables say, Churchill's default position has always been "to keep going".

"As soon as I don't like it, I'll stop," he says. "It gets me out of the house and meeting new people. I enjoy what I do, so why would I want to give it up?"

**Written by David Adams, a freelance journalist**