

# Millions of Britons do not have any pension savings at all

[Jessica Sheldon](#)



The average pension pot of a retired person holds less than a quarter (24 per cent) of the recommended amount for a moderate standard of living, according to new analysis.

An average pension pot for a retiree in the UK is currently £69,481 according to new research by Finder.com, but experts recommend a person needs £285,000 saved in total for a moderate retirement from the age of 66.

Almost one in five adults (18 per cent) in the UK don't have any money saved in a pension pot, equating to approximately 9.7 million Britons.

While 58 per cent of adults asked said they do have money saved into their pension, the average pension pot amongst this group held just £35,357 – 12 per cent of the total recommended amount for people retiring at 66.

*Some people are choosing to work beyond state pension age*

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Meanwhile, the prospect of not being able to cover essential outgoings in retirement is a key concern for many pension savers, new research by Hargreaves Lansdown has shown.

In a survey of 2,000 people, only 61 per cent said they thought it was a realistic prospect they could cover their bills in retirement.

Helen Morrissey, head of retirement analysis at Hargreaves Lansdown, said: “This struggle to even cover the basics is a far cry from the sandy beach holiday view of retirement that many people aspire to.

“Retirement may seem like a long way away, but checking your progress against your goals periodically is vital if you are going to avoid a nasty reality check later down the line.”

Ms Morrissey warned “the upshot” is everyone will have “tough decisions” regarding retirement, with more people likely to work longer, even on a part-time basis, to fill gaps in their pension planning.

She said: “There are signs of older workers, who retired during the pandemic, starting to return to the workforce as their costs rise.

“Younger age groups still have time to build up their pensions to give themselves a more resilient retirement.

“Things are undoubtedly tough right now but as things get better it can really boost your pension pot if you are able to increase contributions as and when you receive pay rises or move jobs.

*A comfortable retirement costs £4,200 more a year and £69,000 more in total than last year, new analysis suggests*

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"If you are in a scheme where your employer matches any increase in contributions you make then this can provide a further boost to what you end up with and make you feel more confident of not just being able to cover the basics in retirement but to be able to enjoy things like holidays and hobbies too."

[A comfortable retirement costs £4,200 more a year and £69,000 more in total than last year,](#) according to calculations from interactive investor.

Assuming a person gets a full state pension of £10,600, pensioners would need £37,100 private pension income based on July 2023 inflation figures, compared to £32,900 private pension income in April 2022.

For a moderate retirement, pensioners now need £28,600 a year total pension income compared to £26,000 in April 2022, equating to £18,000 private pension income compared to £15,400 in April 2022, assuming they get a full state pension.