

AI is transforming pensions admin, but still has long way to go with members, shows latest Trafalgar House Trust and Confidence Index Survey

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Trafalgar House, a specialist third-party pensions administrator, today announced the first results of their 2025 Trust & Confidence Index* showing that whilst AI is beginning to play an important role in pensions administration, its adoption by individual pension scheme members remains limited.

Despite the growing awareness of AI-driven tools, the vast majority of people are not yet using AI to support their retirement decisions. When surveyed, only 8% of the population reported using AI tools for pension planning. The overwhelming majority—82%—indicated that they have never used AI for their pension planning needs. Of those who have, general-purpose AI chat tools, such as ChatGPT, are the most commonly used, with uptake at 9%.

Specialised AI-driven pension tools, such as robo-advisors (2%) and financial planning apps (4%), have even lower adoption rates. AI-powered pension provider platforms are also used by only 3% of individuals. Furthermore, 5% of respondents who reported using AI for pensions were unsure about how they had actually applied it, indicating a lack of clear understanding or engagement with these tools.

Among those who have incorporated AI into their pension planning, the most common applications include calculating projected retirement income (15%) and understanding pension rules and tax implications (14%). Other potential uses, such as exploring contribution increases (13%), planning for early or delayed retirement (6%), or comparing pension providers (8%), have even lower adoption rates.

This suggests that while AI tools are available for pension planning, they are not yet seen as a core part of the retirement journey for most people. Many pension savers either do not know these tools exist or do not trust them enough to rely on them for critical financial decisions.

Daniel Taylor, Client Director at Trafalgar House, commented: “Last year’s survey showed the industry had a long way to go to engage schemes and members with a digital pensions journey, and this latest batch of results shows nothing has changed. AI is, however, making waves in pensions administration—driving efficiency in data analysis, coding, and customer service – all enabling providers to deliver more streamlined and cost-effective services to schemes, which is a very good thing. For members though, AI is barely a ripple. With 82% yet to engage, the real question isn’t just how to bridge the gap, but indeed whether we should. For now, AI is quietly transforming admin but with ongoing accuracy concerns on communication, caution is critical for member engagement – trust and avoiding mistakes with members must remain top priority until these issues are fully addressed. ”

(ENDS)

* The research, covering a broad spectrum of 2,000 people over the age of 18, was completed at the end of 2024. Conducted annually, the research seeks to understand how the British public feel about the pensions industry and aims to establish how much the industry is trusted, and what level of confidence people have that their retirement needs and objectives will be met by the pensions industry. Using a scale of 0 to 10 with 0 being 'not at all' and 10 being 'a lot', the public are asked to rate different elements relating to their pensions.

Notes to editors:

Trafalgar House is a specialist pensions administrator.

Founded in 2006, our mission is to set the highest standard of pensions administration by any recognised measure. We achieve this through sustained investment in our people, processes, and systems.

We started life as an in-house administrator. Our foundations are in quality and member experience. Since our creation, we have grown as a third-party administrator. Adopting technology and innovation from across the market, we have emerged as a business of administration experts.

We have offices in London and Farnborough, over 30 clients and 160 staff. We hold internationally recognised accreditations for quality, security, development, customer service and environmental protection.

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