

Britons lag Europeans when it comes to retirement savings with UK women worse off

- A quarter of Brits (24%) we asked say they are saving as much as they can towards retirement, but this is lower than in the other European countries surveyed
- A third of UK respondents (33%) say they simply cannot afford to put more into retirement savings
- Only one in ten UK women (11%) have increased their workplace pension contributions

UK workers are trailing behind some of their European peers when it comes to saving for retirement according to a [new report](#) from M&G Wealth.

During Pensions Awareness Week¹, M&G Wealth's study explores the biggest financial risks people face in retirement across the UK, France, Italy, Germany and Spain. The report also reveals how this is compounded for women.

A quarter (24%) of Brits surveyed say they are saving as much as they can every month, but this is lower than other European countries, including Spain where (31%) of those surveyed are doing so. UK respondents stated affordability as the main barrier to saving more with (33%) of respondents unable to save more which is significantly higher than those in Italy (22%), Germany (27%), and Spain (27%).

At a time when many UK households are grappling with the cost-of-living, the study shows the long-term impact of the crisis with almost a fifth, (18%), stating they will work beyond state pension age. And this is a bigger concern for female workers in the UK with 21% of women stating this, compared to just 15% of men.

When it comes to actively saving, 27% of men in the UK have set up an ISA to save for retirement compared to only 18% of women. Even more concerning, just 9% of UK women surveyed have set up a private pension which is almost half the number of men (17%).

This doesn't seem to be an isolated issue, only 11% of women in the UK had increased their workplace contributions compared to 16% of men, and this trend of women lagging men

with workplace contributions is echoed in other European countries. In France and Italy, men are actively putting money into their workplace pension, whilst only half of women do so².

Despite the barriers to topping up pensions, the report showed Brits and Spaniards are the most likely of the nations surveyed to seek financial advice, with 20% and 23% doing so respectively.

Kirsty Anderson, pensions expert at M&G Wealth, said: “Balancing saving for the future against short-term spending needs is always a challenge and, with rising inflation continuing to diminish people’s savings and spending power, it’s only getting tougher.

“The reality is that many in the UK are telling us they simply can’t afford to save more for retirement but, even when cash is tight, there are some simple things you can do to help secure your financial future.

“These include topping up, your workplace pension, if you can. Even a small amount each month will make a difference and your employer may match your contributions.

“It’s also worth taking a look at where your pension savings are held. If you’ve got a number of small pensions from previous workplaces, you might be able to bring them together to make them work harder for you.

“And something that still tends to affect women disproportionately is making sure, if you can, that you keep contributing to your pension when you go on any career breaks, perhaps to look after children or elderly relatives, or that you top it up when you return to work.

“Regularly reviewing your savings has never been more important and talking to a professional adviser to learn more about your pension and, crucially, your projected retirement income can help inform and shape broader life decisions.”

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Notes to editors

1. Pensions Awareness Week

We are proud support 'Pay your pension some attention' initiative and Pensions Awareness Week (31 October – 4 November), helping people to reconnect with their pension savings and to help with financial planning for the future, whatever that may hold. Find out more on our [dedicated hub](#).

2. France: 6% of men increased their workplace pension and 3% of women increased their workplace pension

Italy: 12% of men increased their workplace pension and 6% of women increased their workplace pension

Germany: 13% of men increased their workplace pension and 9% of women increased their workplace pension

Spain: 15% of men increased their workplace pension and 10% of women increased their workplace pension

Methodology

Research was carried by Opinium among 900 UK adults (18+) with 500 of them planning on retiring in the next 12 months. Research was also conducted with adults in France, Germany, Spain, and Italy.

About M&G Wealth

M&G Wealth is part of M&G plc. It has four main parts, M&G Wealth Advice, M&G Wealth Platform, M&G Wealth Investments and a retail investment funds business, M&G Direct.

M&G Wealth launched a HYBRID advice business - 'MAP your future' - in late 2021, initially to a part of its existing customer base, where clients, often with modest wealth and a simpler set of financial needs, are able to get access to the advice that they currently find difficult to obtain – either because of the costs involved or the commercials commonly associated with an advice business (making it impractical to offer services to lower sums invested).

M&G plc is a company incorporated and with its principal place of business in England, and its affiliated companies constitute a leading savings and investments business. M&G plc is the direct parent company of The Prudential Assurance Company Limited. The Prudential Assurance Company Limited is not affiliated in any manner with Prudential Financial, Inc, a company whose principal place of business is in the United States of America or Prudential plc, an international group incorporated in the United Kingdom.



At the start of 2022 M&G plc also completed the acquisition of Sandringham Partners – an independent financial advice arm of M&G Wealth.

In January 2022 M&G plc announced a partnership agreement with Moneyfarm, a leading digital investment specialist, to provide direct investment services to UK consumers. M&G Wealth will use Moneyfarm’s existing technology, digital capabilities, and investment guidance journeys to back its own branded proposition.

In February 2022 M&G plc acquired TCF Investments to provide model portfolio services (MPS) and in April 2022 added a new range of six model portfolios focused on investing globally and incorporating ESG factors in its investment process.

In August 2022 month M&G announced that it was taking an initial 49.9% stake in National IFA Continuum Financial Services with a scheduled agreement in place to acquire the remainder over the following two years.