

More than one in three employees now has a pension set up under new auto enrolment legislation, a new survey has found

- **36% workers said pension created under auto enrolment**
- **17% workers have no pension at all**
- **52% Bristol workers have been auto enrolled, highest of cities polled**
- **19% said they had or would opt out of a workplace pension scheme**
- **38% said they were unaware than the collective contributions of their employer and the Government were greater than their own under the current auto enrolment structure**

More than one in three British employees now has a pension set up via the Government's auto enrolment initiative, a new survey of British employees has found.

The independent poll, conducted by YouGov on behalf of workplace pension provider [Smart Pension](#), found that 36 per cent of all employees questioned said their pensions were created under auto enrolment, 28 per cent said they had non-auto enrolled workplace pensions, 17 per cent had a Standard Personal Pension (SPP), eight per cent had a Self-Invested Personal Pension (SIPP) and seven per cent had a stakeholder pension - see all survey data at www.workplacepensions.com -

Meanwhile six per cent had no idea what sort of pension they had and 17 per cent said they didn't have a pension at all.

Will Wynne, co-founder and MD of Smart Pension, said: "Auto enrolment has already overtaken every other form of pension, including personal pensions, in a very short space of time. The initiative is clearly gaining momentum and looks on track to hit targets over the next two years when 1.8m small and micro firms have staged.

"We will be keeping a close eye on this with a regular biannual independent State of the Nation poll."

As part of the research, a second YouGov poll of eleven cities showed that Bristol had the highest percentage of workers with an auto enrolled workplace pension – at 52 per cent. This compares sharply to London, where only 26 per cent had auto enrolled.

The survey found that 69 per cent of British workers said they been offered a workplace pension, but this varies around the country. In Greater Manchester and Bradford, 76 per cent of workers had been offered a pension, but this dropped to 59 per cent in Cardiff and just 51 per cent in London.

Despite this, almost one in five (19 per cent) of the British workforce said they either had or would be opting out of their workplace scheme, exceeding the government's forecast of 15 per cent opt out rate overall. Again this figure varied from city to city. The survey of cities found 26 per cent of Londoners said they had or would opt out, with 23 per cent in Glasgow and 21 per cent in Greater Manchester agreeing. At the other end of the spectrum, just 12 per cent in Brighton and 11 per cent in Leeds said they had or would opt out.

However, the Government's own figures suggest opt out is significantly lower (c 10% opt out rate. Source: The Pensions Regulator)

Interestingly the Smart Pension poll found 26 per cent of employees cited lack of funds as the reason to opt out, while another 17 per cent said they would rather not invest their money in a pension.

The survey also discovered almost six out of ten (56 per cent) believe they are not saving enough, despite growing uncertainty over the future of the state pension and falling savings rates.

The research suggests that in many cases employees could afford to put more money aside, but some have no intention of contributing to a scheme in the coming years. Almost half of employees questioned by YouGov admitted they don't even want to think about saving for old age (48 per cent).

Since 2012 more than six million workers have been automatically enrolled into a workplace pension, which sees employers contribute a minimum of 1 per cent of employee salary, the Government at least 0.2 per cent – while employees only have to pay 0.8 per cent of their net pay into their scheme currently. (Source: TPR)

Nearly two in five (38 per cent) employees said they were unaware that the collective contributions of their employer and the Government were greater than their own under the current auto enrolment structure.

Will Wynne said: "It seems everyone understands the need to save for their retirement, yet many are simply brushing the issue of pensions under the carpet.

"In a period when savings are being hammered by falling interest rates, workplace pensions are an effective way of funding retirement – currently, for every pound of net pay saved by a worker, another one pound fifty is added on top by the government and their employer, a whopping 150% return on their investment on day one. Save 40 pounds and it immediately becomes 100 pounds. That's an incredibly generous deal for the employee and is the only type of pension where the employer is required by law to top up the worker's pension."

"However, this research shows that too many British workers are either overlooking pensions entirely or not putting enough aside, perhaps because they don't appreciate how favourable workplace pensions are to the employee. It would be sensible for the government's awareness campaign to highlight how valuable a saving option workplace pensions are for the UK's workforce."

"There is a £28bn pensions black hole in the UK and auto enrolment is one of the ways people can save not only their own money, but build up a pension pot much more quickly with contributions from the Government and their employer."

A separate poll found 55 per cent of employers thought auto enrolment was a burden, 38 per cent said it was unfair, but 72 per cent said they felt it would not hold back growth plans.

Ends

For more details, please contact Liz Slee on 07540 060112 or email liz@lizziepin.com

Notes to Editors

Employee survey

All figures, unless otherwise stated, are from YouGov Plc. Total sample size was 2,105 GB employees. Fieldwork was undertaken between 18th and 22nd July 2016. The survey was carried out online. The figures have been weighted and are representative of British business size.

City survey

All figures, unless otherwise stated, are from YouGov Plc. Total sample size was 1,652 adults, of which 950 are working, from 11 cities in the UK. Fieldwork was undertaken between 18th and 27th July 2016. The survey was carried out online. The figures have been weighted and are representative of all adults (aged 18+) in each city.

Employer survey

All figures, unless otherwise stated, are from YouGov Plc. Survey of employers: total sample size was 553 senior decision makers in small businesses (excluding sole traders). Survey of employees: total sample size was 2,105 employees. Fieldwork was undertaken between 18th - 22nd July 2016. The surveys were carried out online. The figures have been weighted and are representative of all British business size.

ABOUT SMART PENSION:

Smart Pension is a MAF-accredited online auto enrolment provider. Its platform was built specifically to help thousands of small British businesses sign up their employees to a workplace pension scheme, as required by law. Smart Pension was co-founded in 2014 by Andrew Evans, CEO, and Will Wynne, Managing Director, and launched in May 2015. Its Master Trust is overseen by professional, independent trustees with decades of experience supervising large pension schemes. Smart Pension has partnered with Apex Fund Services, one of the world's largest independent funds administrators, to securely and cost-effectively administer employees' pensions. Smart Pension has a 5 star rating from Defaqto in the auto enrolment category. Smart Pension is the fastest auto enrolment platform on the market to sign up with and advisers and employers can use it for free - there are no upfront or ongoing charges for companies or their advisers. Smart Pension took over sponsorship of the GenLife Master Trust in September 2015. The firm announced Legal & General Investment Management (LGIM) as an investor and partner in July 2016.