

PRESS COMMENT

Thursday, 1 February 2018

ONS Wealth and Assets Survey published

The latest ONS Wealth and Assets Survey covering the period July 2014 to June 2016 published today shows that:

- Aggregate total private pension wealth of all households in Great Britain was £5.3 trillion - this has increased from £4.4 trillion in July 2012 to June 2014
- 49% of individuals aged 16 to 64 years had some form of active private pension that they were contributing to (up from 44% in the previous period)
- 66% of employees were actively contributing to a private pension scheme compared with 25% of self-employed, with median current pension wealth for employees being £33,000 compared with £21,000 for the self-employed
- Median public sector occupational pension wealth was £80,000 compared to median private sector occupational wealth of £15,000 (the gap has nearly doubled since 2012-14 report)

Commenting on the figures, Malcolm McLean, senior consultant at Barnett Waddingham said:

“There is a lot of good news in these figures. Total private pension wealth has increased and many more people of working age are contributing to a private pension arrangement than previously.

“There are some big discrepancies, however, between different groups. The self-employed are clearly falling behind their counterparts working for an employer and public sector occupational wealth continues to substantially exceed that of those in the private sector.

“There is clearly an immediate need to find a way of boosting the savings habits of self-employed workers, which many of us saw as being possible through the ambit of auto-enrolment but which the government currently does not appear to want to do.

The gap between the public and private sectors continues to grow and should be addressed, not by hitting public sector entitlements, but by encouraging, or if necessary, compelling, greater contributions to private saving. Minimum contributions to defined contribution pension auto-enrolment will be going up over the

next two years but at only 8% and will need to increase further thereafter if more sustainable pension levels are to be achieved.”

- Ends -

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About Barnett Waddingham

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We are proud to be a leading independent UK consultancy at the forefront of risk, pensions, investment and insurance. We have over 900 people, 68 of whom are partners, each delivering on our values and our promise, ensuring the highest levels of trust, integrity and quality.