

Prudential reveal that UK workers are missing out on £5.07 billion a year



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Press Release Summary: Prudential has revealed that UK workers are missing out on £5.07 billion a year by failing to join company pension schemes

Press Release Body: **Prudential**, the UK based financial services company, has announced the results of recently conducted independent research which reveals that UK workers are missing out on £5.07 billion a year by failing to join company pension schemes.

The findings from **Prudential** show that 66% of UK workers (full time and part time) knew their employers offered a company pension as part of their remuneration package. Those polled also said that employers will pay an average of 11.33% of earnings to their schemes.

Yet despite this, 18% of these workers are failing to join the occupational pensions on offer which, based on the average annual UK salary of £19,494.80 for full and part time staff, means they are turning down an extra £2,208 a year on top of their salaries. The 18% of workers who have not joined their occupational [pension schemes](#) are therefore surrendering over £5 billion of pension perks every year.

Additionally, the research found that more than one in four (26%) of UK working adults believe that their employer does not offer a [pension scheme](#) as part of their employment package, with this number rising to 37% among 18-24 year olds. This is despite all companies being legally obliged to provide a stakeholder pension scheme as a minimum part of staff employment packages.

On the back of these findings, **Prudential** is calling for employers and their staff to work together and ensure that they take the pension benefits they are entitled to.

Martyn Bogira, Defined Contributions Director for Prudential, said: *"Britons are taking voluntary cuts of over £5 billion per annum in their employee benefits by failing to join a [company pension](#) scheme. Missing out today on these benefits will play havoc with peoples' retirement plans in the future. But it's a problem with an easy solution. We would strongly encourage all staff to check the terms of their company pension and ensure they understand how much additional money they are losing out on by failing to join these.*

"It is critical that UK adults ensure they are building an adequate retirement savings pot if they are to enjoy a financially secure future and avoid having to work past traditional retirement ages or having to significantly reduce their standard of living in retirement.

"Two steps are all that's needed to stop losing out. Firstly, employees should check with their employer to find out what occupational scheme is available to them. Secondly, we would encourage people to visit an IFA (Independent Financial Advisor) to ensure all their savings and assets, together with the benefits offered to them as part of the their employment packages, are working for them to enable them to build the retirement fund they need to achieve their goals."

Prudential has launched an easy to use retirement planning website to help consumers and employers tackle [retirement issues](#).

About

Established in 1848, Prudential plc is an international financial services company with a product range which extends from personal banking, insurance, pensions and retail investments, to institutional fund management and property investments.

In the UK Prudential is a leading life and pensions provider with around seven million customers.

Web Site: <http://www.pru.co.uk/>

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