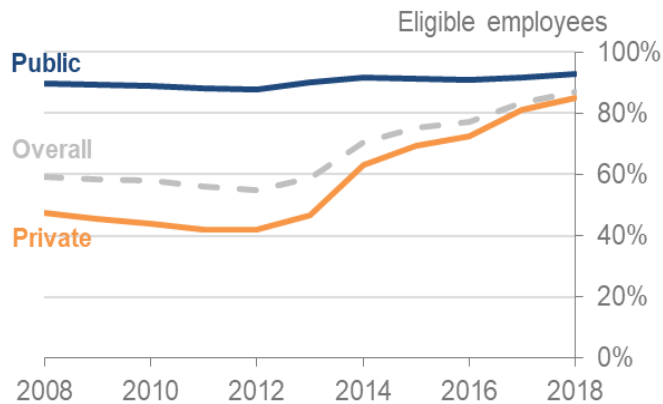


Automatic enrolment was introduced to help address the decline in private pension saving and to make long-term saving the norm. It aims to increase workplace pension saving in the UK and forms part of a wider set of pension reforms designed to enable individuals to achieve the lifestyle they aspire to in retirement. This annual official statistics publication is the sixth 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



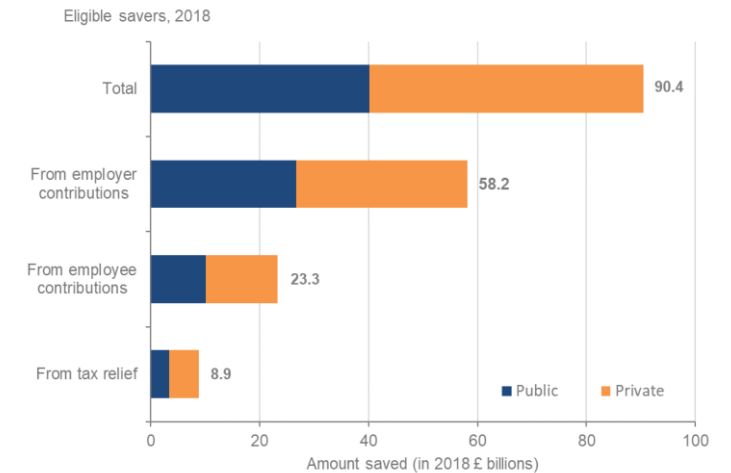
Overall 87 per cent of eligible employees were participating in a workplace pension in 2018, up from 84 per cent in 2017.

Persistency of saving

72%

In 2018, 72 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 two percentage points on this measure since 2017.

Amount saved



The annual total amount saved in 2018 by eligible savers was £90.4 billion. An increase of £7.0 billion on the total amount saved in 2017 in 2018 earnings terms.

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

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Any comments? We welcome feedback

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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. All employers in existence in April 2012, beginning with the largest employers, were required to meet their enrolment duties by February 2018. Newborn employers who came into existence between April 2012 and September 2017 were given a staging date between October 2017 and February 2018. From October 2017, newborn employers are required to implement automatic enrolment immediately. As at April 2019 over 10 million workers have been automatically enrolled and almost 1.5 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).

The estimates presented in this report relate to April 2018 when contribution rates were a minimum of 5 per cent overall (with at least 2 per cent from the employer). Minimum contribution rates have now increased in April 2019 to a minimum of 8 per cent total (with at least 3 per cent from employers).

This publication includes revised estimates of the total amount saved by eligible employees. Please see the accompanying statistical notice for more information.

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.

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

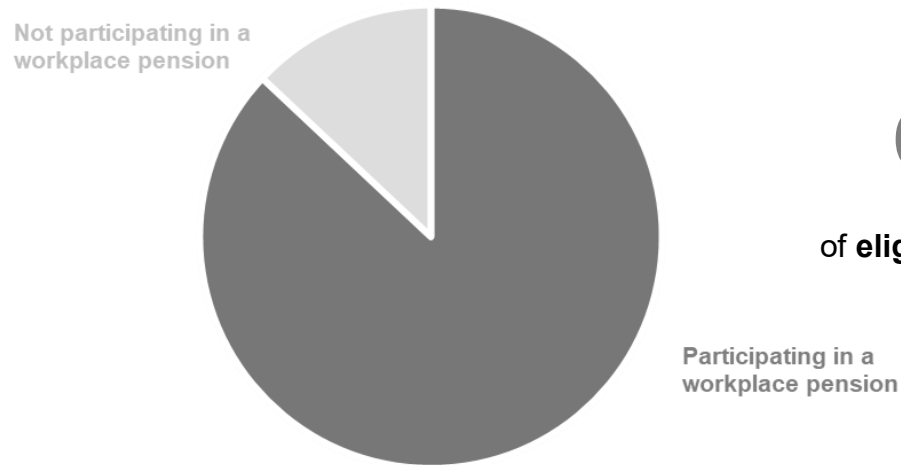
Data covers the period April 2008 to April 2018.

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>

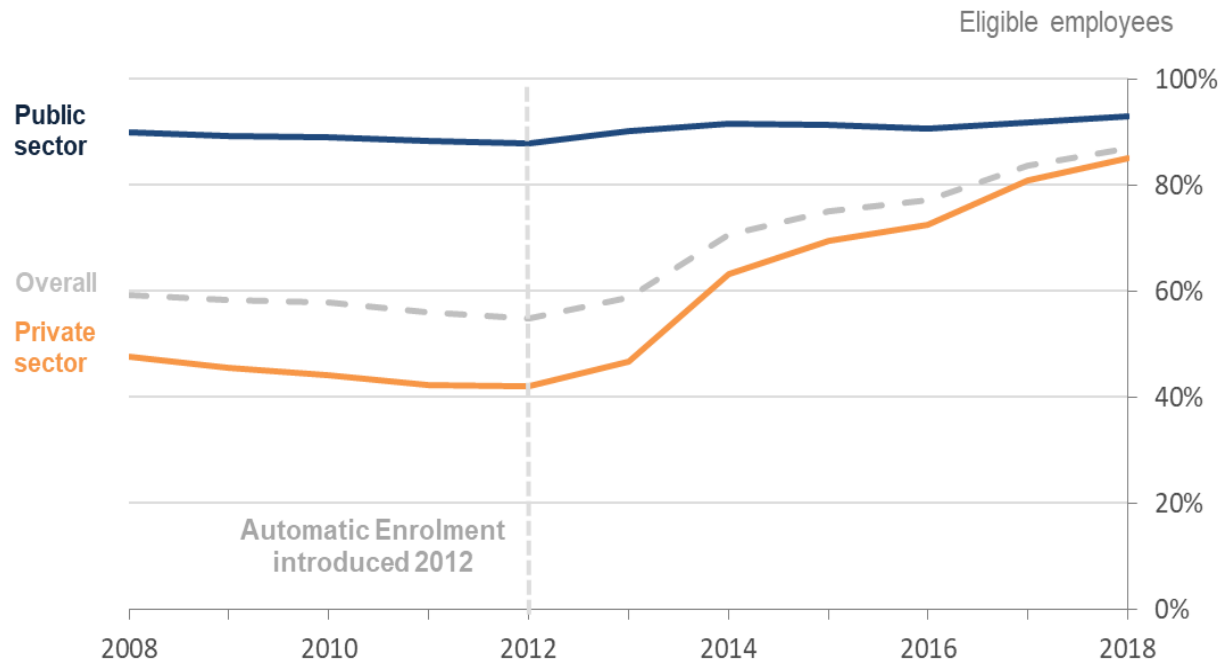
Trends in workplace pension participation



Overall, 87 per cent

of eligible employees were participating in a workplace pension in 2018

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



Between 2008 and 2012 there was a general downward trend in workplace pension participation, from 59 per cent (11.8 million eligible employees) to a low of 55 per cent (10.7 million eligible employees). Since 2012 there has been a significant increase of 8.0 million to 18.7 million eligible employees participating in a workplace pension (87 per cent) in 2018, showing the positive impact of the workplace pension reforms to date.

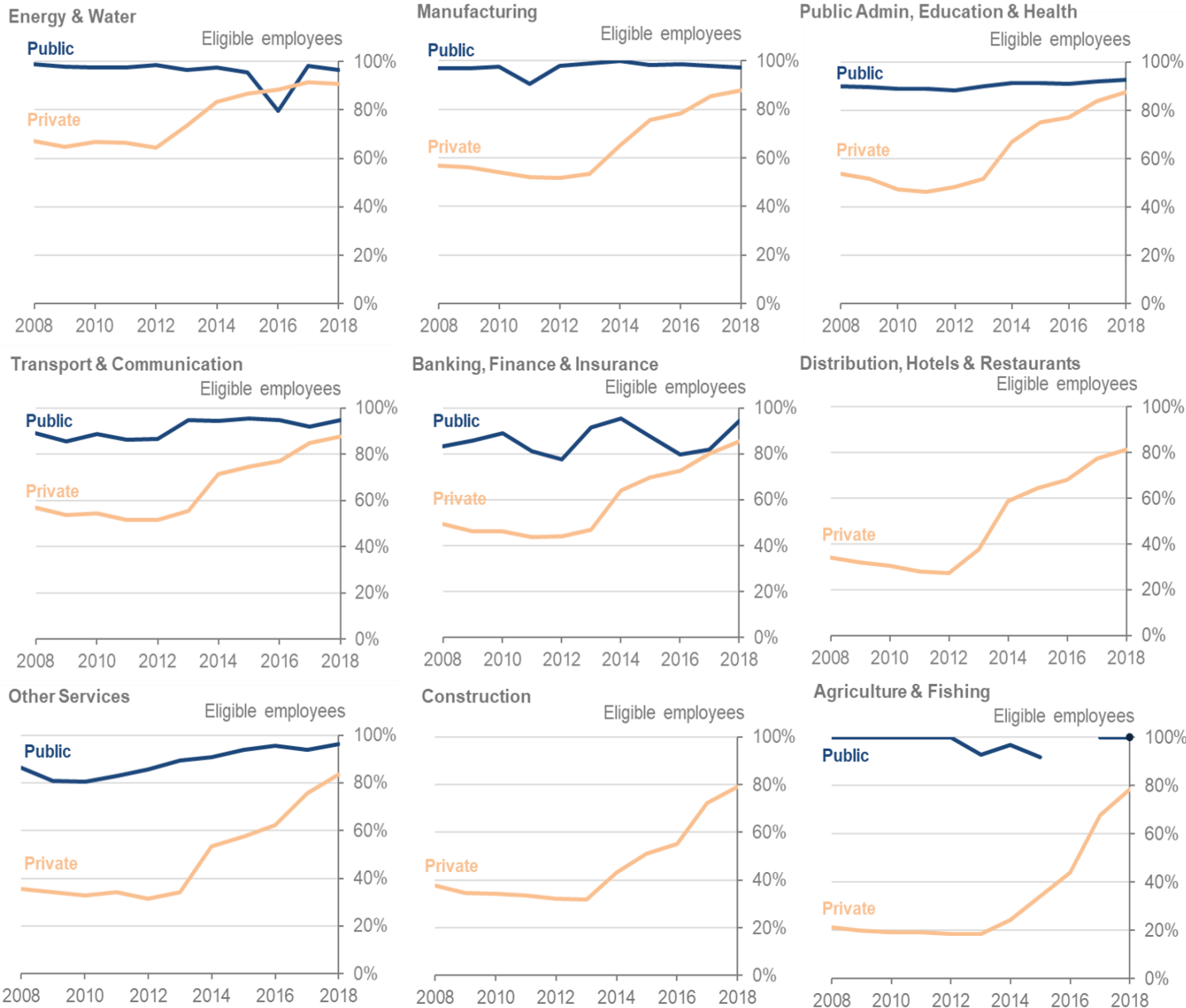
Public sector pension participation remains high at 93 per cent (4.9 million eligible public sector workers), an increase of 5 percentage points since 2012.

The largest increases in workplace pension saving have been seen within the **private sector**. Since 2012 private sector participation has risen by 43 percentage points to 85 per cent of private sector eligible employees participating (13.9 million eligible employees) in 2018.

Source: DWP estimates derived from the ONS ASHE, GB, 2008 to 2018

Industry, by sector

Participation rates for private sector eligible employees increased in most industries since 2017



In 2018 workplace pension participation was highest in Public Administration, Education and Health with 91 per cent of eligible employees participating and lowest in Construction with 79 per cent participating.

In the **private sector** the industry seeing the largest increase in participation between 2017 and 2018 was Agriculture & Fishing from 68 per cent to 78 per cent. Since 2012 the largest increase has also been seen in the Agriculture & Fishing industry increasing by 60 percentage points.

Participation in the **public sector** has remained relatively stable in comparison. All industries had higher participation levels than the equivalent in the private sector. The largest increase between 2017 and 2018 was in Banking, Finance & Insurance (12 percentage points).

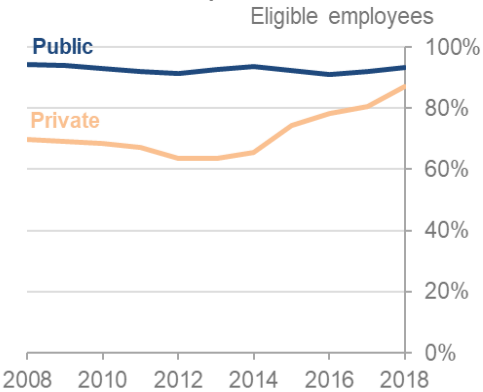
The time series for the public sector Construction and Distribution, Hotels & Restaurant sectors; and the 2016 data for Agriculture & Fishing are not shown due to small sample sizes.

Source: DWP estimates derived from the ONS ASHE, GB, 2008 to 2018

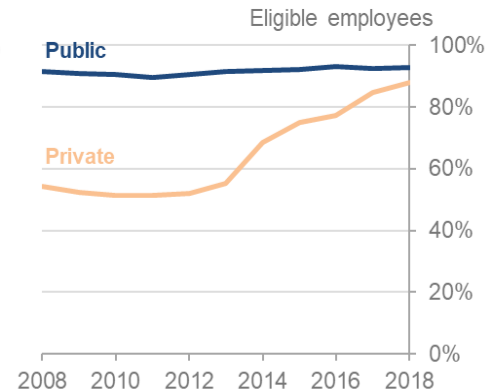
Occupation, by sector

Participation rates for private sector eligible employees increased across all occupations since 2017

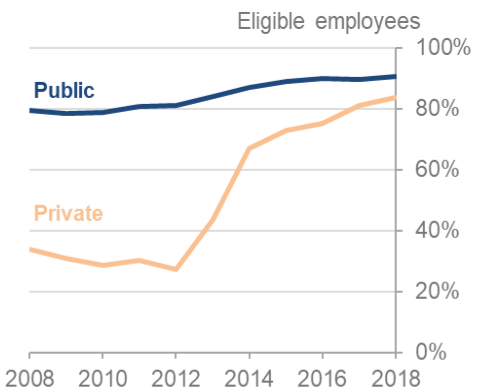
Professional Occupations



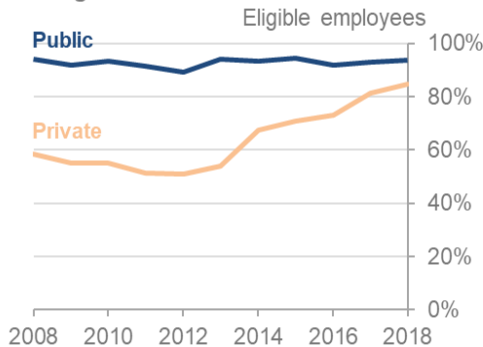
Associate Professional & Technical



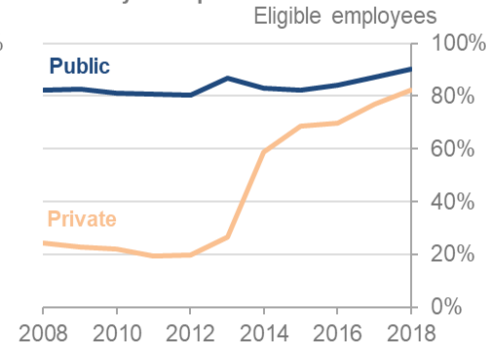
Sales & Customer Service Occupations



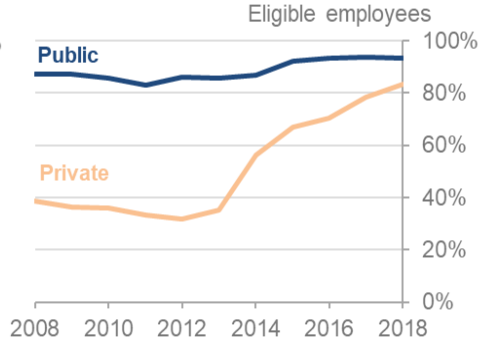
Managers & Senior Officials



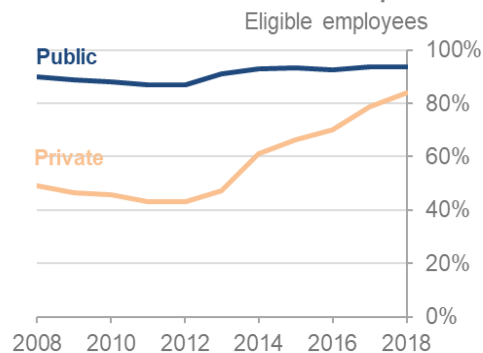
Elementary Occupations



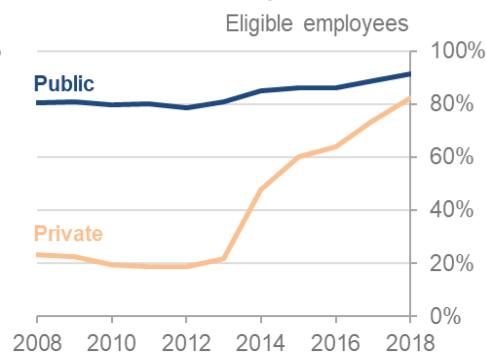
Process, Plant & Machine Operatives



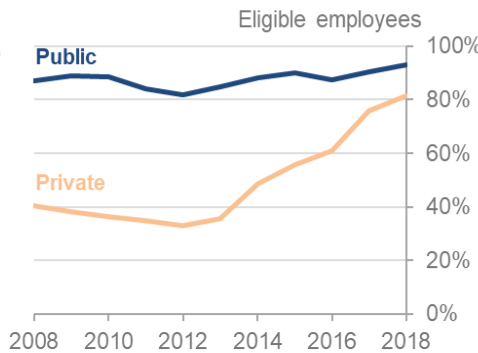
Administrative & Secretarial Occupations



Personal Service Occupations



Skilled Trades Occupations



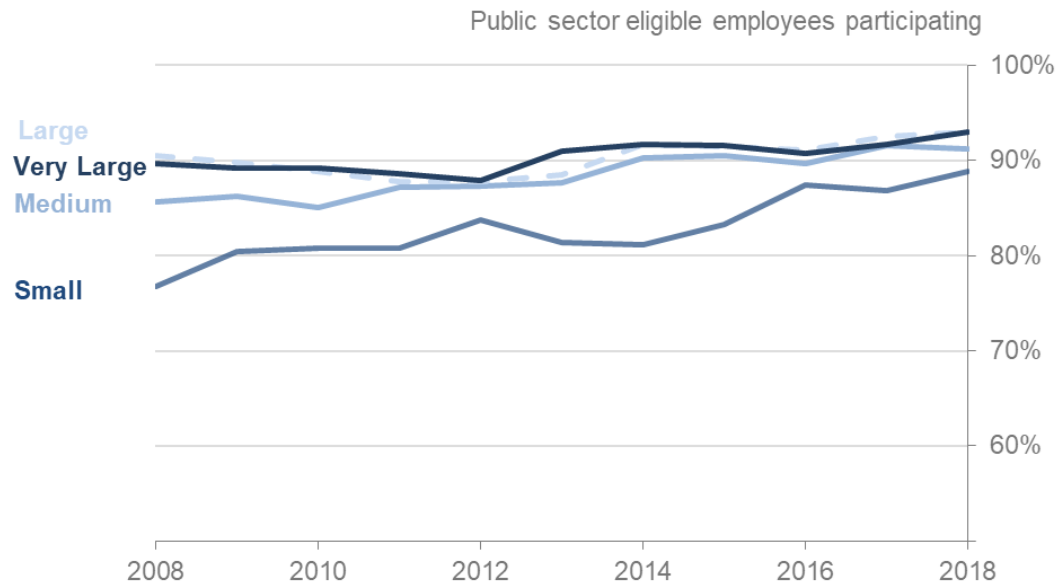
Overall, workplace pension participation remains highest in the professional occupations with 91 per cent of eligible employees participating in 2018, compared to the lowest in skilled trade occupations (such as plumber, carpenter, welder) where 82 per cent were participating in 2018.

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 (such as carers, travel agents and nurses) have shown the largest increase since 2012 of 13 percentage points, from 78 per cent to 91 per cent.

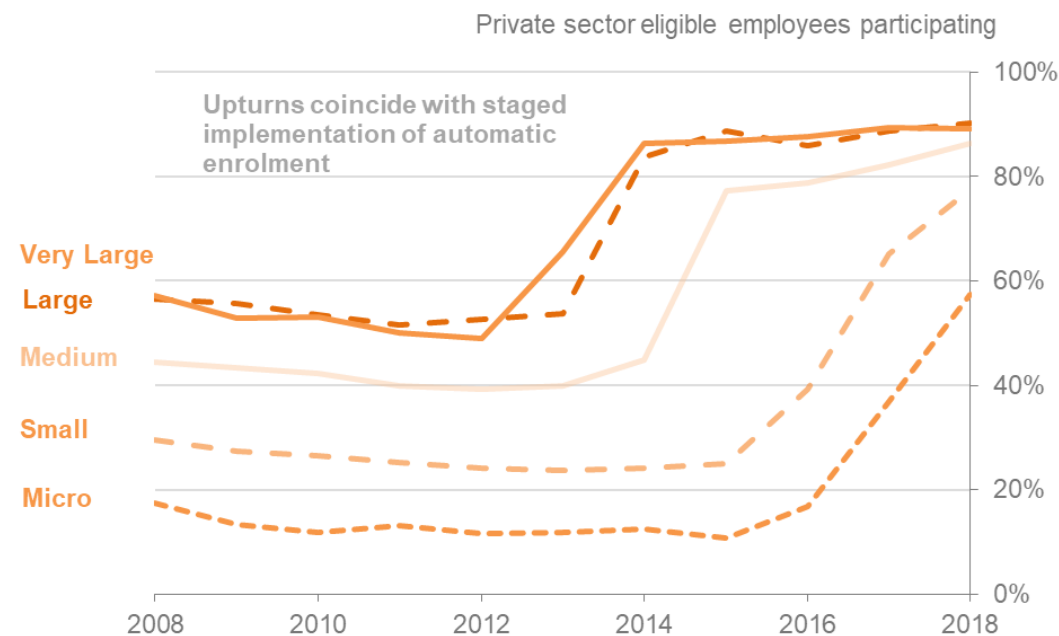
Between 2017 and 2018 all occupations in the **private sector** have seen increases in participation, continuing the upward trend since 2012. The largest increase since 2017 was in personal service occupations, which was up nearly 9 percentage points. These occupations have seen the largest increase since the introduction of automatic enrolment, from 19 per cent in 2012 to 82 per cent in 2018.

Employer size, by sector

There have been large increases in both the small and micro employer size bands since 2017



In the **public sector** participation rates have remained stable over the period. The largest public sector increase between 2017 and 2018 was seen in the small employer band (5 to 49 employees) which increased 2 percentage points, but this band continues to have the lowest level of participation at 89 per cent compared to around 93 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 2018 were seen in the larger employer bands, with 89 per cent of eligible employees participating in the 5000+ employer size band (very large) and 90 per cent in the 250 to 4,999 band (large).

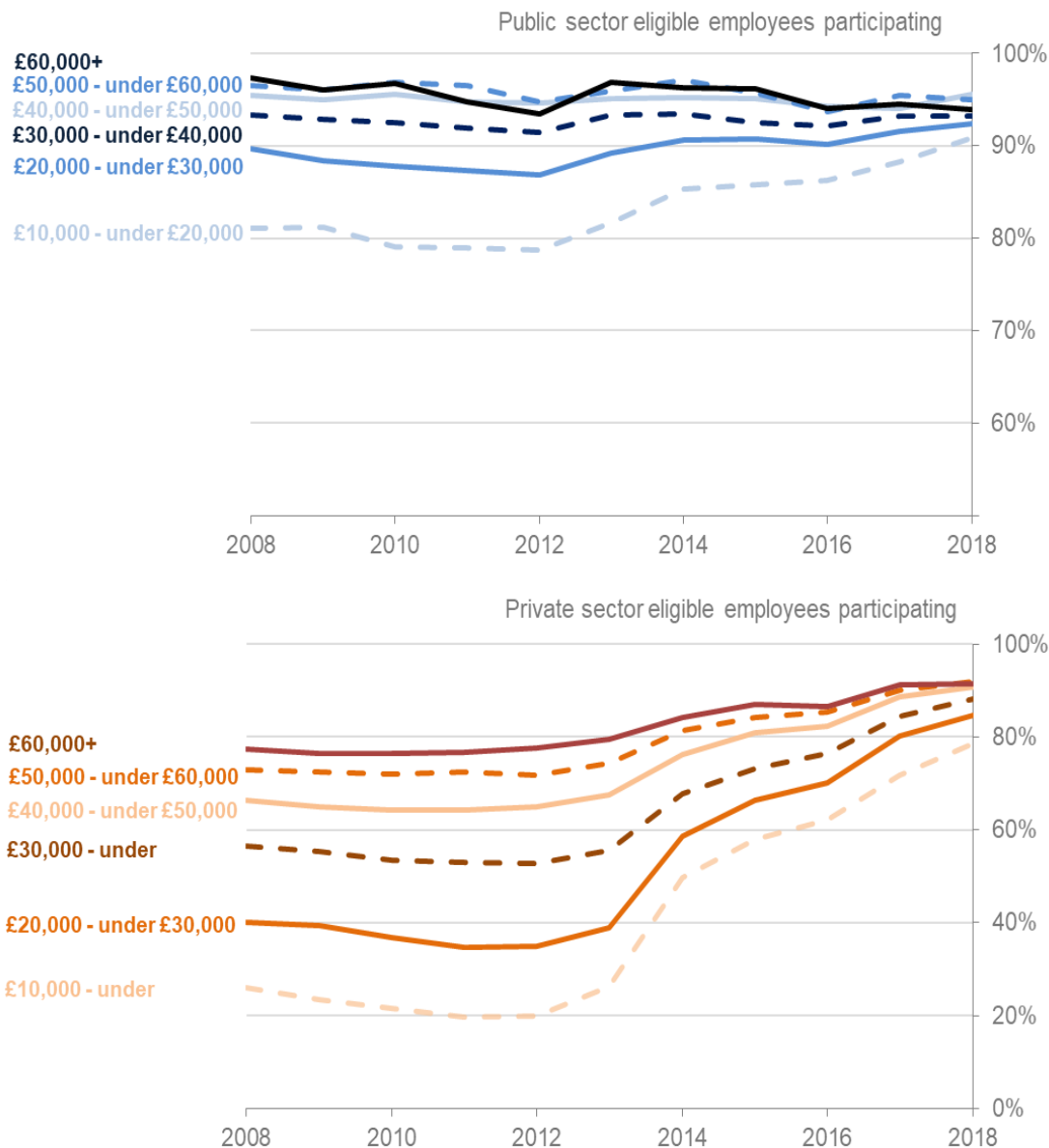
Among small and micro employers there were large increases in participation between 2017 and 2018. The small employer (5 to 49 employees) band participation rate increased by 12 percentage points and the micro band (1 to 4 employees) participation rate by 20 percentage points. This is likely because automatic enrolment duties for the smallest employers and for employers who came into existence since April 2012 came into effect between 2017 and 2018.

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, 2008 to 2018

Earnings, by sector

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



Source: DWP estimates derived from the ONS ASHE, GB, 2008 to 2018

Those earning between £50,000 and £60,000 show the highest participation levels overall. In 2018, 95 per cent of eligible employees within this earnings band were participating in a workplace pension in the public sector and 92 per cent in the private sector (93 per cent overall).

In the **public sector** the lowest earnings band has seen the largest increase in participation levels since 2012, although the levels of participation in this band remains lower than for higher earners. Participation in the £10,000 to £20,000 band has increased by 12 percentage points between 2012 and 2018.

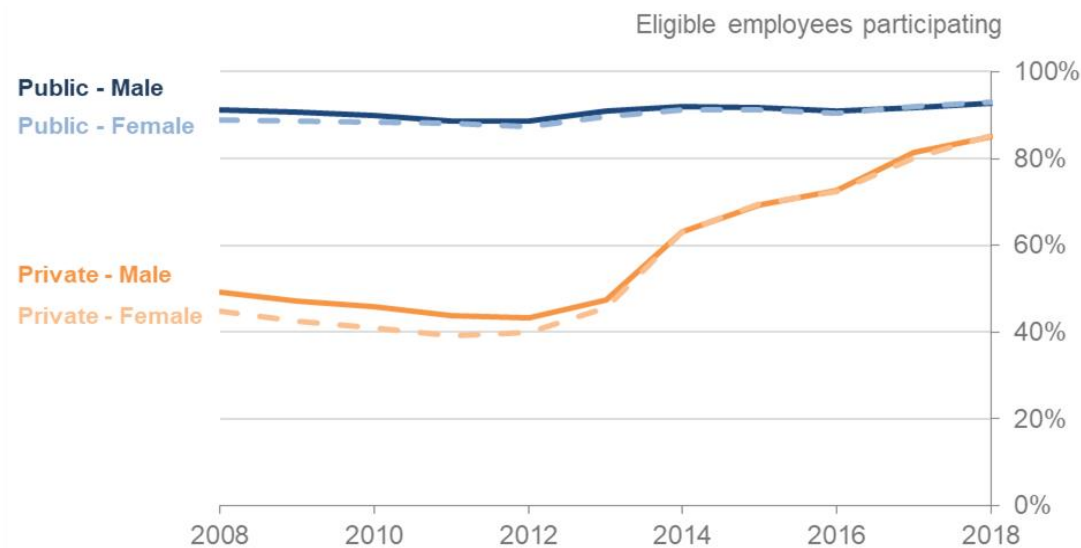
Similarly, in the **private sector** all earnings bands continue to show increases since the introduction of automatic enrolment with the largest increase (7 percentage points) in the £10,000 to under £20,000 category between 2017 and 2018.

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 58 percentage points in 2012, but has fallen to 13 percentage points in 2018.

See **Table 1.6.1** in the accompanying workbook for a breakdown by both gender and earnings.

Gender, by sector

Same participation rates for female and male within sectors and the gap is narrowing between the sectors



High levels of participation continue in the public sector, 93 per cent in 2018 for both male and female eligible employees.

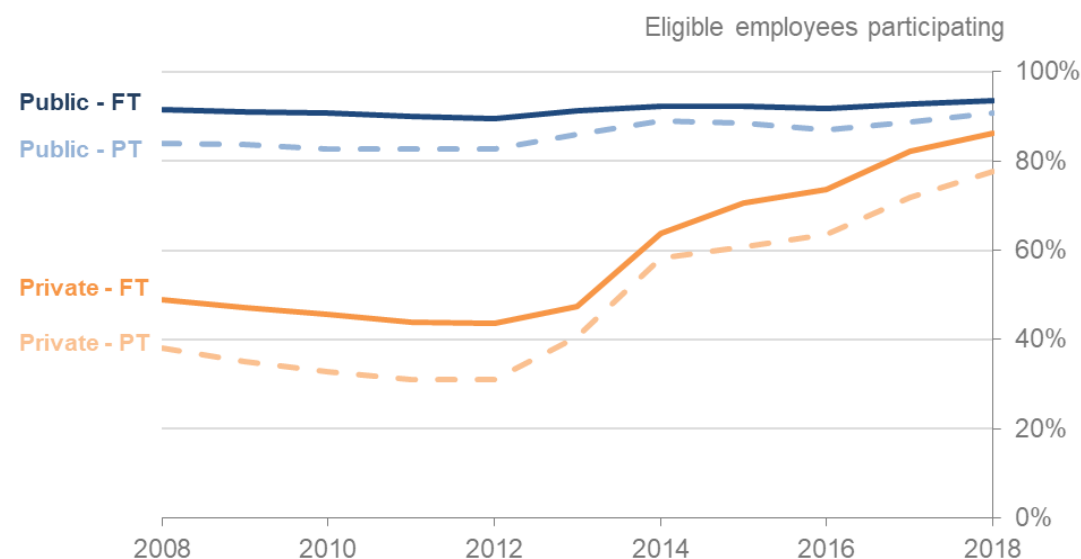
Participation levels increased in 2018 to 85 per cent for both male and female eligible employees in the **private sector**. These increases between 2017 and 2018, of 5 and 4 percentage points for female and male employees respectively, continue the significant upward trend in the private sector since 2012.

See **Table 1.6.1** for a breakdown by gender and earnings, **Table 1.8** for a breakdown by gender and region and **Table 1.9.1** for a breakdown by gender and working pattern.

Source: DWP estimates derived from the ONS ASHE, GB, 2008 to 2018

Working pattern, by sector

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



Overall, in 2018, participation remains higher for eligible workers working full time at 88 per cent compared to 82 per cent for those working part time. Both full-time and part-time workers in the **private sector** have seen increases in participation since 2017.

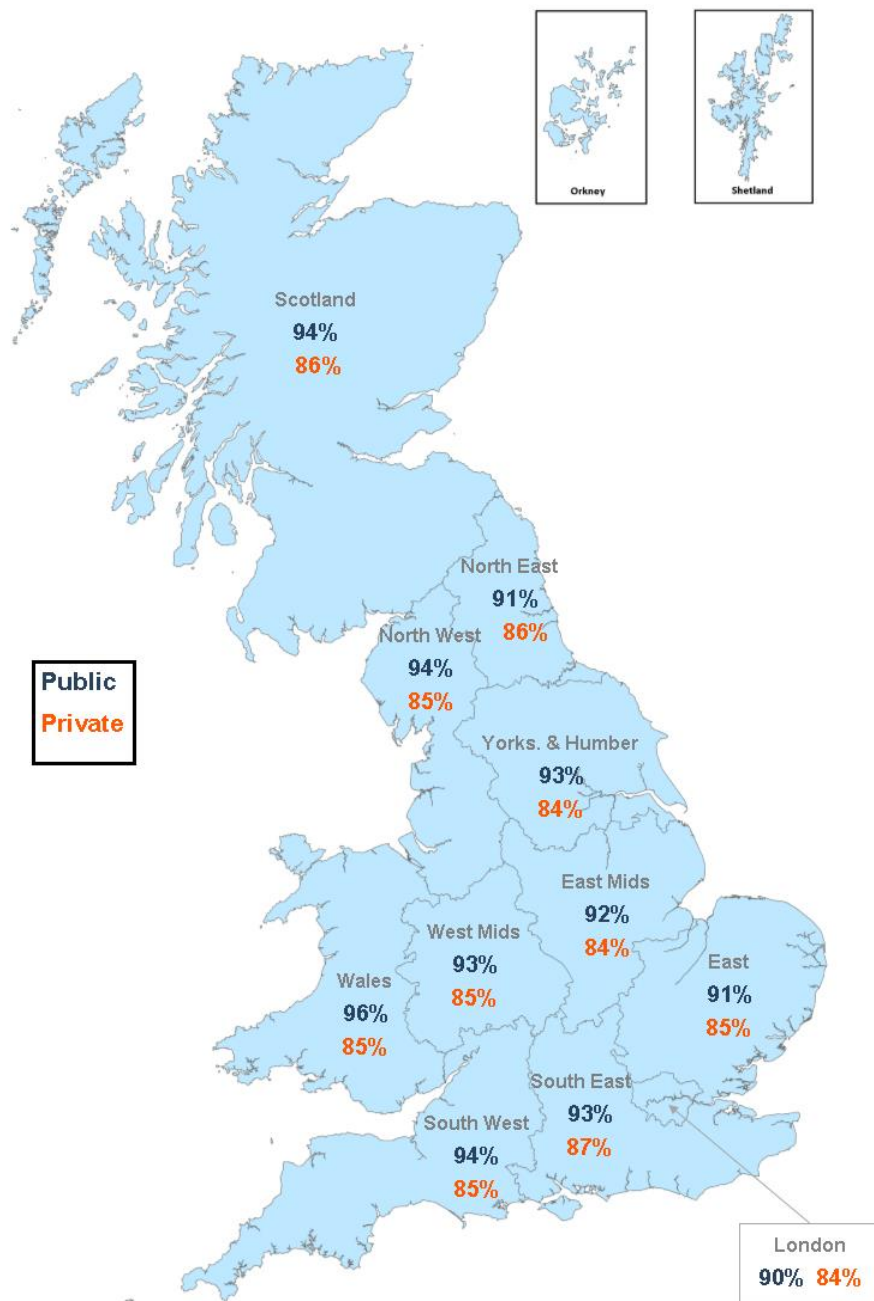
Every year around 15 per cent of eligible employees in the Annual Survey of Hours and Earnings (ASHE) are classed as part time (i.e. working 30 hours or less per week or, for those in teaching professions, less than 25 hours per week). It should also be noted that part time workers may be more likely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

See **Table 1.9.1** in the accompanying workbook for breakdown by gender and working pattern.

Source: DWP estimates derived from the ONS ASHE, GB, 2008 to 2018

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 apparent across Great Britain.

The map opposite shows workplace pension participation of eligible employees by region and sector in 2018.

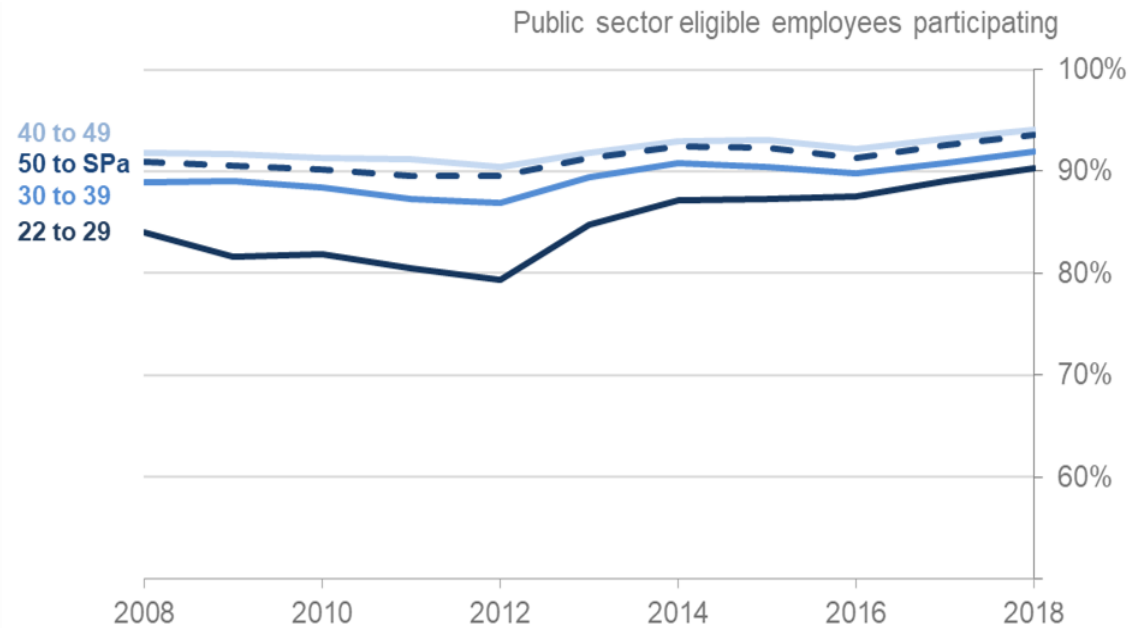
Within the **public sector**, in 2018, the region with the highest levels of eligible employees participating in a workplace pension was Wales, with 96 per cent. The lowest participation rate of 90 per cent is observed in London (an increase of 1 percentage point since 2017). The region with the largest annual increase, of 4 percentage points, was the East region.

In the **private sector**, between 2017 and 2018 all regions have again seen increases in pension participation, with the largest increase, of 5 percentage points, being in the North West region and the smallest increase, of 3 percentage points, occurring in the East Midlands. In 2018, the highest participation was in the South East at 87 per cent of eligible employees. The lowest, at just under 84 per cent, was Yorkshire and The Humber.

Source: DWP estimates derived from the ONS ASHE, GB, 2008 to 2018

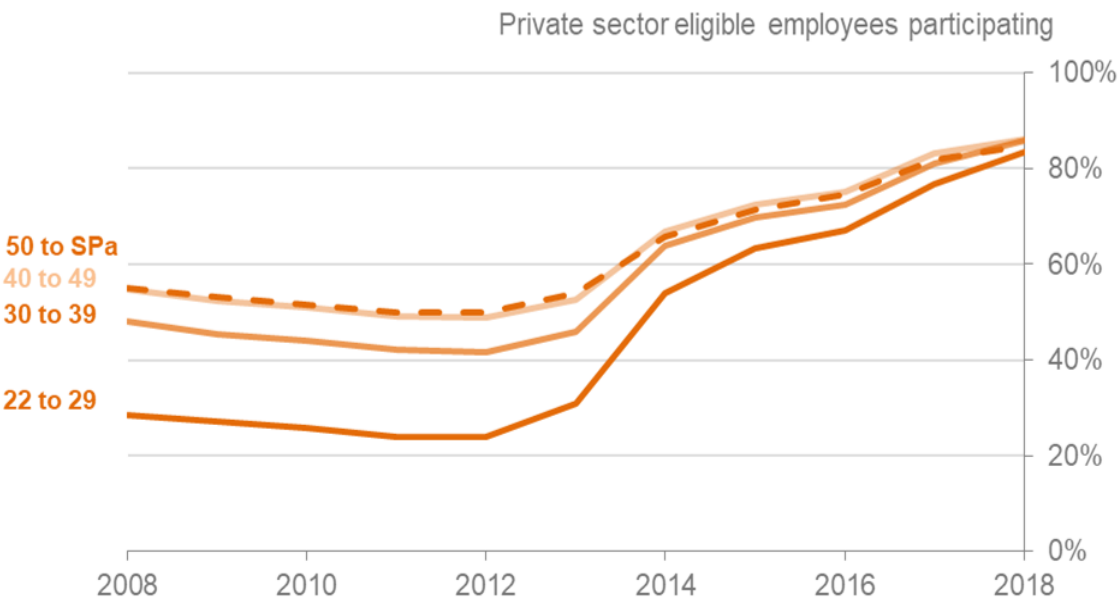
Age, by sector

Gap in participation rates between younger and older eligible employees has closed since 2012



The largest increases in participation have been seen amongst eligible employees in the lowest age groups. This is mainly driven by increasing participation in the private sector.

Pension participation among older age groups in the **public sector** has remained relatively stable. The largest increase was in the 22 to 29 age group where 90 per cent of eligible employees were participating in a workplace pension in 2018. This is a rise of nearly 11 percentage points since 2012.

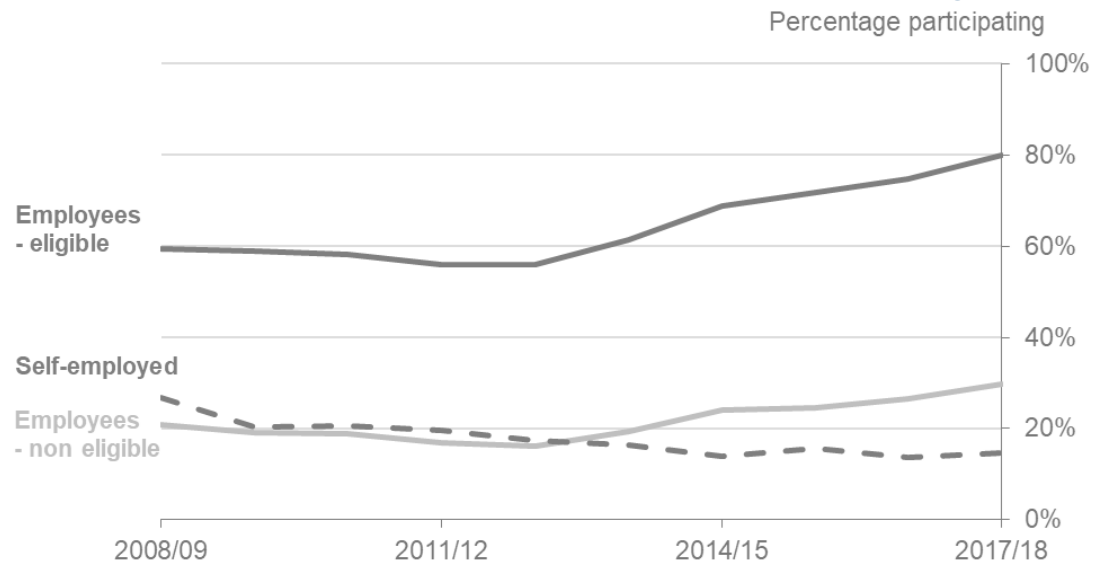


In the **private sector**, pension participation had been falling across all age bands until 2013, when all groups showed an increase. Again, the largest increase was seen in the 22 to 29 age group, increasing from 24 per cent in 2012 to 84 per cent in 2018 (a 60 percentage point rise). All other age groups have shown significant increases over this period as well, such as those aged 30 to 39 increasing by 44 percentage points.

Source: DWP estimates derived from the ONS ASHE, GB, 2008 to 2018

Economic status, UK

Since the introduction of automatic enrolment, non-eligible employee participation has also increased



Source: Modelled analysis derived from the FRS, UK, 2008/09 to 2017/18

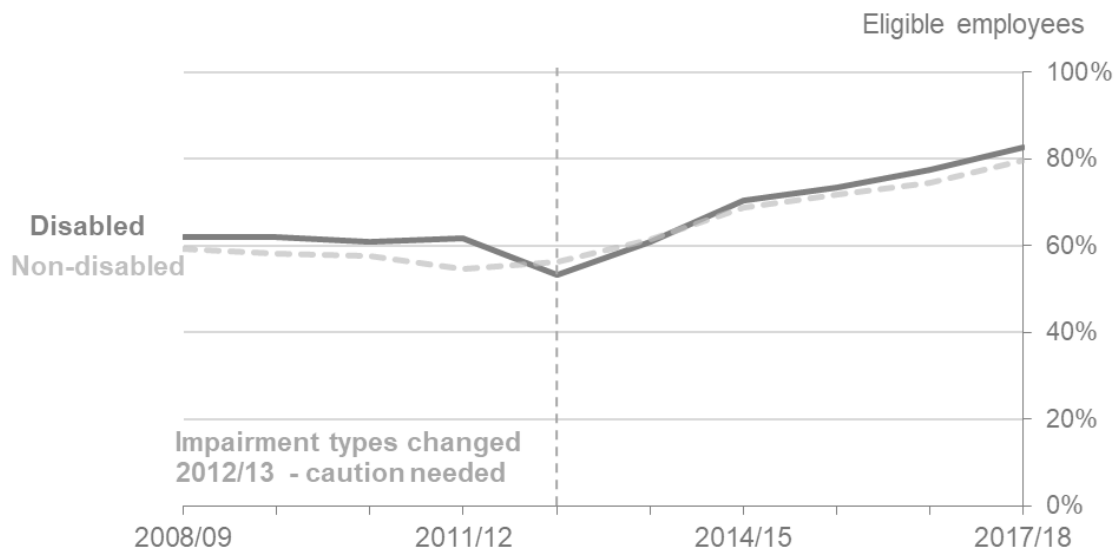
This analysis uses the DWP Family Resources Survey (FRS) to provide breakdowns by characteristics not available from the Annual Survey of Hours and Earnings (ASHE) but it is not possible to provide breakdowns by sector. More detail on this analysis can be found in the accompanying methodological notes 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 80 per cent in 2017/18. This is consistent with the ASHE data presented in this report.

An increase in participation can also be observed in the non-eligible group, rising from 16 per cent in 2012/13 to 30 per cent in 2017/18. Unlike employees, both eligible and non-eligible, the self-employed group has seen a continuous decline in participation from 27 per cent in 2008/09 to 15 per cent in 2017/18.

Disability, UK

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



Source: Modelled analysis derived from the FRS, UK, 2008/09 to 2017/18

The FRS data can be used to show trends in pension participation for disabled and non-disabled eligible employees. In 2017/18 there was a small difference between these groups with 83 per cent of disabled eligible employees participating compared to 80 per cent of non-disabled eligible employees.

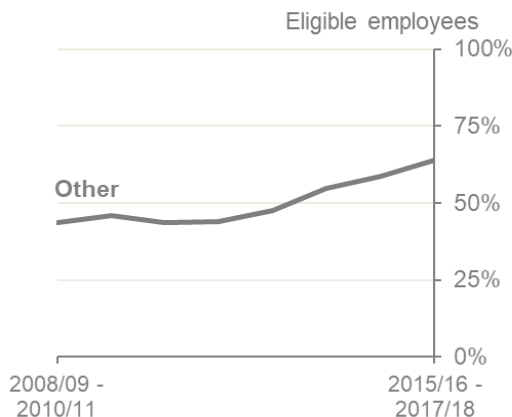
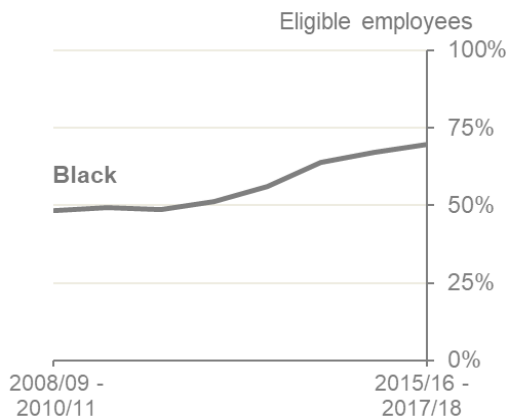
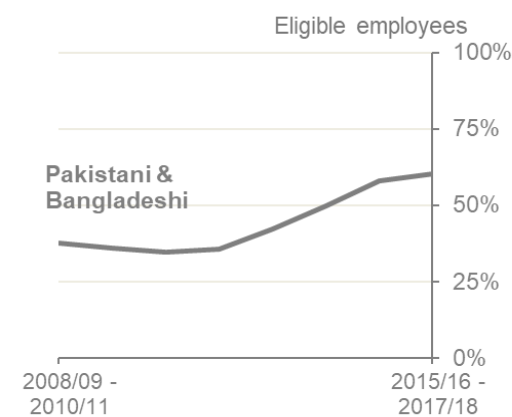
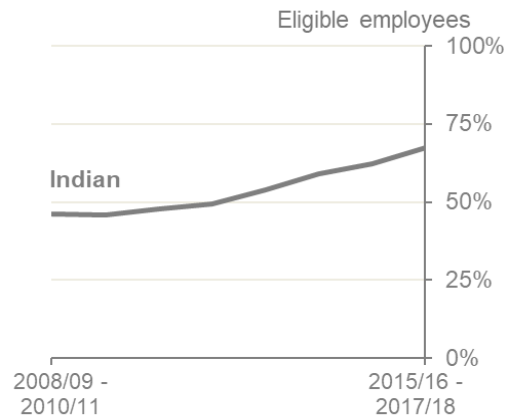
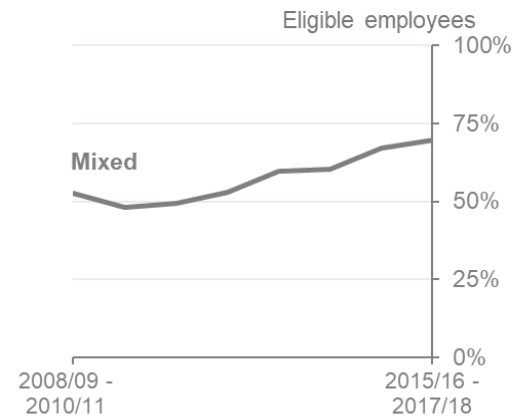
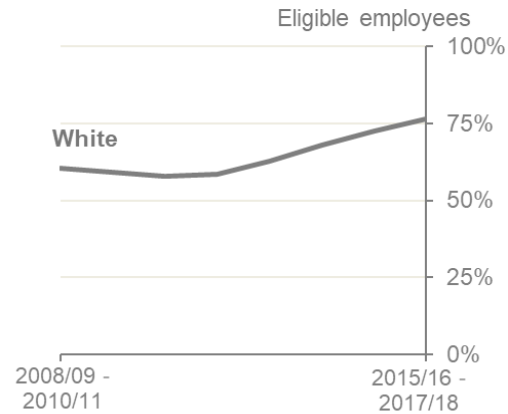
Both the disabled and non-disabled groups saw large increases between 2012/13 and 2017/18, rising 30 and 23 percentage points respectively.

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 employees 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 76 per cent over the period 2015/16-2017/18 and remains one percentage point above the average participation rate across all groups over this three-year period.

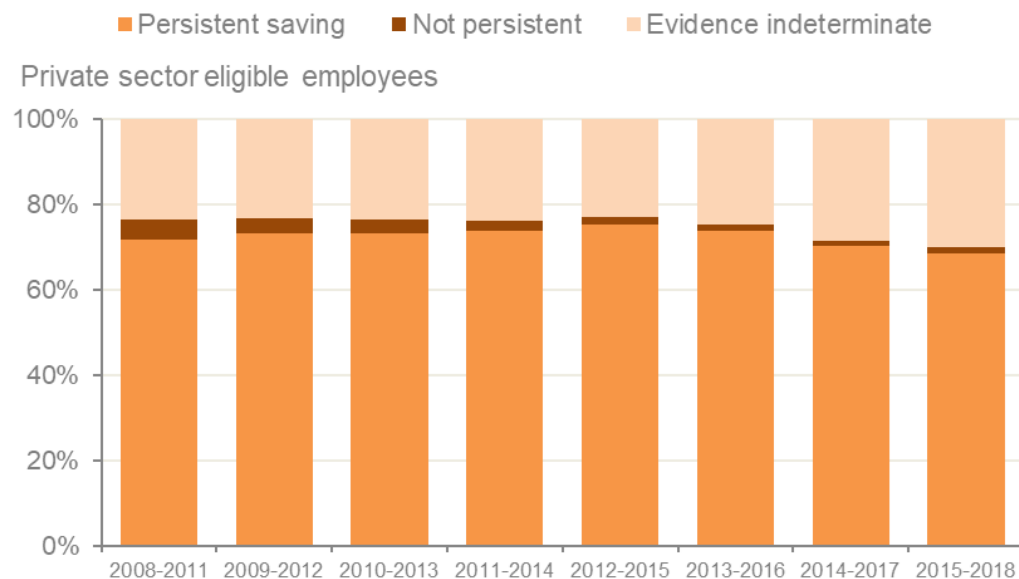
Between the 2011/12-2013/14 period and 2015/16-2017/18 there were large increases among all ethnic groups. The Pakistani & Bangladeshi ethnic group shows the largest increase from 36 per cent to 60 per cent (a 25 percentage point increase).

In comparison the lowest increase in the same period, 2011/12-2013/14 to 2015/16-2017/18, occurred in the Mixed ethnic group. This group saw a 17 percentage point increase from 53 per cent to 70 per cent.

Note that the Other ethnic group includes Chinese.

Persistence of saving

Overall nearly three out of four eligible savers are saving persistently



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 the previous four years**.

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

The latest analysis shows that there has been a decrease in persistency rates between 2017 and 2018, from 73 per cent in 2017 to 72 per cent in 2018. Overall, the large majority of eligible savers are continuing to save persistently, and this has remained broadly consistent over the period shown.

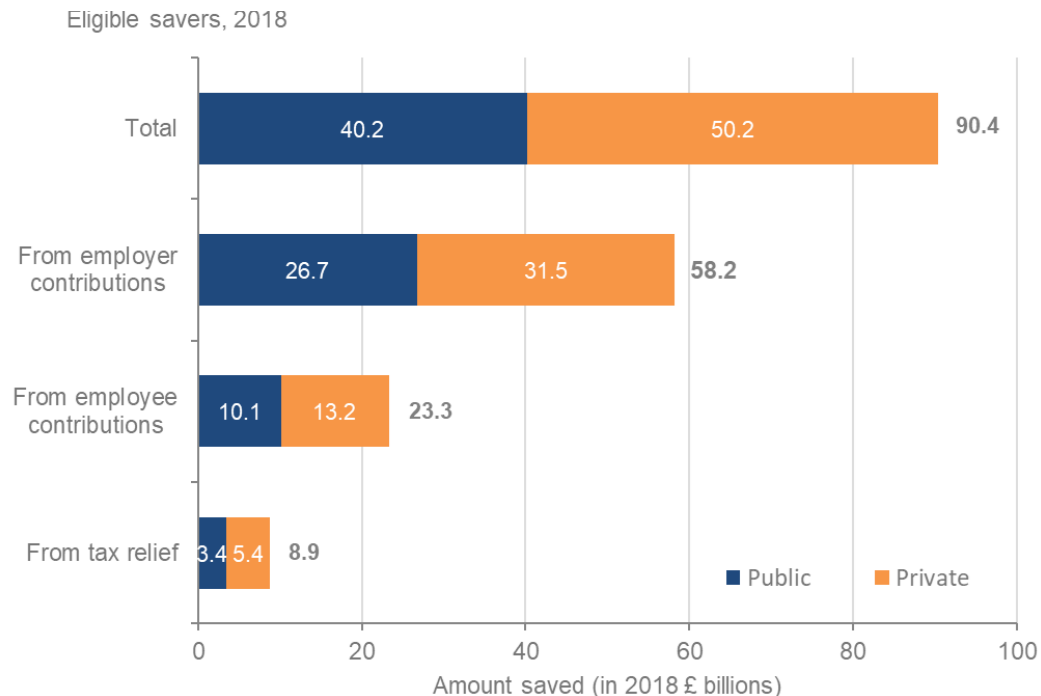
The proportion of eligible savers not saving persistently remained at one per cent in 2018, and for the remaining 27 per cent there is an indeterminate amount of evidence in the ASHE dataset to judge either way. The 'evidence indeterminate group' has been increasing in recent years. The reasons for this 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 2018 estimate is based on the number of years saving between 2015 and 2018 among those eligible employees who were saving in 2015. Similarly, the 2017 estimate is based on the number of years saving between 2014 and 2017 among those eligible employees who were saving in 2014, so on.

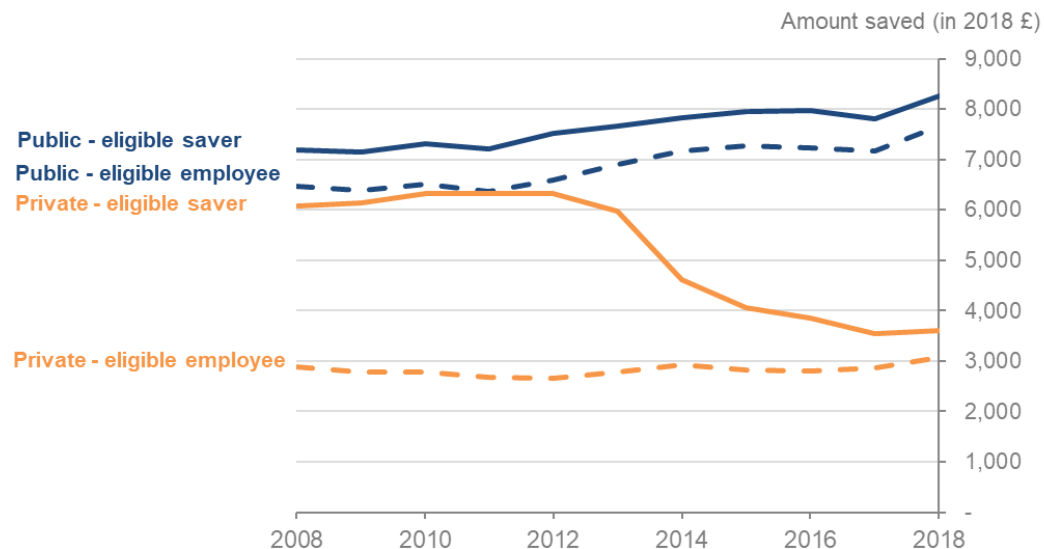
Source: DWP estimates derived from the ONS ASHE, GB, 2011 to 2018

Increasing the amount of savings

The total annual amount of eligible employee savings continues to grow



Source: DWP estimates derived from the ONS ASHE, GB, 2018



Source: DWP estimates derived from the ONS ASHE, GB, 2008 to 2018

The annual total amount saved for eligible employees across both sectors stands at £90.4 billion in **2018**, which is an increase of £7.0 billion from 2017. Annual total amounts saved have increased in both the public and private sectors compared to 2017. Amounts saved in the **public sector** increased by £2.5 billion and in the **private sector** by £4.5 billion.

Overall in 2018, contributions by employees accounted for 26 per cent of saving, with employer contributions accounting for 64 per cent, and income tax relief on the employee contribution the remaining 10 per cent.

Additional DWP analysis, published in December 2017, which includes estimates of the impact of automatic enrolment 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 by £447 in 2018.

In the **private sector** there was a slight increase in the average amount saved per eligible saver between 2017 and 2018 after several years of decline since 2012. The falling trend was a result of the increased number of savers in the private sector many of whom will be making contributions at the automatic enrolment minimum level and therefore lowering the average overall. 2018 has shown the first increase in six years likely as a result of the first increase in the minimum contribution levels, known as **phasing** (see methodological notes section).

The estimates on this page are based on a revised methodology when compared with previous publications. Please see the accompanying statistical notice for more information.

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. This includes employees already a member of a workplace pension scheme when automatic enrolment was introduced. An eligible saver is an eligible employee who is saving into a workplace pension.

Staged implementation: The automatic enrolment duties were staged in between October 2012 and February 2018 by employer size, starting in October 2012 with the largest employers based on PAYE scheme size, 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 contributions, worker's contributions and tax relief) which is increasing gradually over a number of years. Before 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 of qualifying earnings. Between 6th April 2018 and 5th April 2019, the total minimum contribution was 5 per cent of which the employer must contribute at least 2 per cent. On 6th April 2019 these rates rose again to a total of 8 per cent of which the employer must contribute at least 3 per cent. The employee usually receives income 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 2018 ASHE data has a reference date of the week containing 18th April 2018. Comparisons with 2017 relate to revised data published alongside the 2018 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'.
- The methodology to estimate the amounts saved was revised in June 2019. Please see the accompanying statistical notice for more information.

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 2017/18 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 at the time they were interviewed 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-201718>

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. Amounts are deflated to 2018 earnings terms 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.
- The corresponding earnings thresholds have been used from 2012 onwards and deflated using ONS AWE between 2008 and 2011 to determine automatic enrolment eligibility.
- 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.
- These estimates use the Standard Industrial Classification (SIC) 2007 codes to identify industries.
- 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.
- In the amount saved tables, income tax relief on the employee contribution is calculated as the difference between the income tax due on observed earnings and the income tax that would be due if the employee contribution were treated as earnings.
- 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://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>