

Still little enthusiasm for retirement planning in UK, says survey

June 7 2012, By Fraser Wilson



Three quarters of Britons are still making little provision for their retirement, according to new research.

This comes despite growing pressure on people to safeguard their financial future.

The survey found that only five per cent strongly agree that they “put lots of effort” into [retirement](#) planning, with a further 20 per cent agreeing to some extent.

Even fewer people – less than 20 per cent – were found to be in any way “excited or energised” by the prospect of trying to ensure their comfort and security in later life.

The research was carried out by the Financial Services Research Forum, which is based at Nottingham University Business School. It drew on responses from a representative sample of 2,000 consumers questioned

in an online survey conducted by YouGov.

Striking a balance

Professor James Devlin, Deputy Dean at Nottingham University Business School, believes the findings highlight the necessity of finding new ways to persuade people to save.

He said: “Given that the government is increasingly expecting individuals to provide for their own retirement, these findings aren’t encouraging.

“They show policymakers will need to explore imaginative approaches that promote more saving but don’t require great effort on the part of savers.”

Uninteresting and uninspiring

The survey also found that less than three per cent of those questioned strongly agreed with the statement “When making financial plans for retirement I feel excited and energised”. Barely 12 per cent agreed with the statement to some extent, while 14 per cent strongly disagreed, 34 per cent disagreed and 37 per cent neither agreed nor disagreed.

Professor Devlin said: “These figures provide strong evidence that individuals find the relevant financial services intrinsically uninteresting and uninspiring. This is particularly worrying when it’s so important to convince the population to engage with such services and provide for themselves adequately.

“Such low levels of interest demonstrate the size of the challenge facing policymakers as they seek to encourage greater participation.”

Financial reviews

Just seven per cent of those surveyed strongly agreed with the statement “I review my financial plans for retirement on a regular basis”.

Professor Devlin said: “This shows most of the population aren’t committed to regular reviews. This isn’t helpful if, for example, savers are going to increase provision to adequate levels under the proposed National Employment Savings Trust regime.”

A challenge for policymakers

According to Professor Devlin, the study underlines the scale of the challenge policymakers face in improving pension saving.

He added: “The overall picture is a population that is far from enthused by the prospect of retirement planning and unwilling to make a large effort.

“These two factors in particular help account for the fact that actual levels of retirement savings in the UK generally remain far too low.

“Many people might be committed to the task – or at least think they are – but most still can’t look forward to a retirement of financial comfort and security.”

The Forum is unique in bringing together all stakeholder groups for the purpose of informing policymakers in the public, private and voluntary sectors.

Provided by University of Nottingham

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