



Retirement realities

Do savers approaching retirement feel supported by their workplace?



Saving for retirement in a challenging financial landscape

Approaching retirement has always presented its share of challenges, but in recent years, these have become increasingly pronounced. Individuals in their 40s and beyond are contending with a complex financial backdrop shaped by a convergence of economic pressures and personal financial setbacks. The cost-of-living crisis, an uncertain economy, and limited support for pension engagement reform have all played significant roles in redefining retirement planning across the UK.

Recent figures have painted a somewhat uncertain picture of the economy, with inflation fluctuating above the Bank of England's target of 2%. The Bank is expecting inflation to spike at 3.7% between July and September 2025, however, this did not prevent the first interest rates cut of the year to 2.5%. Alongside a weakened economy the uncertainty and financial strain has left savers with understandable cause for concern.

Indeed, recent findings from the Resolution Foundation reveal that the average pension pot required for a basic standard of living in retirement has increased by nearly 60% within just three years, rising from £68,300 in 2020-21 to £107,800 in 2023-24. This sharp escalation underscores the widening gap between what individuals have managed to save and the amount they will realistically need to sustain even a modest lifestyle in retirement.

Adding to these financial pressures is the ongoing uncertainty surrounding government pension reforms. For example, while considerable focus has been placed on stimulating economic growth through pension-related policies, the second phase of the government's pensions review (first announced in the Labour government's manifesto) – which aims to address retirement adequacy – has been postponed. This delay has left many grappling with questions about the support mechanisms that will be available to help savers secure financial stability in later life.

In the absence of clear guidance from policymakers, employers have an increasingly vital role to play. For many, the workplace is the first – and sometimes only – touchpoint for pension planning support. But do savers think their employers are doing enough to help their employees prepare for retirement

To explore this question, My Pension Expert commissioned Opinium in January 2025 to survey 2,000 UK adults. This report focuses on the experiences and expectations of over-40s, examining how they feel about their retirement prospects and what support they need from their employers to feel more confident about their financial futures.

In this report, we share the findings of our research alongside insights from our Policy Director, Lily Megson, on what support retirement planners require from both employers and policymakers to secure a financially stable and fulfilling retirement.



The key findings at a glance

Between 24th and 28th January 2025, a nationally representative sample of 2,000 UK adults was surveyed by leading independent market research agency Opinium on behalf of My Pension Expert. Here are some of the key findings at a glance:

Amongst respondents aged 40 and above with a workplace pension: Gaps in workplace pension support:



Over one in five (22%) have not heard anything about their workplace pension since first enrolling.



A quarter (25%) say their employer does not provide adequate information about their workplace pension.



72% believe it is the responsibility of employers to make sure they can access workplace pension information.



Similarly, 72% would like their employer to contribute above the minimum required pension contribution.

Financial pressures and retirement confidence:



More than a third (35%) expect to still be working in their seventies.



54% say the rising cost of living over the past three years has made it more difficult to save for retirement.



39% do not have a clear figure in mind for how much they need to have saved by retirement.



Just 38% feel confident they will be able to enjoy a comfortable retirement based on their current pension pot and savings.



39% say their pension or saving for retirement is a regular source of stress or anxiety.

The need for education, guidance, and policy clarity:



Around two-thirds (65%) wish they were taught about pensions earlier in life or their career.



45% feel out of their depth when it comes to pensions and knowing how to effectively save for retirement.



80% say the government needs to communicate clearly whether there will be any changes to the triple lock pension policy.



When asked to select three options from a list of employer policies that would best support retirement planning:

- 42% want the option to take a phased retirement (scaling down hours/going part-time before fully retiring).
- 30% want access to independent financial advisers for tailored retirement planning advice.

Approaching retirement with uncertainty

For many, the path to retirement is increasingly defined by financial uncertainty. This is illustrated by the delayed retirement Britons are anticipating.

My Pension Expert's research found that more than a third (35%) of employed UK adults with a workplace pension expect to still be working in their seventies, reflecting both the growing pressures on household finances and the shifting reality of what retirement looks like today. The current cost of living has made it harder for over half of respondents (54%) to save, with day-to-day expenses often taking precedence over long-term planning.

This financial strain is combined with a lack of clarity around retirement goals – 39% don't have a clear figure in mind for how much they'll need to retire comfortably.

This gap in knowledge can make planning feel overwhelming, particularly when coupled with economic volatility and shifting pension policies.

Unsurprisingly, this has taken a toll on retirement confidence. 38% feel assured they'll have enough to enjoy a comfortable retirement, and a similar proportion (39%) say their pension or retirement savings are a regular source of stress or anxiety. This emotional burden not only affects people's financial decision-making but can also deter them from engaging with their retirement plans altogether.



Growing need for workplace support

Workplace pensions are an integral aspect of retirement planning, yet many over-40s feel disconnected from the very schemes designed to secure their financial future.

Interestingly, over one in five (22%) haven't heard anything about their workplace pension since first enrolling – a stark indicator of a communication gap between employers and employees. Meanwhile, 25% of respondents feel their employer doesn't provide adequate information about their workplace pension.

Without clear, accessible guidance, employees may struggle to make informed decisions, potentially missing opportunities to optimise their retirement savings.

72%

Believe it's their employer's responsibility to ensure they can access workplace pension information.

Ongoing engagement is key to ensuring that individuals are aware of how their pension is performing or whether they're on track to meet their retirement goals.

The message from employees is clear: they are seeking more from their employers. Nearly three-quarters (72%) believe it's their employer's responsibility to ensure they can access workplace pension information. Beyond information, 72% also want their employer to contribute above the minimum required level, reflecting a desire for more involvement in securing their retirement wellbeing.

Clear pathways to education needed

When planning for retirement, amongst other forms of financial planning, people can often feel directionless. This sentiment is expressed in the research, with 65% wishing they had been taught about pensions earlier in life or their career, highlighting a longstanding gap in financial education.

It's no surprise, then, that 45% of over-40s feel out of their depth when it comes to pensions and how to save effectively for retirement. The complexity of pension products, combined with shifting economic conditions and government policies, can make financial planning feel overwhelming.

Uncertainty, therefore, drives demand for personalised support. When asked to select three options from a list of employer policies that would best support retirement planning, 30% chose access to independent financial advisers who can offer tailored guidance based on individual circumstances.

There was also a clear desire for flexible retirement options, with 42% selecting the ability to phase into retirement gradually. As we approach the fifth anniversary of the first COVID-19 lockdown, this finding is understandable – changes in working patterns, such as the rise of remote work since the pandemic, not only offer financial stability but also help manage the emotional and practical aspects of transitioning from work to retirement.

Finally, when quizzed about communication from policymakers, 80% stated that they believe the government needs to be more transparent about potential changes to key policies, such as the triple lock pension guarantee. Such stats reflect an emerging anxiety about how shifts in government policy could impact one's retirement security, particularly for those nearing the end of their working lives.



Getting the right support

Reflecting on the findings of My Pension Expert's research, as outlined in this report, Policy Director Lily Megson shares her thoughts on the vital importance of pension engagement, workplace support and the role of improving access to advice and financial education:

"Planning for retirement is a significant milestone in life, yet for today's over-40s, it often feels more daunting than ever.

"Our final years in work – no matter an individual's ideal retirement age – should be a time for looking ahead with excitement, planning how you'll spend more time with loved ones, pursuing hobbies, or simply enjoying the freedom that retirement brings.

"However, for many, that sense of anticipation is overshadowed by growing financial worries. Our research shows that people aren't just concerned about when they can retire – they're questioning if they'll be able to retire comfortably at all.

"What stands out from these findings is the growing disconnect between savers and the support systems designed to help them. The subsequent uncertainty is driving a growing demand for support. Therefore, employers have a unique opportunity to step up here. The workplace isn't just where people earn their income; it's where they should also gain the knowledge and tools needed to build financial security. Yet, many feel this support is lacking, with little engagement beyond being automatically enrolled into a pension.

"That said, the responsibility doesn't fall solely on employers. The government has spent considerable time focusing on pension reforms aimed at driving economic growth, but it's crucial not to lose sight of the individual savers whose futures depend on these systems. Pension policies shouldn't just serve the economy – they should serve people. Greater transparency, clear communication around policy changes, and improved access to financial education and independent advice are vital to bridging this gap.

"If there's one message to take from this research, it's that savers are crying out for support – and they deserve to be heard. Retirement planning should be empowering, not overwhelming. By creating stronger collaboration between government, employers, and the financial services industry, we can ensure that every individual feels equipped, informed, and confident about their retirement journey."



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