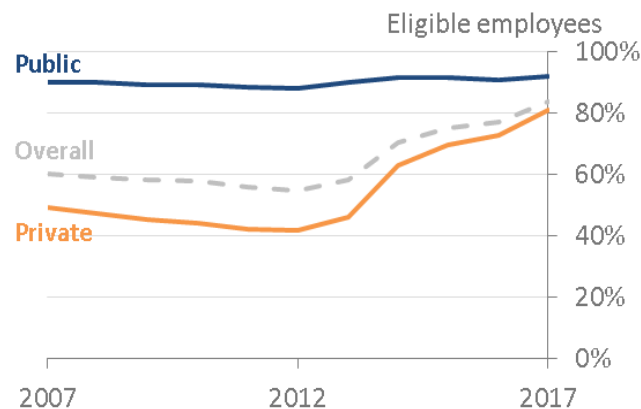


Automatic enrolment was introduced to help address the decline in private pension saving and to make long-term saving the norm. It aims to increase workplace pension saving in the UK and forms part of a wider set of pension reforms designed to enable individuals to achieve the lifestyle they aspire to in retirement. This annual official statistics publication is the fifth edition in the series. It complements the automatic enrolment evaluation reports by providing more detailed breakdowns of two key measures for evaluating the progress of automatic enrolment implementation: increasing the number of savers, by monitoring trends in workplace pension participation and persistency of saving; and increasing the amount of savings, by monitoring trends in workplace pension saving.

Main findings

Savers, by sector



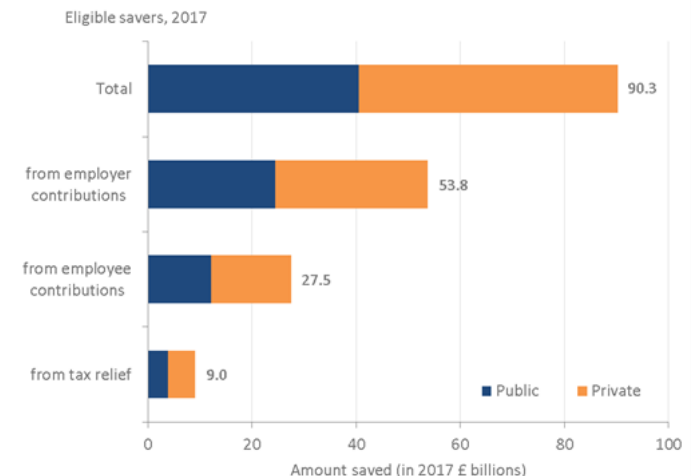
Overall 84 per cent of eligible employees were participating in a workplace pension in 2017, up from 77 per cent in 2016.

Persistency of saving

73%

In 2017, 73 per cent of eligible employees had saved into a workplace pension in at least three of the last four years (referred to as persistency), a fall of 4 percentage points on this measure since 2016.

Amount saved



The annual total amount saved in 2017 by eligible savers was £90.3 billion. An increase of £4.3 billion on the total amount saved in 2016.

At a glance

Page

Trends in workplace pension participation	3
Persistency of saving	13
Increasing the amount of savings	14
Methodological notes	15
Technical notes	16
About these statistics	17

Contact

Dan Sturman

Private Pensions Analysis

Email: dan.sturman@dwp.gsi.gov.uk

DWP Press Office: 0203 267 5144

Any comments? We welcome feedback

Published: 05 June 2018

Next edition: TBC

ISBN 978-1-78659-069-5

© Crown copyright

What you need to know

Automatic enrolment mandates employers to provide a workplace pension for all workers meeting certain criteria¹. Automatic enrolment commenced in 2012 beginning with the largest employers, with all employers in existence in April 2012 being required to meet their enrolment duties by February 2018. As at April 2018 over 9.6 million workers have been automatically enrolled and over 1.2 million employers have met their automatic enrolment duties².

Throughout this report **eligible employees** are defined as employees who meet the automatic enrolment age and earnings criteria each year, and includes employees who are already a member of a workplace pension scheme (see methodology and technical notes for details).

These estimates relate to April 2017 when contribution rates were a minimum of 2 per cent overall (with at least 1 per cent from the employer). In April 2018, contribution rates increased to a minimum of 5 per cent overall (with at least 2 per cent from the employer). Minimum contribution rates will increase again in April 2019 to a minimum of 8 per cent total (with at least 3 per cent from employers).

Summary of additional available data

All the information presented in the charts and figures is included in the accompanying excel tables.

Notes

The analysis includes members of all qualifying workplace pension schemes: occupational pension schemes, group personal pensions (GPPs), and group stakeholder pensions (GSHPs). All analysis is based on eligible employees, and uprated using ONS Average Weekly Earnings values. Previous years' data have been adjusted to account for the annual revisions to the earnings thresholds used to determine automatic enrolment eligibility.

Rounding has been applied and numbers suppressed where the sample size is small (less than 20).

Data covers the period April 2007 to April 2017.

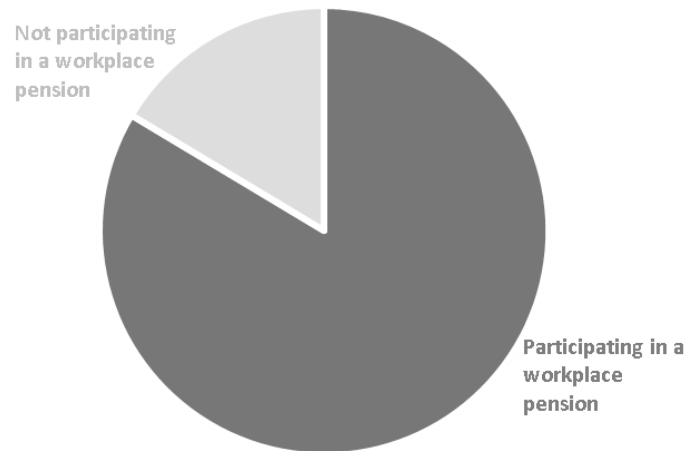
Charts show the percentage of eligible employees participating in a workplace pension unless otherwise stated.

We welcome feedback on the material provided to improve future releases.

¹ <https://www.gov.uk/workplace-pensions>

² <http://www.thepensionsregulator.gov.uk/docs/automatic-enrolment-declaration-of-compliance-monthly-report.pdf>

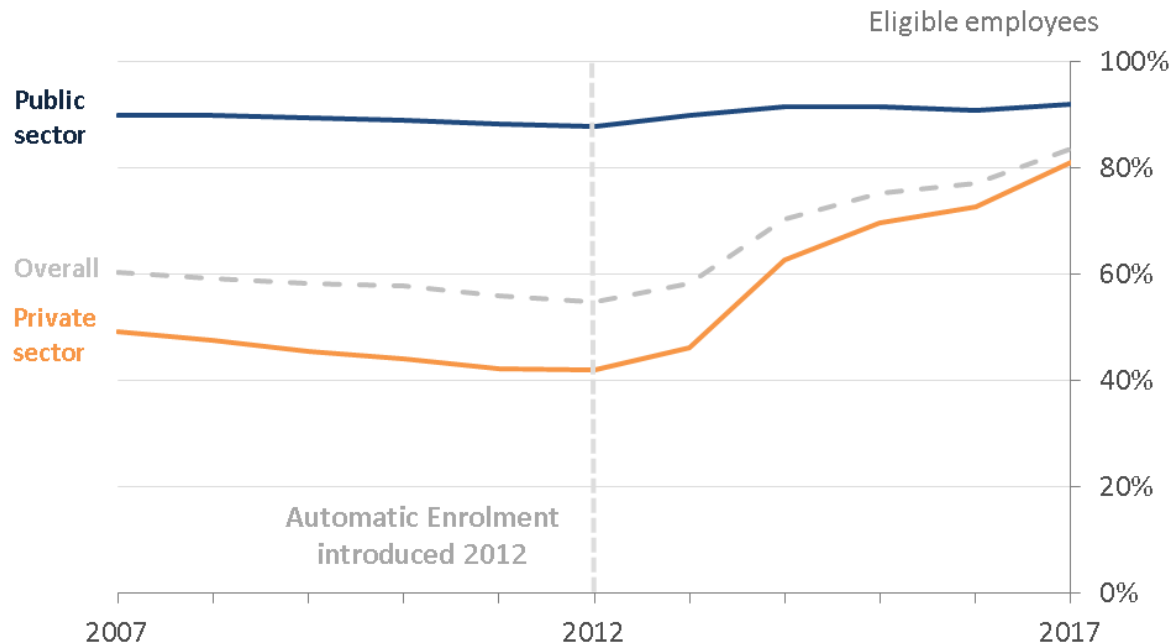
Trends in workplace pension participation



Overall, 84 per cent

of eligible employees were participating in a workplace pension in 2017

The proportion of private sector eligible employees participating in a workplace pension has increased sharply since 2012; public sector participation remains high



Between 2007 and 2012 there was a general downward trend in workplace pension participation, from 60 per cent (12.0 million eligible employees) to a low of 55 per cent (10.7 million). Since 2012 there has been a significant increase of 6.9 million to 17.7 million eligible employees participating in a workplace pension (84 per cent) in 2017, showing the positive impact of the workplace pension reforms to date.

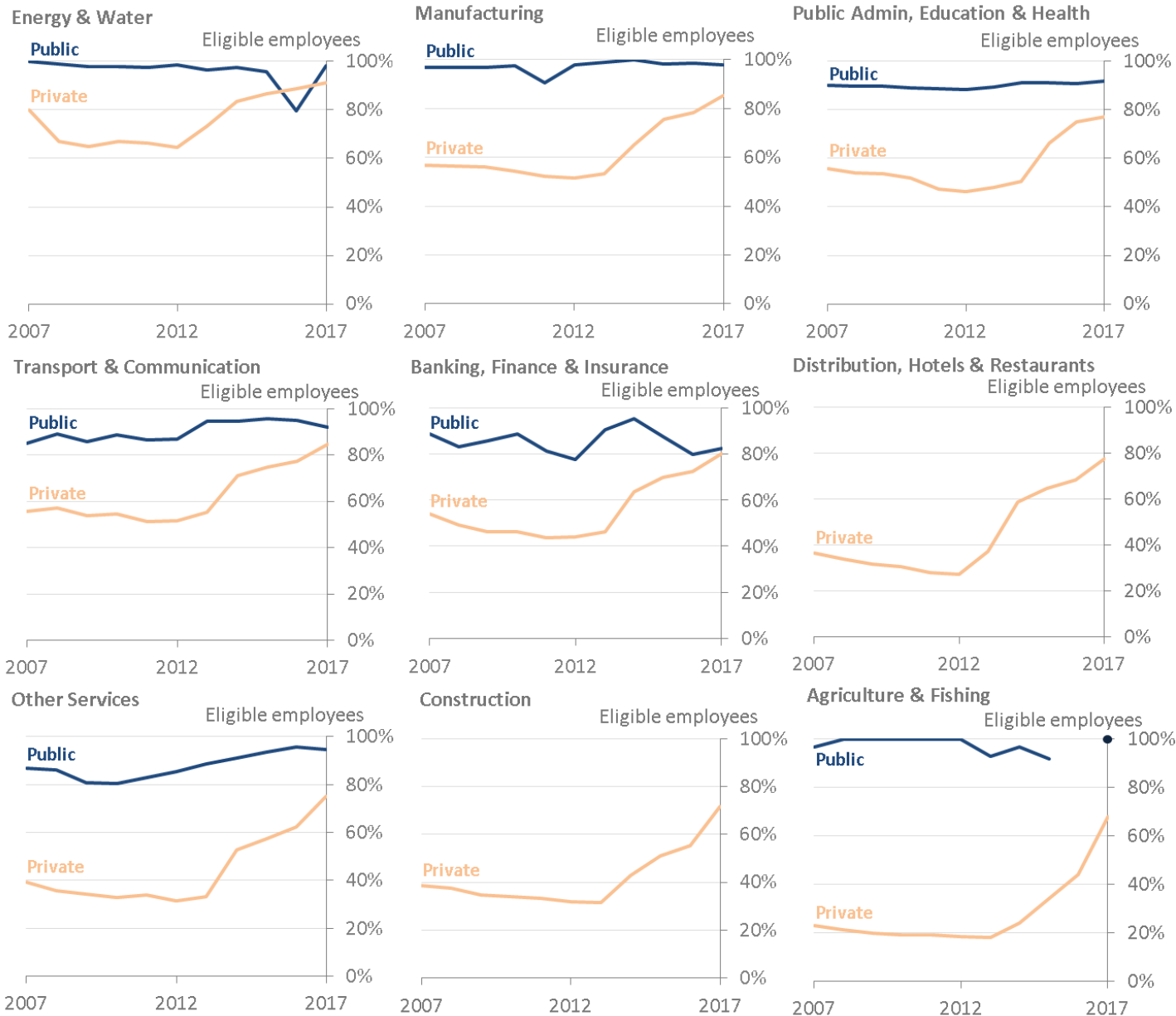
Public sector pension participation remains high at 92 per cent (4.8 million public sector workers), an increase of 4 percentage points since 2012.

The largest increases in workplace pension saving have been seen within the **private sector**. Since 2012 private sector participation has risen by 39 percentage points to 81 per cent of private sector eligible employees participating (12.9 million) in 2017.

Source: DWP estimates derived from the ONS ASHE, GB, 2007 to 2017

Industry, by sector

Participation rates for private sector eligible employees increased across all industries since 2016



In 2017 workplace pension participation was highest in Energy & Water with 91 per cent of eligible employees participating and lowest in Agriculture & Fishing with 69 per cent participating.

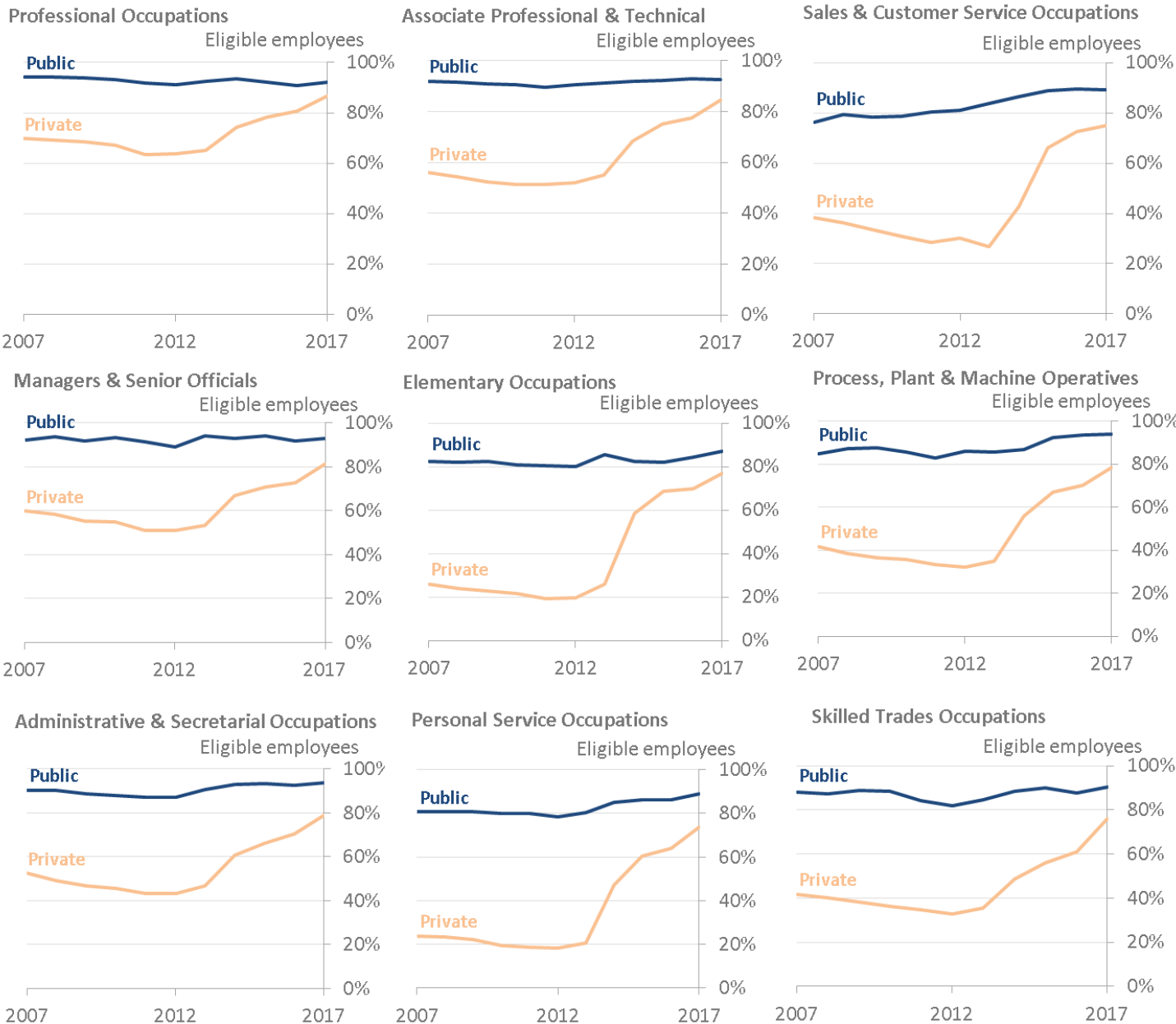
In the **private sector** the industry seeing the largest increase between 2016 and 2017 was in Agriculture & Fishing from 44 per cent to 68 per cent, the majority of eligible employees in this industry are employed by small or micro sized employers (see later section). Since 2012 the largest increase has been seen in the Distribution, Hotels & Restaurant industry, from 27 per cent to 77 per cent.

Participation in the **public sector** has remained relatively stable in comparison. All industries have higher participation levels than the equivalent in the private sector. The largest increase between 2016 and 2017 appeared to be in Energy & Water (up around 19 percentage points), but this was due to a revision of the previously provisional 2016 data (and the sample size is small). Transport & Communication saw a 3 percentage point decrease in the period. The time series for the public sector Construction and Distribution, Hotels & Restaurant sectors; and the 2016 data for Agriculture & Fishing are not shown due to small sample sizes.

Source: DWP estimates derived from the ONS ASHE, GB, 2007 to 2017

Occupation, by sector

Participation rates for private sector eligible employees increased across all occupations since 2016



Overall, workplace pension participation remains highest in the professional occupations with 89 per cent of eligible employees participating in 2017, compared to the lowest in skilled trade occupations (such as plumber, carpenter, welder) where 77 per cent were participating in 2017.

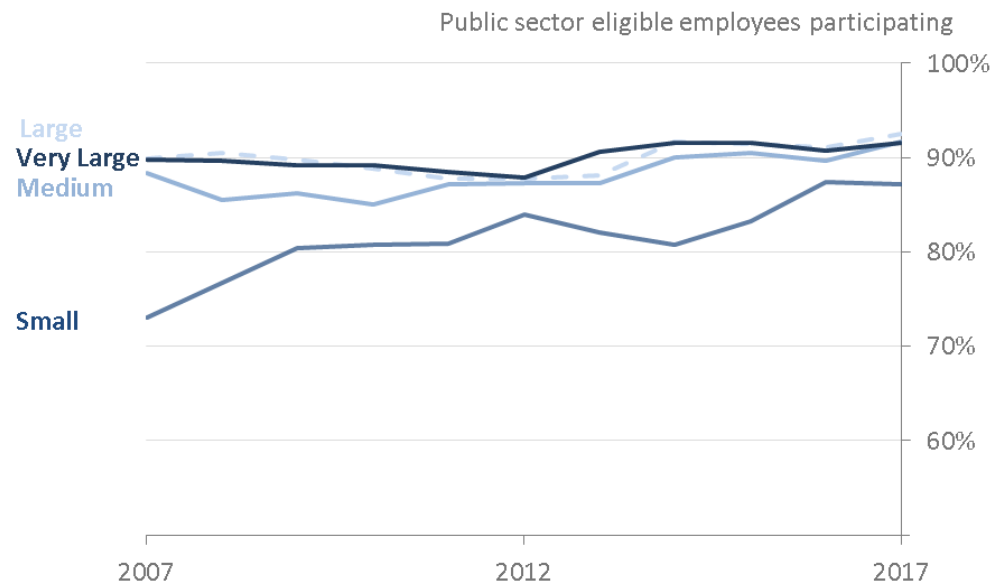
In the **public sector** participation by occupation remains relatively stable with all occupations continuing to show higher participation levels than those seen in the private sector. Personal service occupations have shown the largest increase since 2012 of over 10 percentage points, from 78 per cent to 89 per cent.

Between 2016 and 2017 all occupations in the **private sector** have seen increases in participation, continuing the upward trend since 2012. The largest increase since 2016 was in skilled trade occupations, which was up nearly 15 percentage points. The elementary occupations (such as security guard, postal worker, cleaner) have seen the largest increase since the introduction of automatic enrolment, from 20 per cent in 2012 to 77 per cent in 2017.

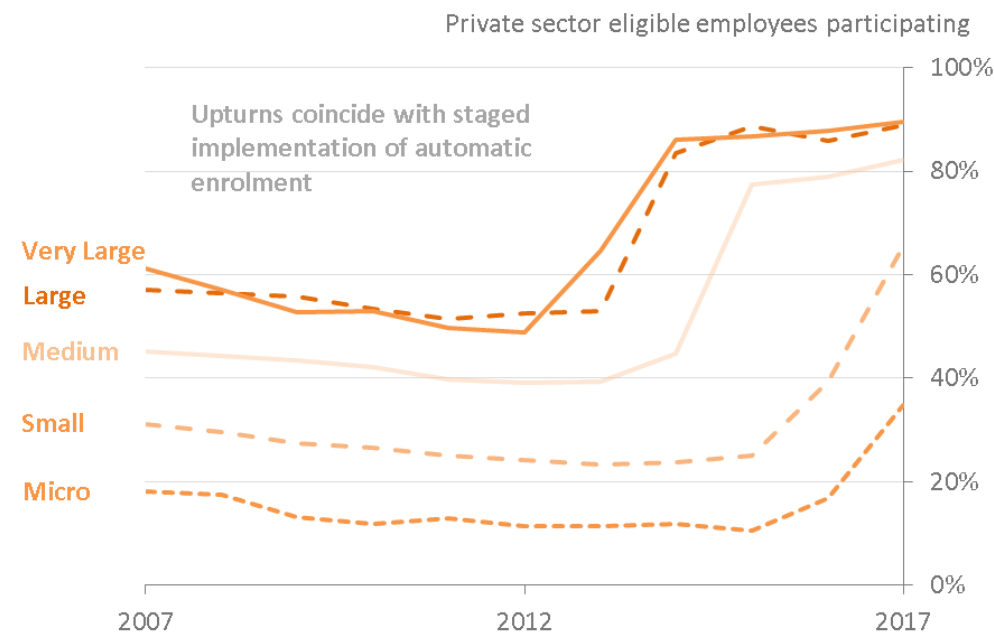
Source: DWP estimates derived from the ONS ASHE, GB, 2007 to 2017

Employer size, by sector

There have been large increases in both the small and micro employer size bands since 2016



In the **public sector** participation rates have remained stable over the period. The largest public sector increase between 2016 and 2017 was seen in the medium employer band (50 to 249 employees) which increased 2 percentage points. The small employer band (5 to 49 employees) continues to have the lowest level of participation (87 per cent) compared to around 92 per cent in the largest bands. Public sector 1 to 4 employee band is not included due to small sample size.



The highest levels of **private sector** participation in 2017 were seen in the larger employer bands, with 90 per cent of eligible employees participating in the 5000+ employer size band (very large) and 89 per cent in the 250 to 4,999 band (large).

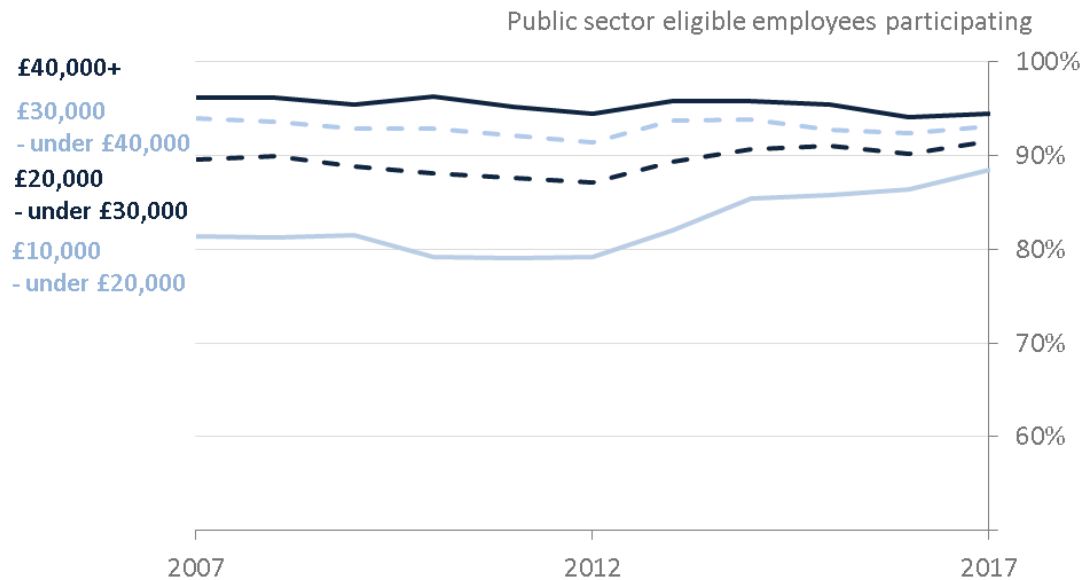
Staging for small and micro employers (SMEs) happened between June 2015 and April 2017 and within these bands there were large increases in participation between 2016 and 2017. The small employer (5 to 49 employees) band participation rate increased by 26 percentage points and the micro band (1 to 4 employees) participation rate by 18 percentage points.

Timing of increases in participation rates for the other bands all coincided with the staged implementation of automatic enrolment.

Source: DWP estimates derived from the ONS ASHE, GB, 2007 to 2017

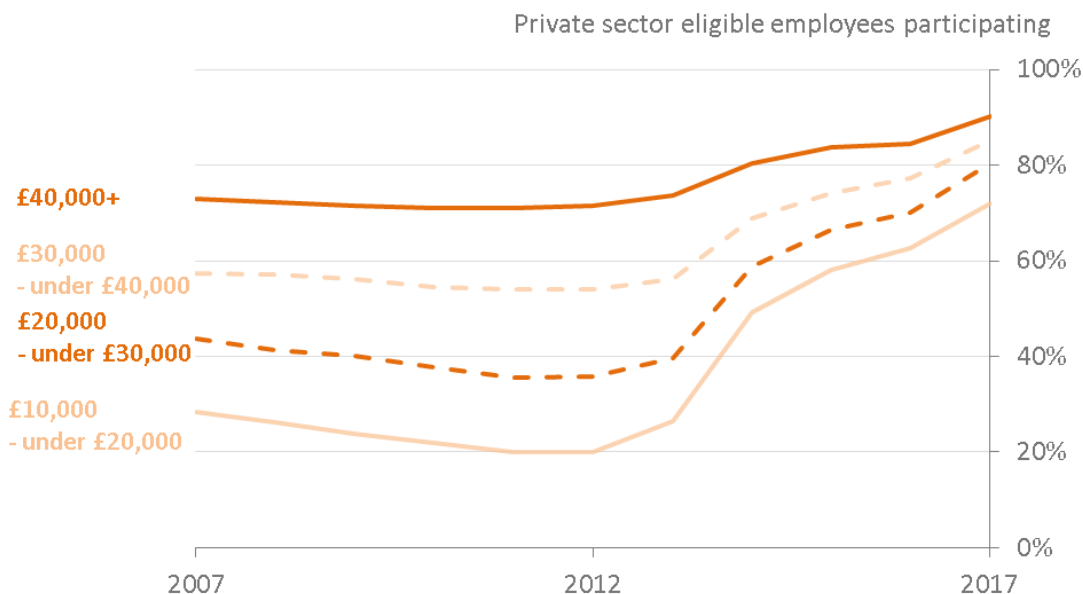
Earnings, by sector

The highest earners continue to have the highest participation rates but the gap is closing



The highest earners (those earning over £40,000) continue to have the highest participation levels, in both the public and the private sectors. In 2017, 95 per cent of eligible public sector highest earning employees were participating in a workplace pension and 90 per cent in the private sector (91 per cent overall).

In the **public sector** the lowest earnings bands have seen the largest increases in participation levels since 2012, although the levels of participation in these bands remain lower than for higher earners. Participation has increased by over 9 percentage points in the £10,000 to £20,000 earnings band between 2012 and 2017.



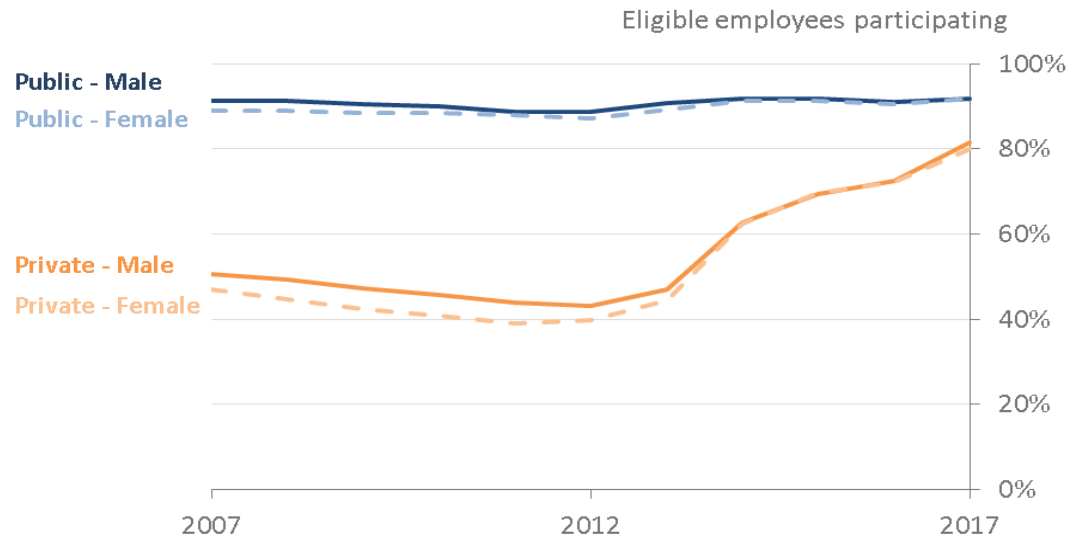
Similarly, in the **private sector** all earnings bands continue to show increases since the introduction of automatic enrolment with the largest increase (10 percentage points) in the £20,000 to under £30,000 category between 2016 and 2017.

The gap between the highest and lowest earners has narrowed each year since the introduction of automatic enrolment. The difference in participation rates between the highest and lowest earning groups was 52 percentage points in 2012, but has fallen to 18 percentage points in 2017.

Source: DWP estimates derived from the ONS ASHE, GB, 2007 to 2017

Gender, by sector

Female and male participation rates comparable within sectors and the gap is narrowing between the sectors



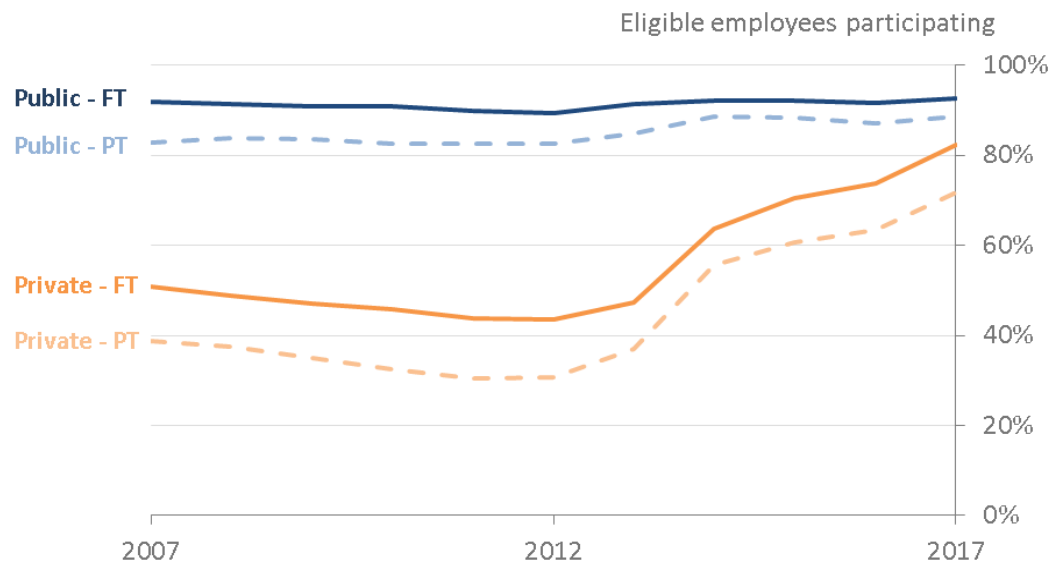
Participation rates changed very little (around 1 percentage point) between 2016 and 2017 in the **public sector**. High levels of participation continue, 92 per cent in 2017 for both male and female eligible employees.

Similarly female participation in the **private sector** is now at a very similar level to male eligible employees, 80 per cent and 81 per cent respectively. Large increases, of 8 and 9 percentage points for women and men, between 2016 and 2017 continue the significant upward trend in the private sector since 2012.

Source: DWP estimates derived from the ONS ASHE, GB, 2007 to 2017

Working pattern, by sector

Large increases across private sector working patterns, although gap between full-time and part-time remains



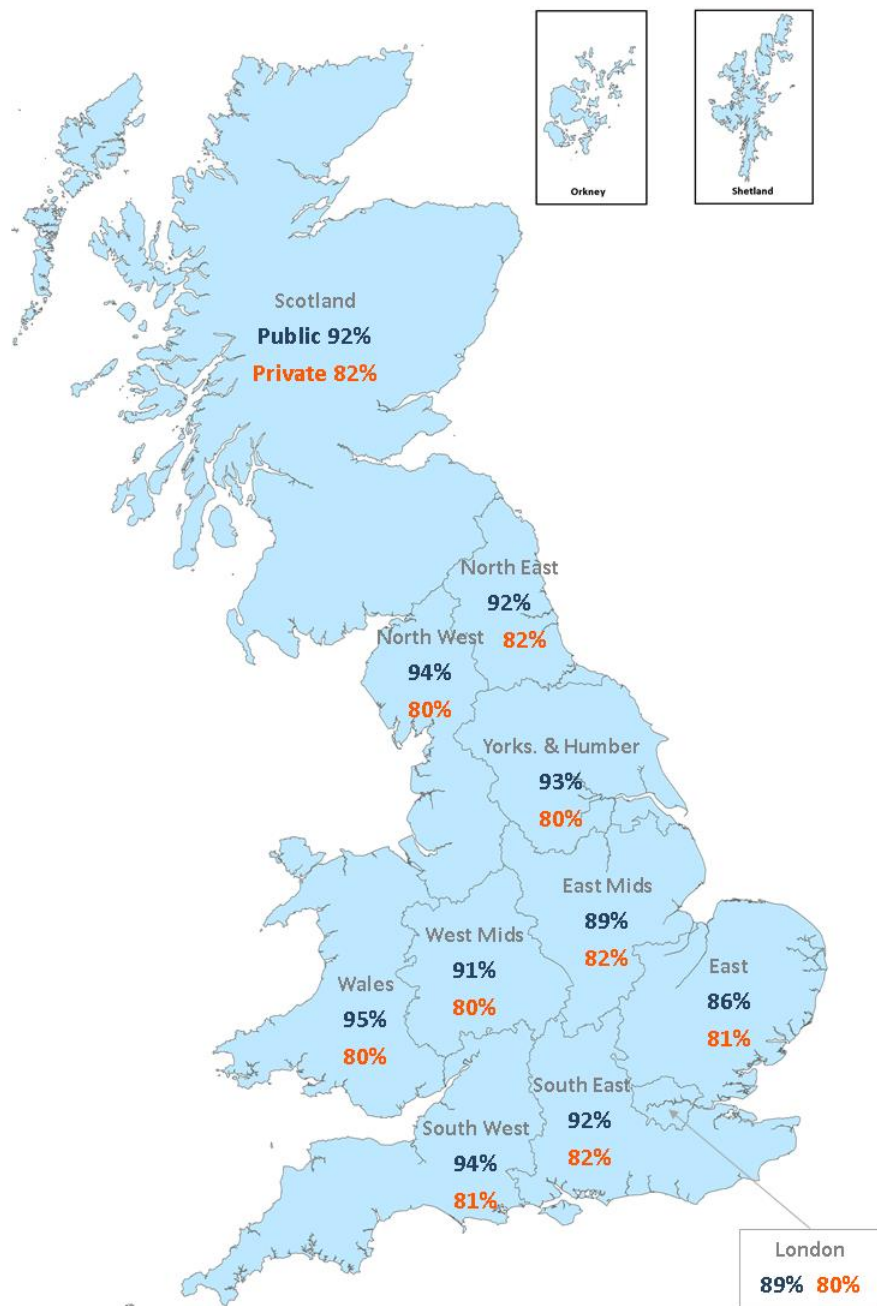
Overall, in 2017, participation remains higher for those working full time at 85 per cent compared to 78 per cent for those working part time. This gap has increased slightly since 2016, driven by an increase in **full time private sector** participation of 9 percentage points. This compares to an 8 percentage point rise in part time private sector participation.

Every year around 15 per cent of eligible employees in the Annual Survey of Hours and Earnings (ASHE) are classed as part time (i.e. working 30 hours or less per week or, for those in teaching professions, less than 25 hours per week). It should also be noted that part time workers may be more likely to be earning less than the trigger and therefore not included in the eligible population.

Source: DWP estimates derived from the ONS ASHE, GB, 2007 to 2017

Region, by sector

Differences between the public and private sector participation levels have narrowed across all regions



In general, there is little regional variation in workplace pension participation trends within sectors, but the difference between the public and private sector participation levels is still apparent across Great Britain.

The map opposite shows workplace pension participation of eligible employees by region and sector in 2017.

Within the **public sector**, in 2017, the region with the highest levels of eligible employees participating in a workplace pension is Wales, with 95 per cent. The lowest participation rate, of 86 per cent, is in the East region (a fall of 1 percentage point since 2016). The region with the largest yearly increase, of 3 percentage points, is the East Midlands.

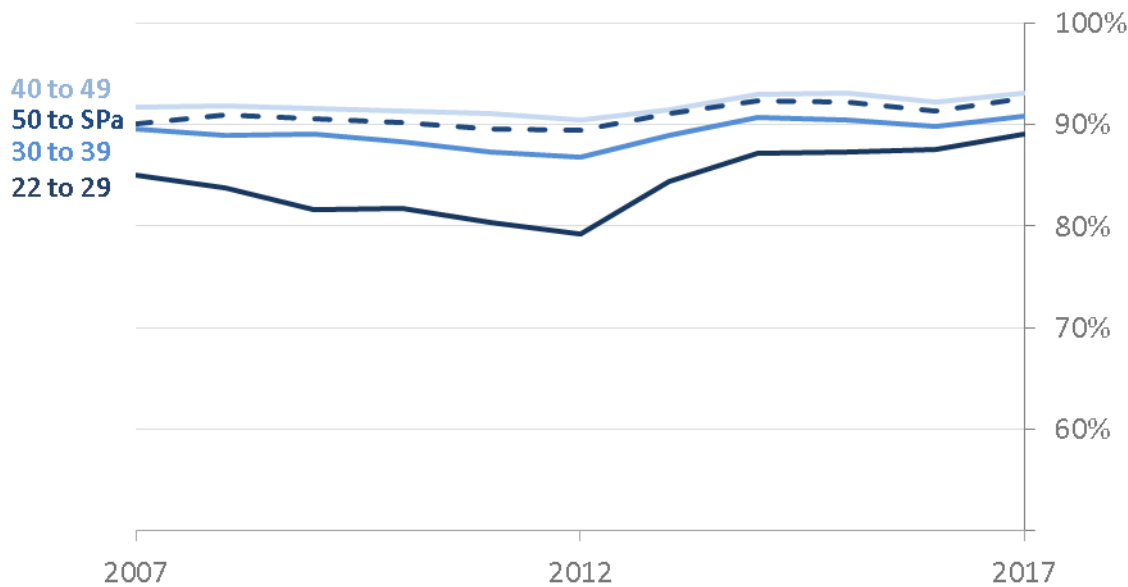
In the **private sector**, between 2016 and 2017 all regions have again seen large increases in pension participation, with the largest increase, of 10 percentage points, being in the East region and the smallest increase, of 7 percentage points, occurring in the West Midlands. In 2017, the highest participation was in the North East at over 82 per cent of eligible employees. The lowest, at just under 80 per cent, was Yorkshire and The Humber.

Source: DWP estimates derived from the ONS ASHE, GB, 2007 to 2017

Age, by sector

Older eligible employees still have the highest participation rates but the gap has closed since 2012

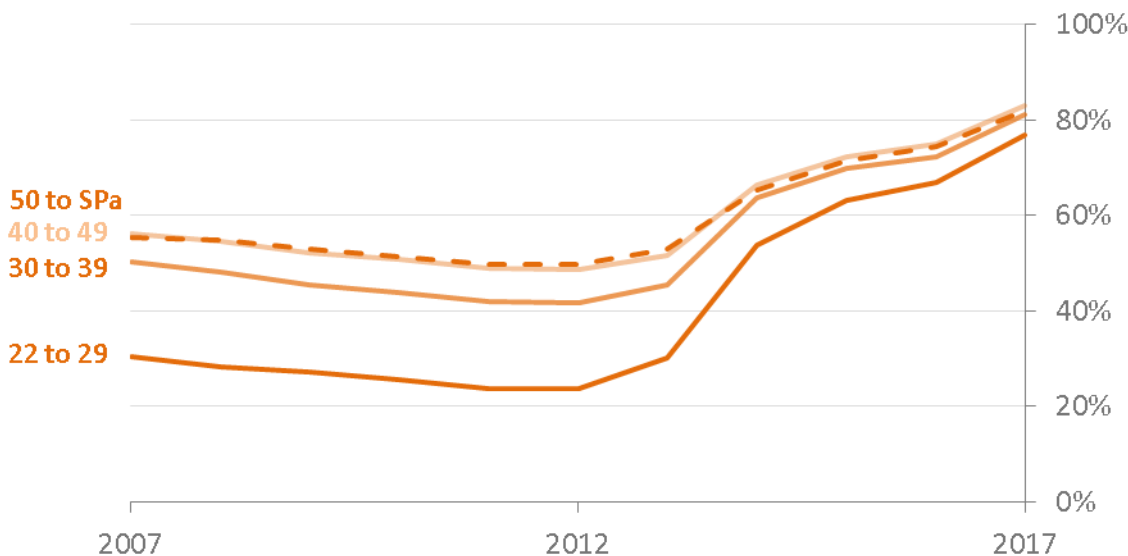
Public sector eligible employees participating



In general, participation in workplace pensions continues to increase with age, with the highest levels occurring within the older age groups. But the largest increases have been seen amongst eligible employees in the lowest age groups, this is driven by increasing participation in the private sector.

Pension participation in the **public sector** has remained stable with the largest increase in the 22 to 29 age group where 89 per cent of eligible employees were participating in a workplace pension in 2017. This is a rise of nearly 10 percentage points since 2012.

Private sector eligible employees participating

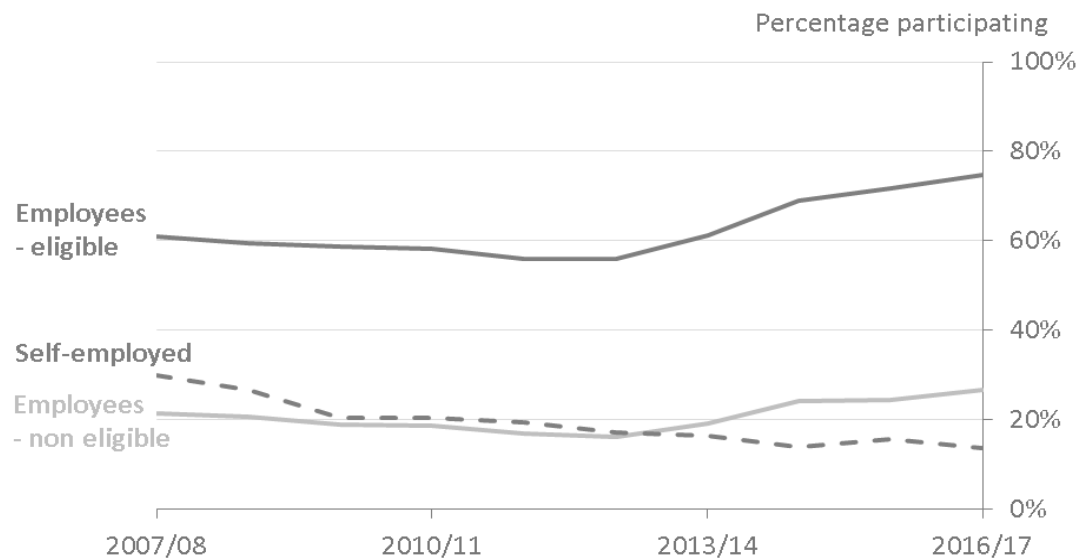


In the **private sector**, pension participation had been falling across all age bands until 2013, where all groups showed an increase. Again the largest increase was seen in the 22 to 29 age group, increasing from 24 per cent in 2012 to 77 per cent in 2017 (a 53 percentage point rise). All other age groups have also shown significant increases over this period too, those aged 30 to 39 increased by 39 percentage points.

Source: DWP estimates derived from the ONS ASHE, GB, 2007 to 2017

Economic status, UK

Since introduction of automatic enrolment there has also been an increase in non-eligible employee participation



Source: Modelled analysis derived from the FRS, UK, 2007/08 to 2016/17

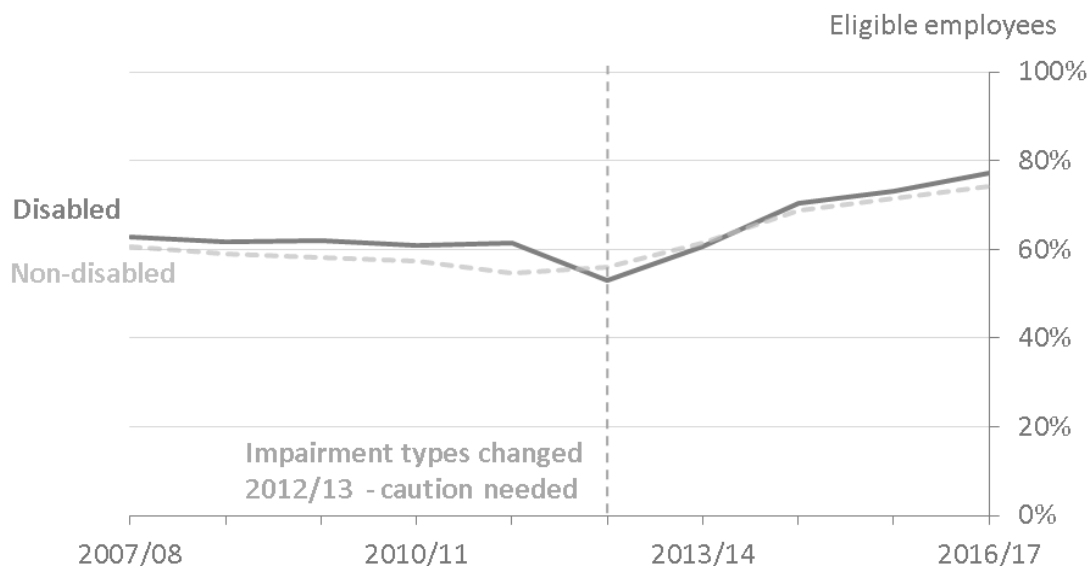
This analysis uses the DWP Family Resources Survey (FRS) to provide breakdowns by characteristics not available from the Annual Survey of Hours and Earnings (ASHE) but it is not possible to provide breakdowns by sector. More detail on this analysis can be found in the accompanying notes section.

There was a sustained decline in participation by eligible employees until 2012/13. Since then participation rates have shown a marked increase from 56 per cent in 2012/13 to 75 per cent in 2016/17.

An increase in participation can also be seen in the non-eligible group, rising from 16 per cent in 2012/13 to 27 per cent in 2016/17. There has been a decline in the self-employed group, from 30 per cent in 2007/08 to 14 per cent in 2016/17.

Disability, UK

Disabled eligible employees have marginally higher participation rates than non-disabled



Source: Modelled analysis derived from the FRS, UK, 2007/08 to 2016/17

The FRS data can be used to show trends in pension participation for disabled and non-disabled eligible employees. In 2016/17 there was a small difference between these groups with 77 per cent of disabled eligible employees participating compared to 74 per cent of non-disabled eligible employees.

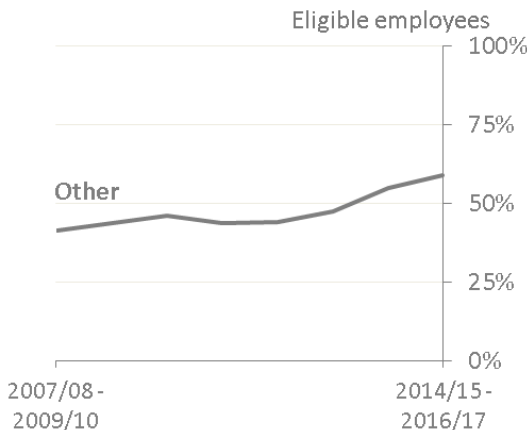
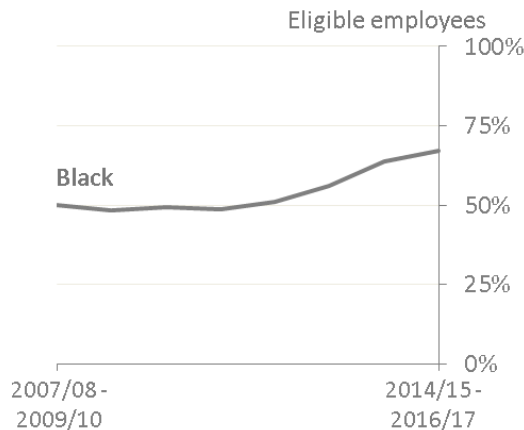
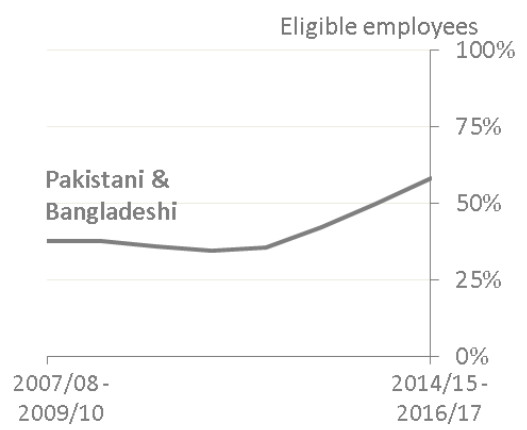
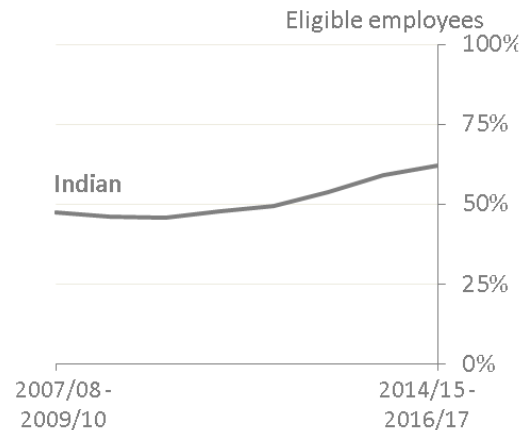
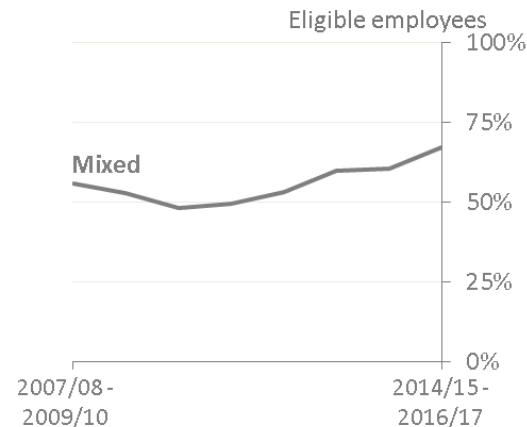
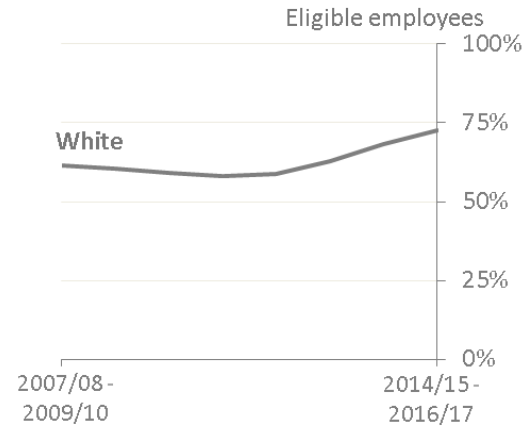
Both the disabled and non-disabled groups saw large increases between 2012/13 and 2016/17, rising 24 and 18 percentage points respectively.

The impairment types used to define disability status were changed in the 2012/13 survey to reflect new harmonised standards and therefore caution is needed where making comparisons over time.

It should be noted that disabled groups are generally less likely to be in the eligible group.

Ethnicity, UK

Eligible employee participation continues to increase across all ethnic groups



The FRS data can also be used to show trends in pension participation by ethnic group but three year rolling averages must be used to account for volatility in single year results which are caused by small sample sizes and clustering effects.

The White ethnic group still has the highest participation rate of 73 per cent in 2014/15-2016/17 and remains very slightly above the average participation rate of 72 per cent across all groups over this three year period.

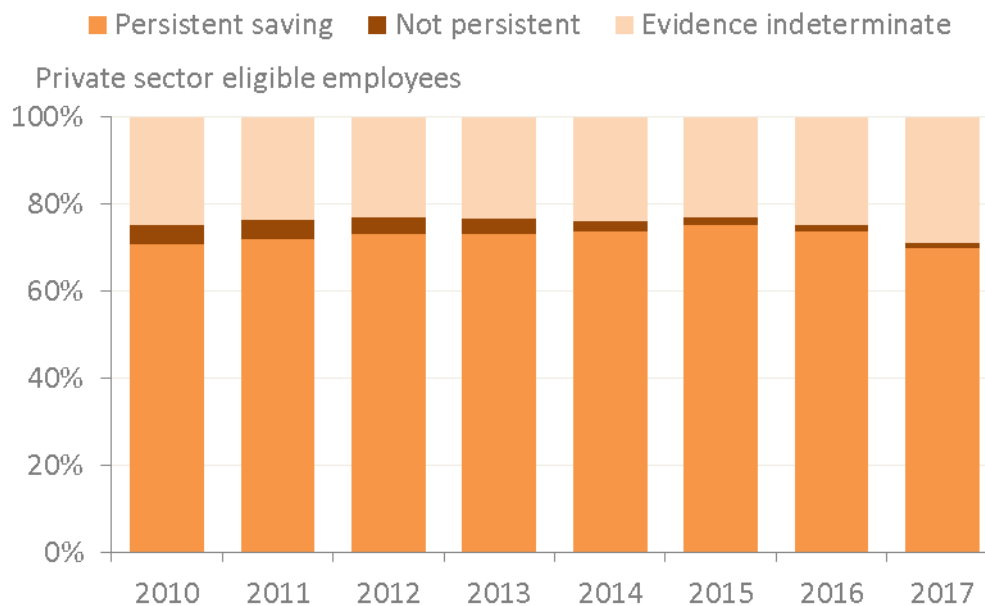
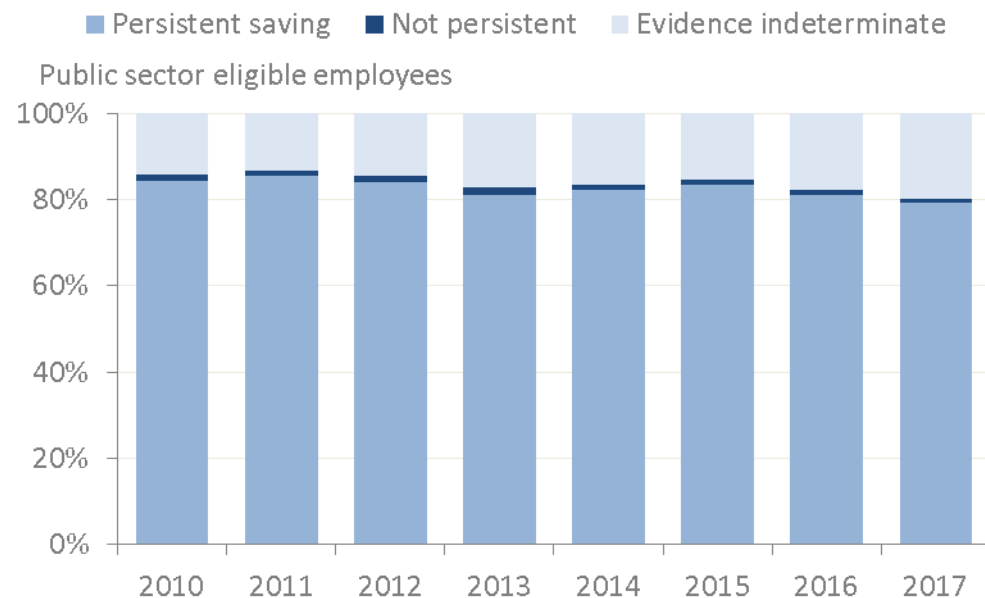
Between 2011/12-2013/14 period and 2014/15-2016/17 there were large increases amongst all ethnic groups. The Pakistani & Bangladeshi ethnic group shows the largest increase from 36 per cent to 58 per cent (22 percentage point increase).

In comparison the lowest increase in the same period, 2011/12-2013/14 and 2014/15-2016/17, occurred in the Indian ethnic group. This group saw a 13 percentage point increase from 49 per cent to 62 per cent.

Note that the Other ethnic group includes Chinese.

Persistence of saving

Overall nearly three out of four eligible savers are saving persistently



Source: DWP estimates derived from the ONS ASHE, GB, 2010 to 2017

For the ongoing evaluation of automatic enrolment, the ASHE data is used to derive a persistency of saving measure to monitor the number of eligible employees regularly saving. This is defined as eligible employees saving into a workplace pension in **at least three years out of a period of four years**.

An eligible employee can disappear from the cohort either through changes in their eligibility status, stopping saving, leaving the labour market, staying with or moving to an employer who does not return the ASHE questionnaire.

The latest analysis shows that there has been a decrease in persistency rates between 2016 and 2017, from 77 per cent in 2016 to 73 per cent in 2017. Overall, the large majority of eligible savers are continuing to save persistently, at 73 per cent, and this has remained broadly consistent over the period shown.

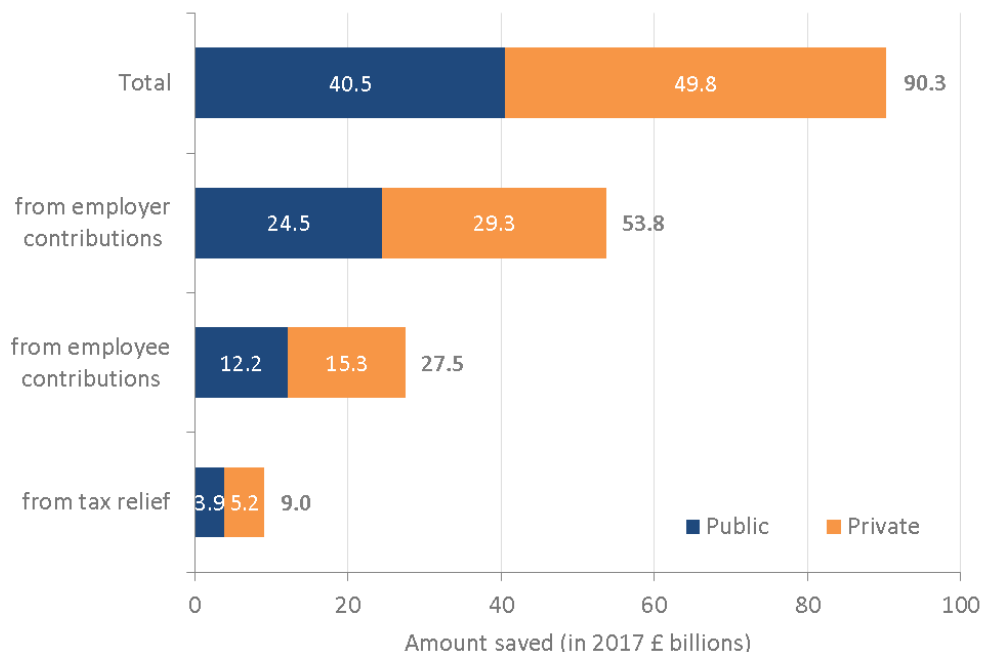
The proportion of eligible savers not saving persistently remained at one per cent in 2017, and for the remaining 26 per cent there is an indeterminate amount of evidence in the ASHE dataset to judge either way. The 'evidence indeterminate group' has been increasing in recent years. The reasons for this are not clear, although there has been a small decrease in the ASHE response rate since 2014. The growth in this evidence indeterminate group appears to be the driver of the decrease in those identified as persistent savers.

Note: The estimates shown in the charts above (by **public** and **private** sector) are based on the number of years an eligible saver has been saving in a four year period. For example, the 2017 estimate is based on the number of years saving between 2014 and 2017 for those eligible employees who were saving in 2014. Similarly the 2016 estimate is based on the number of years saving between 2013 and 2016 for those eligible employees who were saving in 2013, and so on.

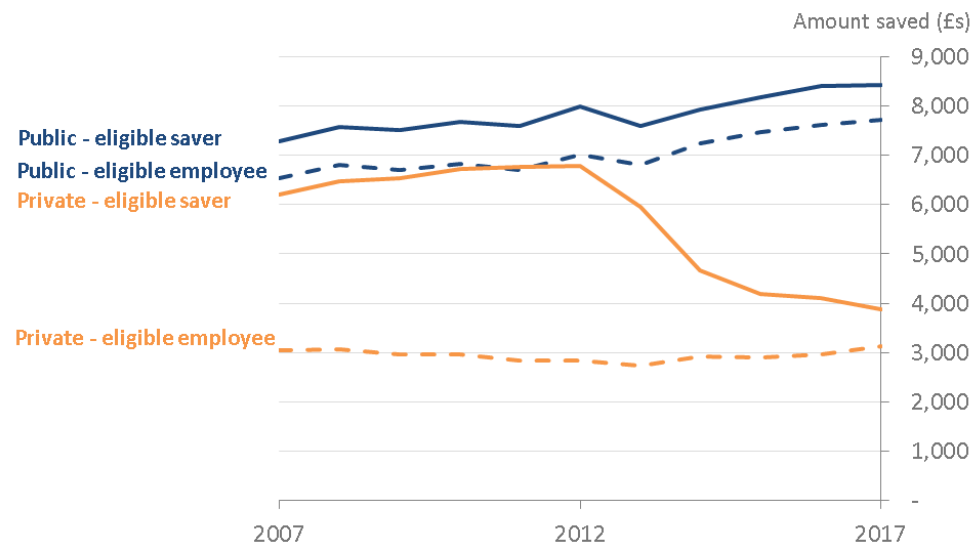
Increasing the amount of savings

The total annual amount of eligible employee savings continues to grow

Eligible savers, 2017



Source: DWP estimates derived from the ONS ASHE, GB, 2017



Source: DWP estimates derived from the ONS ASHE, GB, 2007 to 2017

The annual total amount saved for eligible employees across both sectors stands at £90.3 billion in **2017**, which is an increase of £4.3 billion from 2016. Annual total amounts saved have increased in both the public and private sectors since 2016. The **public sector** increased by £0.3 billion and the **private sector** by £4.0 billion.

Overall in 2017, contributions by employees accounted for 30 per cent of saving, with employer contributions accounting for 60 per cent, and tax relief the remaining 10 per cent.

Additional DWP analysis, published December 2017, which includes estimates of the impact on savings by 2019/20 can be found [here](#).

Within the **public sector** the average amount saved per eligible saver (i.e. those who are saving into a workplace pension) increased very slightly in 2017.

In the **private sector** there was a decline in the average amount per eligible saver between 2016 and 2017. This is a result of the increased number of savers in the private sector many of whom will be making contributions at the current automatic enrolment minimum level and therefore lowering the average overall. This is expected to change as a result of the planned increases to the minimum contribution levels legislated for from 2018, known as **phasing** (see methodological notes section).

Methodological notes

Eligible employee: To define an eligible employee the data is restricted to capture employees who meet the automatic enrolment age and earnings criteria (see technical notes) each year, including employees already a member of a workplace pension scheme.

Staged implementation: The automatic enrolment duties were staged in between October 2012 and February 2018 by employer size, starting with the largest employers based on PAYE scheme size, in October 2012, to the smallest in 2017. New PAYE schemes between April 2012 and September 2017 were staged last, in 2017 and 2018. New PAYE schemes from October 2017 have immediate automatic enrolment duties.

Phasing: The Government has set a minimum amount of money that has to be put into a pension by an employer and in total (i.e. employer's and worker's contributions) which is increasing gradually over a number of years. Until 5th April 2018 the total minimum contribution was 2 per cent of the worker's qualifying earnings of which the employer must contribute at least 1 per cent. From 6th April 2018, the minimum contribution increased to 5 per cent of which the employer must contribute at least 2 per cent. Then from April 2019 this will rise again to a total of 8 per cent of which the employer must contribute at least 3 per cent. The employee will receive tax relief on their contribution, usually at their marginal tax rate.

Data source, Annual Survey of Hours and Earnings (ASHE): is published by the Office for National Statistics (ONS) and is a key source of information on workplace pensions in GB as it collects information on all types of workplace pension: occupational pension schemes, group personal pensions and group stakeholder pensions. The survey results are used widely in order to analyse pension participation and to monitor the impacts of pension reforms.

- ASHE is based on a 1 per cent sample of employee jobs taken from HM Revenue & Customs (HMRC) PAYE records. Information is obtained from employers and treated confidentially. ASHE does not cover the self-employed nor does it cover employees not paid during the reference period.
- The 2017 ASHE data has a reference date of the week containing 26 April 2017. Comparisons with 2016 relate to revised data.
- ASHE collects information on employee membership of the current employer's workplace pension scheme. This does not include preserved rights in any former employer's pension scheme or pensions paid by former employers.
- ASHE collects information from employers on employee jobs, although they are referred to in this Official Statistic as 'employees'.

For further information on ASHE please see the Background notes section on the [ONS website](#).

Data source, DWP Family Resources Survey (FRS): is published by the Department for Work and Pensions (DWP), and is a survey which collects information on the income and circumstances of individuals living in a representative sample of private households in the United Kingdom. The primary objective of the FRS is to provide DWP with information to inform the development, monitoring and evaluation of social welfare policy. Detailed information is collected on respondents' income from all sources including benefits, tax credits and pensions; housing tenure; caring needs and responsibilities; disability; expenditure on housing; education; childcare; family circumstances; child maintenance.

- The latest FRS data was collected throughout the 2016/17 financial year and is not collected with reference to a specific time period like the ASHE data, therefore the two sources are not directly comparable. In addition any potential impact of automatic enrolment may be lessened in FRS findings because fewer employees will have been automatically enrolled due to the staged implementation approach.
- The FRS does not collect information on whether individuals work in the Public or Private sectors, therefore breakdowns by sector cannot be provided.
- The impairment types used to define disability status have been changed in the 2012/13 survey to reflect new harmonised standards and therefore caution is needed where making comparisons over time.
- In October 2015, following further quality assurance of the methodology, a correction has been made to our analysis of the FRS data which impacts on the trends for 2009/10 onwards.

For further information on FRS please see the latest published report: <https://www.gov.uk/government/statistics/family-resources-survey-financial-year-201617>

Technical notes for accompanying tables

The data behind each of the charts can be found in the accompanying tables.

- The analysis includes members of all workplace pension schemes: occupational pension schemes, group personal pensions (GPPs) and group stakeholder pensions (GSHPs).
- All analysis is based on eligible employees, and uprated using ONS Average Weekly Earnings (AWE) values. Gross annual earnings are derived using weekly pay, and no filter has been included for loss of pay in the pay period. The ONS Average Weekly Earnings Statistics, EARN01 (KAC3) series is used.
- Previous years' data have been adjusted to account for the annual revisions to the earnings thresholds used to determine automatic enrolment eligibility. The £10,000 threshold (in 2016/17 earning terms) has been applied in 2017. The £10,000 threshold (in 2015/16 earning terms) has been applied in 2016. The £10,000 threshold (in 2014/15 earning terms) has been applied in 2015. The £9,440 threshold (in 2013/14 earning terms) has been applied in 2014. The £8,105 threshold (in 2012/13 earning terms) has been applied in 2013 and deflated by AWE from 2007 to 2012.
- State Pension age (SPa) began to increase during 2010. The age tables take account of this change and therefore SPa varies from 2011, these changes have also been applied when selecting employees between 22 and SPa. See this [link](#) for more information.
- Data up to 2008 is based on Standard Industrial Classification (SIC) 2003. From 2008 onwards, SIC 2007 is used, creating a slight break in the series. Therefore, care should be taken when interpreting the full time series.
- Data up to 2011 is based on Standard Occupational Classification (SOC) 2000. From 2011 onwards, SOC 2010 is used, creating a slight break in the series. Therefore, care should be taken when interpreting the full time series.
- Rounding has been applied and numbers suppressed where the sample size is small (less than 20).

About these statistics

These are Official Statistics produced in accordance with [Statistics and Registration Service Act 2007](#), signifying our commitment to comply with the [Code of Practice for Statistics](#). Further information about Official Statistics status can be found in the Code [glossary](#).

Useful links

More information can be found about automatic enrolment at: <http://www.thepensionsregulator.gov.uk/automatic-enrolment.aspx> or <https://www.gov.uk/workplace-pensions>

Previous publications can be found at: <https://www.gov.uk/government/collections/workplace-pension-participation-and-savings-trends>

Other National and Official Statistics

Details of other National and official statistics produced by the Department for Work and Pensions can be found on the DWP website and at the following links:

- The DWP benefit statistics dissemination tool: <https://sw.stat-xplore.dwp.gov.uk/webapi/jsf/login.xhtml>;
- A schedule of statistical releases over the next 12 months and a list of the most recent releases: <https://www.gov.uk/government/organisations/department-for-work-pensions/about/statistics>;
- In accordance with the Code of Practice for Statistics, all DWP official statistics are announced at: <https://www.gov.uk/government/statistics/announcements>

In addition, users can find links to DWP additional statistical analyses that have not been included in our standard publications at: <https://www.gov.uk/government/organisations/department-for-work-pensions/series/ad-hoc-statistical-publications-list>