

Legal & General Group Plc
For immediate release: 25th May 2021

One in four women over 50 have less than £5,000 in their pension pot

- A quarter of women over 50 have less than £5,000 in their pension pot, compared to just 15% of men.
- Men over 50 have nearly twice as much as women in their pension pots (£82,311 vs. £43,014)
- Women over 50 are significantly more likely to feel they have not saved enough to fund their retirement (56% vs 43% of men)
- Women over 50 are more likely to not know the size of their pension pot (34% vs 27% of men)

Research from [Legal & General Retail Retirement](#) has found that 25% of women over 50 have less than £5,000 in their pot, compared to just 15% of men. On average women over 50 have about half as much in their pension pot when compared with men (£82,311 vs. £43,014)¹.

The most recently available data from the [Office for National Statistics](#) (ONS)², indicates that men below State Pension age are more likely to have active private pensions than equivalent women (56%, compared with 51%). This significant difference in finances has left women more likely to be unsure about their ability to fund their retirement; 56% of women do not feel like they will have enough to fund their desired personal income in retirement compared to just 43% of men. This is despite the fact that on average, women expect a 15% smaller income than men once they retire. Women are also less likely to be aware of the current value of their pensions (34% vs 27% of men).

Outside of pension wealth, men on average have a higher level of cash savings, which also contributes to overarching financial security. On average, men over 50 have £40,167 in savings compared to just £29,327 for women.

According to ONS data, occupational defined benefit pensions are the only pension type where women have higher participation than men (28% vs. 25% of men). Data indicates that this is likely to be linked to the fact that the majority of occupational defined benefit pensions are public sector pensions and in 2017, the most recently available data, women made up just over two-thirds of public sector employees in the UK.

“Our data demonstrates a significant difference between the pension wealth of men and women and raises further concerns about women’s finances at the point they reach retirement. We know there are a multitude of factors that influence these figures, from the gender pay gap to the increased likelihood of women working part-time or taking career breaks when compared to their male colleagues. We also know that the pandemic has likely increased this disparity due to the unpaid caring responsibilities that typically fall to women.

“We need to do more to address this financial inequality but also to address the root causes that influence it, specifically the significant burdens our society places on women outside of their careers.”

Andrew Kail, CEO, Legal & General Retail Retirement

If you are concerned about the size of your pot as you approach retirement, there are a few things you can consider:

- **Think about what sort of retirement you want** – there's no 'one-size-fits-all' approach to retirement, you can continue to work into your 70s, or consider a slower transition into retirement, steadily reducing the number of hours you work so that your income stream doesn't stop so abruptly. Take time now to think about what you want out of retirement and this will help in mapping out a plan and understanding what you need to financially support yourself. The Pensions and Lifetime Savings Association has produced the [Retirement Living Standards](#), to help people picture what kind of lifestyle they could have in retirement. They say a single retired person, living outside London, will need an income of around £10,000 a year to achieve the minimum living standard, excluding mortgage, rent or social care costs. The State Pension will provide £9,339 per year for most people who qualify, based on the full state pension for 2021-22, so it is important to consider what sort of level of savings, or pension pot size, you need to achieve these living standards. The [Legal & General Retirement Calculator](#) could help you work out how much your pension could give you, based on your age.
- **Make sure you aren't missing some pension pots** – if you have had multiple jobs over your lifetime, the likelihood is that you have multiple pension pots. There are at least 1.6 million pension pots unclaimed, worth £19.4 billion³, so your first step is to trace any lost and forgotten pension pots, find out what you have, and think about whether you want to bring them together under one roof. Legal & General offers both a tracing service and consolidation solution.
- **Think about what else you have to provide financial support** – in addition to your pension pot, there are a range of other assets to consider when planning your retirement finances. Many people utilise their property wealth to help them fund their retirement income, by using a lifetime mortgage product or downsizing.

The information contained in this press release is intended solely for journalists and should not be relied upon by private investors or any other persons to make financial decisions.

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¹Opinium Research ran a series of online interviews among a nationally representative panel of 2,009 over 50s from the 19th to the 23rd February 2021.

²[Office for National Statistics](#), Pension wealth in Great Britain: April 2016 to March 2018

³<https://www.abi.org.uk/news/news-articles/2020/05/19.4-billion-of-pension-pots-unclaimed-just-because-of-house-moves/>

Notes to Editors

About Legal & General

Established in 1836, Legal & General is one of the UK's leading financial services groups and a major global investor, with international businesses in the US, Europe, Middle East and Asia. With almost £1.3 trillion in total assets under management*, we are the UK's largest investment manager for corporate pension schemes and a UK market leader in pension risk transfer, life insurance, workplace pensions and retirement income. Through inclusive capitalism, we aim to build a better society by investing in long-term assets that benefit everyone.

* at 31 December 2020

About Legal & General Retail Retirement (LGRR)

Legal & General Retail Retirement's mission is to help its customers lead longer, healthier, happier lives. We believe everyone should be able to have a 'more colourful retirement'. The Division comprises the Group's retirement savings and income, later life lending and care solutions businesses. In 2020, LGRR wrote £910 million of annuity premiums and issued £791 million of lifetime and retirement interest only mortgages.

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