

# 6 Moments that Matter - how to secure your financial future

**We're all in this together.** If we improve financial resilience for women, we improve financial security for all. We can't change this overnight, and it will take a concerted effort to address the root causes. **We're on a journey.** **And we can all do something right now. Let's talk.**

- **Engage in your own financial life journey.** Wherever you are in life, there will be decisions you could be making today that could have implications for your future financial security. It doesn't have to mean taking out a pension right now - it could be thinking about your long-term career goals, your family and relationship plans. Links to support and guidance resources can be found at [www.insuringwomensfutures.co.uk/resources](http://www.insuringwomensfutures.co.uk/resources)
- **Talk about the financial life journey your daughter, wife or sister could have.** Discuss it with your partner - you might be surprised at what they do or don't realise
- **Arm yourself with knowledge.** Watch the video of **Helen and Sarah's pension life journeys** and read our **research reports:** Securing the financial future of the next generation and Solving **Women's pension deficit** to improve retirement outcomes for all at [www.insuringwomensfutures.co.uk](http://www.insuringwomensfutures.co.uk)
- **Become an Insuring Women's Futures Ambassador.** If you could help - whether by raising awareness on social media, or if you're involved in organisations that share these aims and values, or if you have personal experience or ideas for how we can achieve our Manifesto, go to [www.insuringwomensfutures.co.uk](http://www.insuringwomensfutures.co.uk)

6 **Moments that Matter** -  
your financial  
wellbeing  
guide

The financial  
life journey  
for women  
in the UK

12 **Perils and  
Pitfalls** facing  
women in  
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more



This is an interactive  
document with  
hyperlinks throughout





The financial life journey

6 Moments that Matter

12 Perils and Pitfalls

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# 12 Perils and Pitfalls that every woman should know, and 6 Moments that Matter that can help secure your financial future

Women and girls in 21st Century Britain are increasingly successful at school, at university, in the arts and in business. But there remain inequalities, imbalances and inconsistencies that undermine their financial security. We encourage everyone – woman or man, young or old – to consider how financial risks, which we call **Perils and Pitfalls**, could affect you, your friends, colleagues or family. We need to talk about them. These aren't dry statistics hidden away in text books or research papers: they are real, based on national data, and they affect millions of us every day.

The financial life journey for women in the UK - click here to view

### See the journey

**6 Moments that Matter**

#### The financial life journey for women in the UK

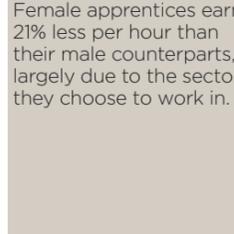
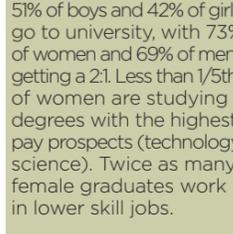
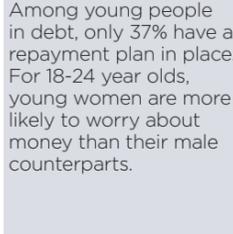
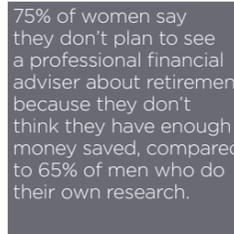
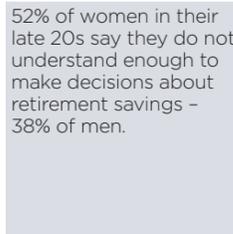
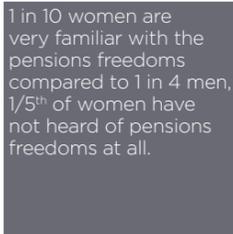
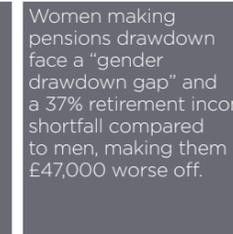
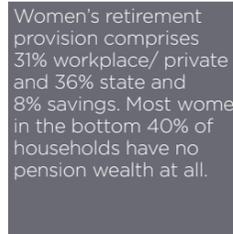
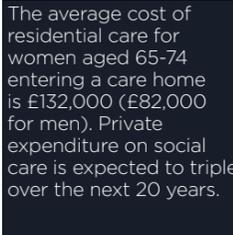
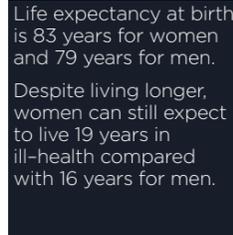
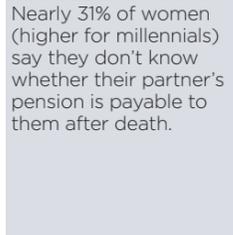
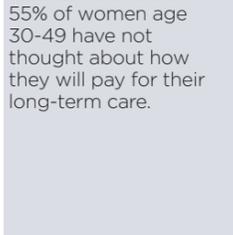
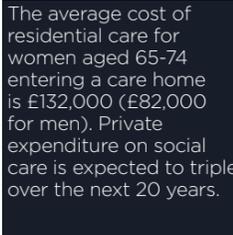
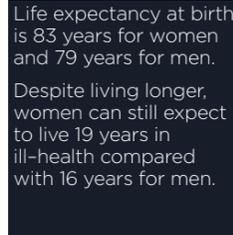
<b>1. Growing up, studying and requalifying</b>	Female apprentices earn 2% less per hour than their male counterparts, largely due to the sector they choose to work in.	Only 37% of females aged 18-24 years feel very confident managing their money (48% of males).	5% of boys and 42% of girls go to university, with 73% of women and 68% of men getting a 2:1. Less than 1/5th of women are studying degrees with the highest pay prospects (technology, science). Twice as many female graduates work in lower skill jobs.	Young women are more likely to have credit card debt at an average of £526 (versus £790 for men) but less likely than men to have high overdraft debts (£341 for a woman and £1,436 for a man).	Among young people in debt, only 37% have a repayment plan in place. For 18-24 year olds, it is young women who are more likely to worry about money than their male counterparts.
<b>2. Entering and re-entering the workplace</b>	The national gender pay gap is 9% for full-time workers (8% including part-time workers), rising to 14% in the 40s and 16% in the 50s.	5% of women aged 22 to 29 opt out of workplace pension savings compared to 3% of men.	Women aged 25 taking a 5 year career break will accumulate a pension pot 33% smaller than their male counterparts.	On average, men under 30 received £217 a year more in employer contributions towards retirement than their female counterparts.	7,20th women are on zero hour contracts, 1/40th men.
<b>3. Relationships: making and breaking up</b>	Over last 20 years births to cohabitees tripled to 30%. But 35% of people do not realise cohabitees do not have legal rights to pension sharing.	Maximum amount a non-earning partner can invest in a pension is £2,880 per annum, including tax of £720.	60% of women don't know they should update their pension records after a relationship ends, compared with 42% of men.	The majority of 25-39 year old women have financial liabilities, the same is true of only 22-39 year old men.	83% of married couples own property - 96% of divorced women.
<b>4. Motherhood and becoming a carer</b>	83% of people think women with children should work part-time. 61% of mothers who return to work after a period of full-time work, return to part-time, earning 30% per hour less than full-time women.	Only 21% of milled women have discussed their pension saving to their partner.	Median pension wealth for married men £33,000 and married women £10,000.	7% of divorced women did not discuss their pension during divorce proceedings.	83% of divorced women own property - 96% of divorced men.
<b>5. Later life, planning and entering retirement</b>	Over 1% of employees earning less than the £10,000 auto-enrolment trigger are women. Only 8% of women stated contributing to a pension as their highest priority when they first started work.	Women aged 25 will accumulate a workplace pension that is 20% less than men by the age of 65 (£43,332 compared to £53,557).	The average woman pays £90 per month into her defined contribution scheme (£149 for a man).	Over 50% of part-time workers earn less than the £10,000 per annum auto-enrolment trigger, and over 61% of women with 3-4 children have £100 to £200 in savings.	Following the introduction of Child Benefit tax, in 2017 12 million women and children (36 hours per week), 1 in 7 women in their 40s are caring for an adult and children.
<b>6. Ill-health, infirmity and dying</b>	Women aged 16-24 have the most severe mental health problems, and over the past 20 years this has got worse as a rate higher than almost any other age group.	Over half of women aged 45-55 reported finding it difficult to manage life during menopause - 48% reported having some difficulties at work.	Age specific incidence rates of breast cancer rise steeply from around age 30-34, level off for females in their 50s then rise further to age 65-69.	55% of women age 30-49 have not thought about how they will pay for their long-term care.	The number of women with dementia is expected to more than double by 2051 from under 600,000 to over 1.2m - increasing the need for long-term care.

\* Based on mean salaries and minimum contributions under auto enrolment. \*\* Pension pot defined as total wealth in current (defined benefit and defined contribution) pension schemes.

12 Perils and Pitfalls - click the icons to view

- Domestic abuse danger**
- Girls' apprenticeship gap**
- Young women's graduation burden**
- Women's wellness threat**
- Gender pay gap**
- Cohabitation pitfall**
- Flexible working sacrifice**
- Divorce and separation setback**
- Motherhood and caring penalty**
- Women's pension deficit**
- Longevity trap**
- Female financial capability imperative**

# The financial life journey for women in the UK

8-17	18-29	30s	40s	50 - 64	65 - 80	Old age
<p><b>1. Growing up, studying and requalifying</b></p>  <p>Female apprentices earn 21% less per hour than their male counterparts, largely due to the sector they choose to work in.</p> <p>Only 37% of females aged 18-24 years feel very confident managing their money (48% of males).</p> <p>51% of boys and 42% of girls go to university, with 73% of women and 69% of men getting a 2:1. Less than 1/5th of women are studying degrees with the highest pay prospects (technology, science). Twice as many female graduates work in lower skill jobs.</p> <p>Young women are more likely to have credit card debts at an average of £926 (versus £790 for men) but less likely than men to have high overdraft debts (£941 for a woman and £1,436 for a man).</p> <p>Among young people in debt, only 37% have a repayment plan in place. For 18-24 year olds, young women are more likely to worry about money than their male counterparts.</p>       	<p><b>2. Entering and re-entering the workplace</b></p>  <p>The national gender pay gap is 9% for full-time workers (18% including part-time workers), rising to 14% in the 40s and 18% in the 50s.</p> <p>5% of women aged 22 - 29 opt out of workplace pension saving, compared to 3% of men.</p> <p>Following automatic enrolment just over 1/2 of 22-29 year olds working in the private sector were active members of a pension scheme.</p> <p>Women aged 25 taking a 5 year career break will accumulate a pension pot 33% smaller than their male counterparts.</p> <p>On average, men under 35 receive £217 a year more in employer contributions towards retirement than their female counterparts.</p> <p>1/30th women are on zero hours contracts, compared with 1/40th men.</p> <p>2 in 3 of the jobs that exist today are at risk of being automated in the coming decades. As fewer women are in the higher skilled jobs that will get a pay boost from automation, this could increase the gender pay gap.</p> <p>82% of employees in lower paid caring, leisure and service occupations are women. 65% of managers, directors and senior officials are men.</p> <p>83% of women aged 25-49 will be working in 10 years time. There has been a 96% increase in women age 50-64 years working since 1992.</p> <p>Men's life-time average earnings are around 80% greater than women's. Earnings form the basis of pensions savings in the U.K.</p> <p>Women's workplace pension income rose from £58 to £81 per week over the decade compared with £83 to £125 per week for men.</p>  	<p><b>3. Relationships: making and breaking up</b></p>  <p>12.6% of women aged between 16-19 experience domestic abuse each year.</p> <p>Over the last 20 years, births to cohabitants tripled to 32%. But 35% of people do not realise cohabitants have no legal rights to pension sharing.</p> <p>The maximum amount a non earning partner can invest in a pension is £2,880 per annum, reclaiming tax of £720.</p> <p>Only 21% of millennial women have discussed their pension saving in detail with their partner.</p> <p>60% of women don't know they should update their pension records after a relationship ends, compared with 42% of men.</p> <p>Median pension wealth for married men is £53,000 and married women £10,000.</p> <p>The majority of 25-39 year old women have financial liabilities, the same is true of only 35-39 year old men.</p> <p>71% of divorced people did not discuss their pension during divorce proceedings. The median pension wealth for divorced and separated men and women is £30,000 vs £9,000 and £12,000 vs £0, respectively.</p> <p>83% of married couples own property - 56% of separated and 46% of divorced women do not own property, compared with 49% for men in both categories.</p> <p>20% of divorced and separated women suffer domestic abuse. 1 in 5 adults have experienced financial coercion in a current or past relationship. 60% of all such incidents are reported by women.</p> <p>An increasing number of relationships are breaking down as couples reach their 50s, the so-called silver splitters.</p> <p>45% of divorced women in debt compared to 35% divorced men.</p> <p>Divorced and separated women expect 48% and 41% pension to be provided by the state respectively, compared to 38% and 36% for men.</p> <p>Most men over 80 (53%) live in a couple (14% for women) and are most likely to be looked after by a partner.</p> <p>At least 130,000 elderly people (women twice as likely as men), are subject to financial abuse, with family members the perpetrators.</p>       	<p><b>4. Motherhood and becoming a carer</b></p>  <p>43% of people think women with children should work part-time. 61% of mothers who return to work after children opt for part-time, earning 30% per hour less than women who work full-time.</p> <p>Over 50% of part-time workers earn less than the £10,000 auto enrolment trigger and over 81% of part-time workers are women.</p> <p>Women in their 30s have an average of £1,000 in savings, reducing according to the number of children.</p> <p>Women with 3-4 children have £100 - £200 in savings.</p> <p>On average, women spend twice as long as men on domestic work and childcare (36 hours compared with 18 hours per week). 1 in 7 women in their 40s are caring for an adult and children.</p> <p>Following the introduction of Child Benefit tax, in 2017 1/2 million women opted out of child benefit remaining in the National Insurance system counting towards their state pension. Many women are missing out by not registering at all.</p> <p>In 20 years, the number of older families (35-55 years) with young children is expected to rise by 14% as parents have children later, impacting their working life in the run up to retirement. More women are caring into their 50s.</p> <p>58% of overall carers are women, increasing with age. It is estimated we will need a 40% increase in informal carers over the next 20 years - 1 in 3 women in the late 50s are caring for an elderly relative.</p>       	<p><b>5. Later life, planning and entering retirement</b></p>  <p>Over 3/4 of employees earning less than the £10,000 auto enrolment trigger are women.</p> <p>Only 8% of women rated contributing to a pension as their highest priority when they first started work.</p> <p>75% of women say they don't plan to see a professional financial adviser about retirement because they don't think they have enough money saved, compared to 65% of men who do their own research.</p> <p>Women aged 25 will accumulate a workplace pension that is 20% less than men by the age of 65 (£40,332 compared to £50,514)*.</p> <p>The average woman pays £80 per month into her defined contribution scheme (£149 for a man).</p> <p>52% of women in their late 20s say they do not understand enough to make decisions about retirement savings - 38% of men.</p> <p>1 in 10 women are very familiar with the pensions freedoms compared to 1 in 4 men, 1/5th of women have not heard of pensions freedoms at all.</p> <p>Over 56% of women hadn't thought about retirement at all in the last 12 months - 40% of men.</p> <p>7 in 10 women say they have no idea what pensions savings they have, 1/2 of men.</p> <p>The average pension pot** of a 65 year old woman in the U.K. is £35,800, 1/5th of the average 65 year old man's.</p> <p>Women making pensions drawdown face a "gender drawdown gap" and a 37% retirement income shortfall compared to men, making them £47,000 worse off.</p> <p>Women receive £29,000 less state pension than men over 20 years.</p> <p>In 2015/16, the mean net income (after housing costs) for women pensioners was 85% that of men pensioners, lower than in 2005/06 when it was 89%.</p> <p>Women's retirement provision comprises 31% workplace/ private and 36% state and 8% savings. Most women in the bottom 40% of households have no pension wealth at all.</p>     	<p><b>6. Ill-health, infirmity and dying</b></p>  <p>Women aged 16-24 have the most severe mental health problems, and over the past 20 years this has got worse at a rate higher than almost any other age group.</p> <p>Average time to save a first-time deposit has increased from 3 to 24 years between 1997 and 2014, impacting young people's wealth. 45% of care home costs are paid for by self-funders largely through sale of their home.</p> <p>Nearly 31% of women (higher for millennials) say they don't know whether their partner's pension is payable to them after death.</p> <p>Age specific incidence rates of breast cancer rise steeply from around age 30-34, level off for women in their 50s then rise further to age 65-69.</p> <p>55% of women age 30-49 have not thought about how they will pay for their long-term care.</p> <p>Over half of women aged 45-55 report finding it difficult to manage life during menopause - 48% report having some difficulties at work.</p> <p>The number of women with dementia is expected to more than double by 2051 from under 600,000 to over 1.2m - increasing the need for long-term care.</p> <p>The average cost of residential care for women aged 65-74 entering a care home is £132,000 (£82,000 for men). Private expenditure on social care is expected to triple over the next 20 years.</p> <p>Life expectancy at birth is 83 years for women and 79 years for men.</p> <p>Despite living longer, women can still expect to live 19 years in ill-health compared with 16 years for men.</p>       	

\* Based on mean salaries and minimum contributions under auto enrolment. \*\*Pension pot defined as total wealth in current (defined benefit and defined contribution) pension schemes.

6 ***Moments that Matter*** to secure your financial future – the questions every girl and woman should ask herself

**There are 6 key *Moments* in every girl and woman's life when you can make a real difference to your financial security.**

These *Moments that Matter* are simple steps that every girl and woman can take, that will help you become more financially resilient and independent. These *Moments* don't always happen at set periods in life. They impact women across the life stages from girls to elderly women. For example, becoming a mother or caring for an elderly relative have different consequences if you're working, studying or are in good or bad health. Have a look at our guide to help you think about your financial future and take action to find out more. There are many online and other tools available to help, including government websites. Go to [www.insuringwomensfutures.co.uk/resources](http://www.insuringwomensfutures.co.uk/resources) to find out more.

Click on the icons below to find out more on each of the ***Moments*** and what you can do to improve your own financial wellbeing.

**6 *Moments that Matter*** - click the icons to view



Growing up, studying  
and re-qualifying



Entering and re-entering  
the workplace



Relationships: making  
and breaking up



Motherhood and becoming  
a carer



Later life, planning and  
entering retirement



Ill-health, infirmity  
and dying



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3. Relationships: making & breaking up



4. Motherhood & becoming a carer



5. Later life, planning & entering retirement



6. Ill-health, infirmity & dying



# 1. Growing up, studying and requalifying

*The decisions we make about what and how we study have far-reaching consequences. As you'll see overleaf, the difference in women's earnings are often influenced by our educational choices and the career they open up for us. If you are nearing a decision on studying or qualifying, or advising a friend or relative who is, think about the implications for your or their financial future.*

For further guidance and help, go to [www.insuringwomensfutures.co.uk/resources](http://www.insuringwomensfutures.co.uk/resources)

## Your financial wellbeing guide

- Find out about money, budgeting, savings and debt
- Take opportunities and seek out internships, work experience and talk to people about their jobs – find out about how pay rates differ
- Invest in your financial future, consider your earning power, work and career opportunities to inform your study and skills choices
- Open a bank account, credit card, use within your limits and build yourself a positive financial track record and credit rating
- If you have children or young relatives, consider how you could mentor them into becoming financially mindful. Talk about your own life and decisions you might have taken differently - and how that might have affected your financial position
- If you've had time out, need to upskill to improve your career or would like to earn more money, think about the type of skills you may acquire, and how resilient these will make you in terms of job security, longer term career and earnings prospects.



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## 2. Entering and re-entering the workplace

*Starting or returning to work is a key Moment, with implications that don't only affect younger women. Role, employment and employer choice impact, employment and employer decisions impacting pay and job security. Starting work (whether for the first time or later in life) is a critical time for women to establish financial independence and savings patterns.*

For further guidance and help, go to [www.insuringwomensfutures.co.uk/resources](http://www.insuringwomensfutures.co.uk/resources)

### Your financial wellbeing guide

- Think about your future, how you'd like to live your work and personal life, the financial lifestyle you're aiming for, and consider which types of work and employment opportunities best fit your circumstances
- Research what employers say about the *Gender pay gap* and the financial rewards, pensions and perks offered, as well as maternity and carer policies
- Know your value and don't be afraid to state it; if you don't feel you're paid enough, consider how you might ask for a raise or seek a promotion
- Find out about pensions, and take opportunities to benefit from employer arrangements. Make sure you check out employer pension contribution rates and don't miss out on free contributions. Together with tax relief the amounts employers pay into your pension can make a huge difference to your pension pot. So check you're in the scheme!
- When you start earning for the first time, think about how you can budget to make your money go as far as possible, and perhaps even start to save a little if you can. Becoming financially independent early on in life can set you up and help maintain personal financial resilience through relationship and other life changes
- Be sure to take advantage of any retail or other discounts that may be available through your employer, and when you get a pay rise, if you can afford it, think about tax free savings opportunities to maximise your money
- If you're starting back at work after requalifying or time out, take the opportunity to take stock of your financial position and to act on it.



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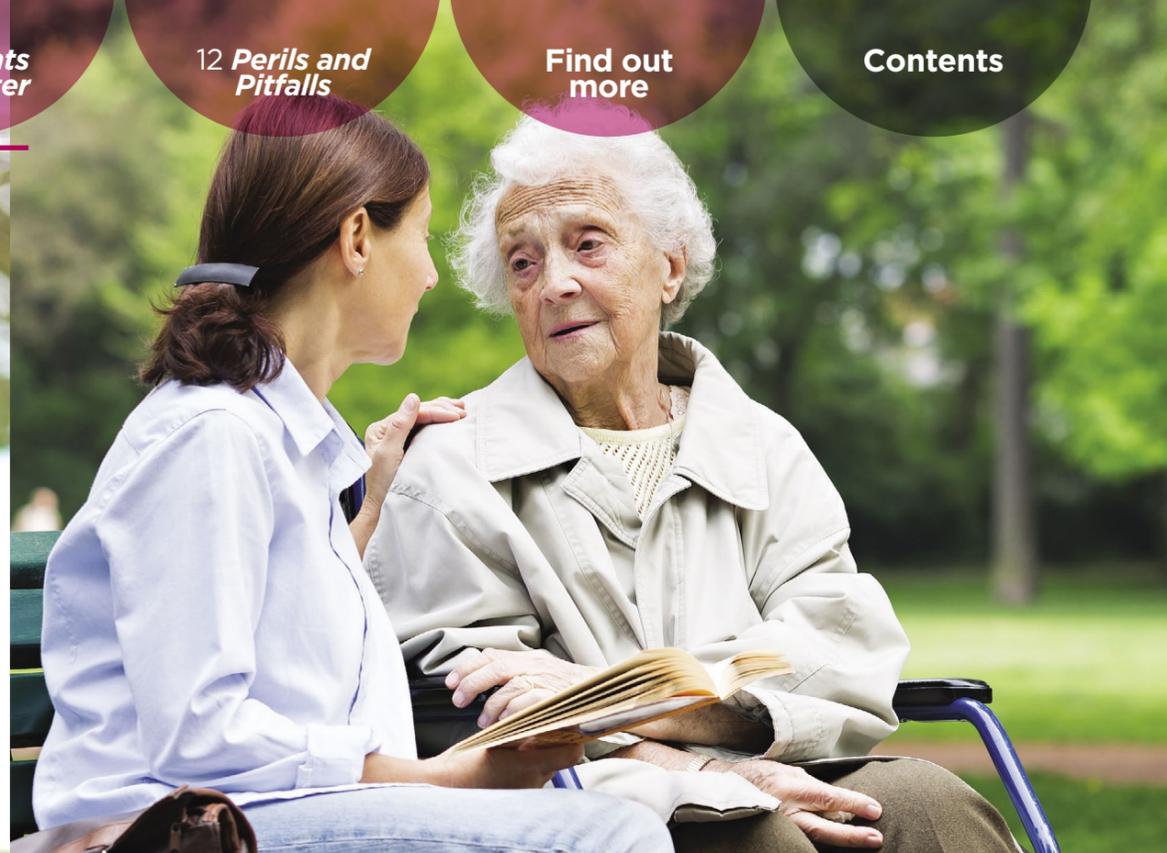


### 3. Relationships: making and breaking up

*Deciding who we share our lives with isn't just about money. But decisions about what form of relationship status (for example, married or cohabiting) to have, or how to share household finances can have lifelong impacts on your financial status and wellbeing. In particular, divorce and separation can be financially crippling for women and with children to care for and comfort, sharing pensions and home ownership rights are easy to overlook.*

#### Your financial wellbeing guide

- Make sure you and your partner are aware of the legal rights of your relationship - for example, marriage and cohabitation rights
- Be open about financial matters that affect you both; talk together about money, finance and pensions. Try to start the dialogue early in a relationship when you're not financially dependent on each other, but remember: it's never too late to talk!
- If you share a home, own assets, have joint commitments and dependencies, make sure you have considered how to protect yourselves in case something happens to one of you - such as wills, employer death in service and financial protections such as life insurance
- Think about whose name your documents, bank accounts, insurance and investments are in, and the implications of this - for example, on divorce, separation or if one of you dies
- In times of relationship breakdown, consider carefully how assets are split and - in particular - be sure of the value of sharing pensions. It may not seem forefront at the time, but how you both approach this can make a huge difference for some women when older
- Remember to consider and appropriately update your financial and pensions beneficiaries if the status of your relationship changes or breaks down.



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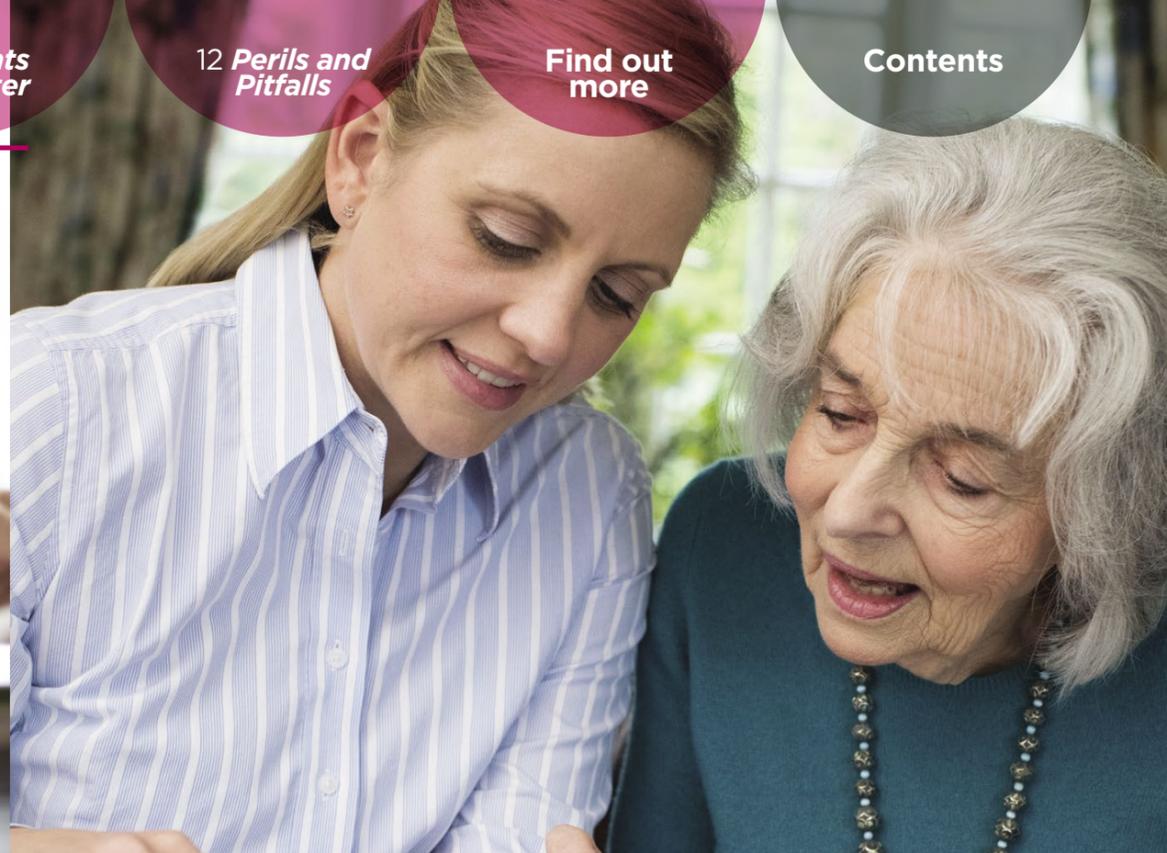


## 4. Motherhood and becoming a carer

*Decisions around the time of motherhood including sharing care and returning to work can undermine women's financial status if not fully thought through. More of us are caring for children in our 50s, while also becoming carers for older relatives. Women are statistically more likely to forego career earnings to fulfil this role.*

### Your financial wellbeing guide

- Check out how to register to secure your state pension as a mother and carer
- Consider (including with your partner, if you have one) how to balance your family finances and your respective personal financial and pension planning if you are taking a break from work. Every little counts. You might be surprised how small contributions can accumulate over time
- If you're thinking about a change to part-time work, think about how it might affect your long term earnings and pension – and consider how to balance this in your (and your partner's) short and longer term planning
- Think about how expenditure is shared at home and if you're in a relationship, who pays for what. For example how to balance childcare, household costs and even out your savings and pension contributions
- Consider how your relationship status might have a bearing on your family's finances and entitlements (for example, Child Benefit)
- Think about how you can be a financial role model for your daughter and son, encourage your partner to do likewise to empower girls and boys equally on the road to their financial future
- If you become a carer, check what financial support may be available, such as Carer's Allowance and Carer's Credit.



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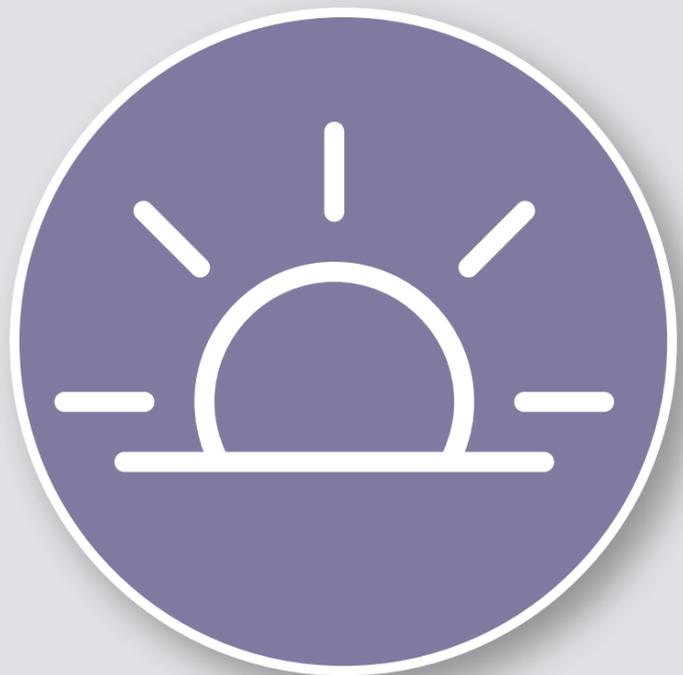
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6. Ill-health, infirmity & dying



## 5. Later life, planning and entering retirement

*We all hope to live long and fulfilling lives. Planning for later life starts early. With women having children later, caring for and living longer, spending more time as retirees, retirement planning through life and in the run up to retirement is key, especially as many of us are likely to have to contribute to the cost of end-of-life care.*

### Your financial wellbeing guide

- Think about how you'd like to live in retirement and investigate how much you'll need to set aside
- If you are an employee, check out your employer's pension arrangements, free employer contributions and tax deductions, and fully consider joining the pension scheme. If there are options on how much to contribute, you might be surprised how much bigger your pension pot could be if you paid in at a higher rate, together with the added 'free employer and tax money'. Go on, find out!
- If you're self-employed then investigate other options for retirement savings - there are a range of non workplace personal pensions
- Keep a regular check on the value of your statepension, workplace pension and any private pensions, ensuring you keep a complete record of pensions from previous employers
- If you work part-time, multiple jobs or temporarily, think about how you can maximise your workplace pensions and any eligibility criteria that might preclude you. Reflect on whether you might be inadvertently missing out on valuable contributions
- Make sure you and your partner (if you have one) are clear about your financial relationship and have in place up to date pensions expressions of wishes to reflect this
- Be aware of differences in your and your partner's pension pots and consider what that means for later life planning and pension drawdown at retirement. This is the *Moment* to really consider all of your financial assets (and your partner's, if you have one). For example, how much your assets will be worth, depending on when you retire and how to apply these in retirement, and considering if you might need care.

For further guidance and help, go to [www.insuringwomensfutures.co.uk/resources](http://www.insuringwomensfutures.co.uk/resources)



The financial life journey

6 Moments that Matter

12 Perils and Pitfalls

Find out more

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1. Growing up, studying & requalifying



2. Entering & re-entering the workplace



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5. Later life, planning & entering retirement



## 6. Ill-health, infirmity and dying

*We never know what may befall us or our partners and families, and being financially resilient can change the life course if the worst happens. Whether it's your health, that of a partner or loved one, the financial consequences of having to take time off work and forego pay can be a worry.*

### Your financial wellbeing guide

- Think about how you would manage financially if you or your partner, a child or loved one becomes ill or passes away
- Consider how much you should set aside in a rainy day fund that would cover your bills if you had to have time off work
- Find out how your employer deals with sickness and absence – how much pay will you receive, if any? If you're self-employed, think about financial provision for yourself and your family
- Make a will, discuss with your partner (if you have one), and make sure you have specified beneficiaries for any pensions, savings and investments you may have
- Arrange powers of attorney so that finances are accessible in the event that you or your partner were to fall severely unwell and/or deemed unable to manage financial matters
- Think about your retirement savings, and how you would pay for home help and residential care in old age. Make sure you research how much the state provides and what you will need to cover yourself
- If you own a home, check whose name it is in and what charges there are over it so you know where you stand
- Consider how your marital status might affect your rights in the event of illness or death - for example with any pensions, life insurance and workplace support.

# 12 *Perils and Pitfalls* facing women in the UK



The statistics show that high numbers of girls and women experience domestic abuse, which for many includes financial coercion. Women who are separated and divorced are more likely to suffer domestic abuse and financial coercion adding to the stress of relationship break-ups and longer-term financial worry.



The *Gender pay gap* is at last becoming a broadly recognised and documented fact, but fewer of us are aware that it exists even within apprenticeships. With Government committed to further expanding apprenticeships, it's key that we address the causes of this gap by encouraging young women to take up a broad range of apprenticeships including engineering, science and technology which attract higher levels of pay.



While young women are increasingly doing well educationally, they are entering further and higher education studying degrees with poorer prospects in terms of both pay and job security. At the same time, they are taking on significant financial commitments. If student loans are repayable, gender pay gaps and taking time out for caring means that it will take women significantly longer to pay them off.



Many women, and especially mothers, have little or no savings and are at risk from a sudden loss of their main income, for example through suffering critical illness themselves or the illness or death of a partner. Women are living longer, but with ill-health and are more likely than men to incur higher care costs.



While at last the *Gender pay gap* is now being reported (among larger employers at least), and awareness has increased, the root causes may be harder to address. The gap is slowly reducing, but research suggests that it will not close until at least 2050. We need to take more steps to improve the progression of women in the workplace and support women to reach higher paid roles.



Women and men have more choice than ever before in how they form relationships. While marriage remains the most common form of relationship, cohabitation is significantly on the up, and more young women are choosing to stay single during their 20s. At the same time more women are juggling work and the majority of caring. While many see cohabitation as a modern, flexible approach, a high proportion of people are not aware that it lacks legal protection on separation, reducing women's financial resilience if relationships break up.



Mothers and carers are opting for part-time work and career breaks to care for family that reduces their promotion and lifetime earning potential, hourly pay and often impacts their participation in workplace pensions.



Divorce and separation are an unfortunate reality for many, and can have far-reaching financial impacts. With a significant majority of lone parent families headed by women, the *Divorce and separation setback* makes re-starting rewarding work post break-up challenging for many, especially for those who have curbed their career for family caring.



Today, women still take the majority of child and other caring roles along with a greater share of housework. At the same time they are far more likely to stop work or take time out, sacrificing career earnings and pension contributions as a result.



Many women in the UK today risk having a pension deficit that leaves them without enough money in retirement to provide for an independent life. This isn't just a difference between men's pensions and women's pensions - though there is a significant gap - it's a fundamental shortfall which, combined with shifts in family structure, wellbeing, home ownership and social care systems leaves women exposed.



We are all living longer - particularly women - but the financial implications for women are greater given their lower financial resources, greater dependencies and longer life expectancy. This means that they require greater assistance at home with daily living and higher costs of residential care.



Men and women just don't think about money and financial decisions in the same way. Due in part to historical societal roles and gender stereotyping, our approaches to money, risk and future planning differ. Many of us find managing finance complicated. We need to do more to empower women and girls to engage in their financial futures and to equip them to make informed decisions that reflect their financial lives and personal circumstances.

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**[www.insuringwomensfutures.co.uk](http://www.insuringwomensfutures.co.uk)**  
***improving women's financial resilience to secure  
a better future for all***

Insuring Women's Futures is a programme led by the Chartered Insurance Institute and supported by businesses, volunteers and third sector organisations who share a commitment to improving women's financial resilience. Our Manifesto aims to improve women's financial resilience to secure a better future for all.

Full original data sources for all quoted statistics can be found in the following reports authored by Jane Portas and published at [www.insuringwomensfutures.co.uk](http://www.insuringwomensfutures.co.uk). **Securing the financial future of the next generation - the *Moments that Matter* in the lives of young British Women today**, and **Solving *Women's pension deficit* to improve retirement outcomes for all**.

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