# The 2025 Nucleus UK Retirement Confidence Index

## Starting early is the key to a comfortable retirement

The 2025 Nucleus Retirement Confidence index score is

**4.2**

**4.6**
2024

Men
**4.6**

Women
**3.8**

...based on 4,359 UK adults evenly split between men and women

**4** in **10** (39%) UK adults think they'll need between **£20,000** and **£40,000** a year to live comfortably in retirement, less than the Pensions UK comfortable living standards figure of **£43,900** for an individual

**43%**
do not contribute to a pension.

More women do not contribute to a pension **45%** (2024: 42%) than men **40%**, (2024: 36%)

Increased daily cost of living is the main reason preventing UK adults from saving more into their workplace or private pension, or saving for their retirement (41%)

44%

44% are worried about pensions being in scope for Inheritance Tax from April 2027

Only
**26%**
are confident they'll have enough money to live comfortably for the rest of their lives

Only 16% have confidence that the independent Pensions Commission will make a meaningful positive difference to retirement planning

42% agree people should start planning for retirement in their 20s

68% agree they'd be more confident about retirement if they'd learnt more about financial planning, pensions and investing at an earlier age

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# Introduction

## Welcome to the 2025 Nucleus UK Retirement Confidence Index.

This is the third wave of our research testing the retirement confidence of UK adults.

One of the clearest messages in this year's results is the need for people to start planning and saving for retirement early, ideally in their 20s and certainly before 40. We're seeing some positive movement here thanks to auto-enrolment but that alone will not fund the comfortable retirement we all hope for.

Another resounding theme is that UK adults would be more confident about retirement if they'd learnt more about pensions, investment and planning at an earlier age. This is exactly what's required to empower people with a realistic understanding of what they need to live comfortably for the whole of their retirement as well as how to achieve it.

While knowledge and making well informed decisions are crucial, affordability remains a huge challenge to retirement planning, and it's hard to see how this can improve soon. The cushioning impact of defined benefit (DB) pensions continues to fall away. There's a lack of faith in the state pension as a safety net for future generations, but people are not making sufficient provision for themselves.

The planned inclusion of unused pensions in the estate for Inheritance Tax (IHT) and speculation around possible changes to tax-free pension lump sums have left many disengaged. There's a pervasive feeling that there's no point planning or saving as everything changes and the rug can be pulled from under them at any time.

The need for continuity and a future-focused approach to pension rules and regulation are core drivers of our long-standing campaign for a long-term savings commission. We first called for one in 2023, so the launch of the independent Pension Commission (IPC) in July was welcome.

We believe the commission should go beyond pensions to consider housing and other wealth, acknowledging non-pension investments and tools such as equity release.

That aside, we can see its potential. The IPC has a real opportunity to herald change for the better, if it gets it right.

We need decisions made for the long term with widespread support rather than constant tinkering. The UK public must, in time, be able to trust that their retirement age, state pension provision or what they can leave to their loved ones won't be continuously changed with the political cycle. It won't be easy but, based on what we're hearing from UK adults, it's an essential step if trust and confidence are to improve.

That's not to say things need to remain the same forever. Radical change is a requirement of the UK economy continuing to function. Difficult choices lie ahead from which the IPC must not shy away. The difference will be removing pensions as a political lever to be pulled on a whim, and instead having clearer and well communicated longer-term goals.

While there are positive aspects, this year's research is a siren call for wide-reaching action. The IPC is a welcome start but much more is needed if we're to address the persistent decline in UK retirement confidence. There's work to be done but every one of us stands to benefit as a result.

**Andrew Tully,**
**Technical Services Director**

# The 2025 Nucleus UK Retirement Confidence Index

The Nucleus UK Retirement Confidence Index score for 2025 is **4.2**, continuing its downward trend (2024: 4.6, 2023: 6.9).

### The outlook remains negative.

It's important to note that the demographics of our research changed in 2024. The first wave, in 2023, only included adults aged 50 and above. From 2024 we broadened this to include adults aged 18 and over. While the 55+ cohort remains the most positive, confidence has fallen alongside the other age groups.

## The research

Our research was carried out online by YouGov between 9 and 10 September 2025. The sample consisted of 4,359 UK adults aged 18 and over. The survey was carried out online. The figures have been weighted and are representative of all UK adults (aged 18+).

The index score calculated independently by Nucleus is a number out of 10, where 0 is not at all confident and 10 is totally confident.

Further questions covered a range of factors which play varying roles in determining confidence levels.

These include:

- Age
- Gender
- Employment status
- Level of pension contributions
- Other forms of investment
- Sources of advice, guidance and information

This year we also asked questions to gauge awareness, understanding and levels of concern over actual or rumoured changes around pensions, tax-free cash and the new independent Pensions Commission.

The results give us a sense of the multitude of factors at play in today's retirement planning landscape and how UK adults are negotiating that increasingly rocky terrain.

The Nucleus UK Retirement Confidence Index scores are based on responses to the central question: "How confident are you that you'll have enough money to live comfortably for the rest of your life?"

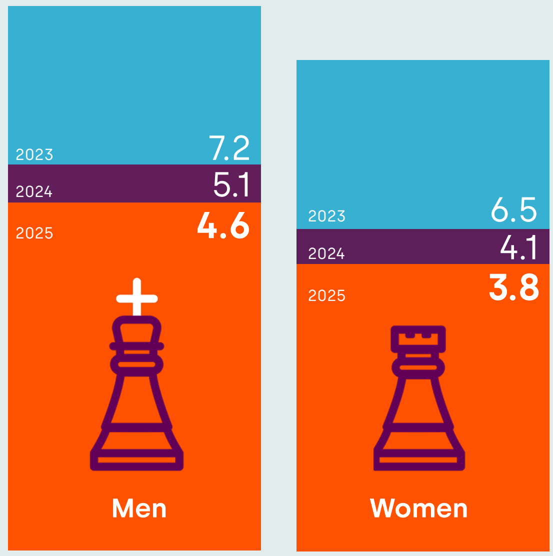
# Tracking RCI trends

## Fewer UK adults than ever are confident they'll have enough money to live comfortably for the rest of their lives — just 26% overall, down from 34% in 2024.

This trend is consistent across all gender and age groups. Even among the most bullish cohort (55+) only 37% feel financially secure for the duration of their retirement, down from 45% in 2024.

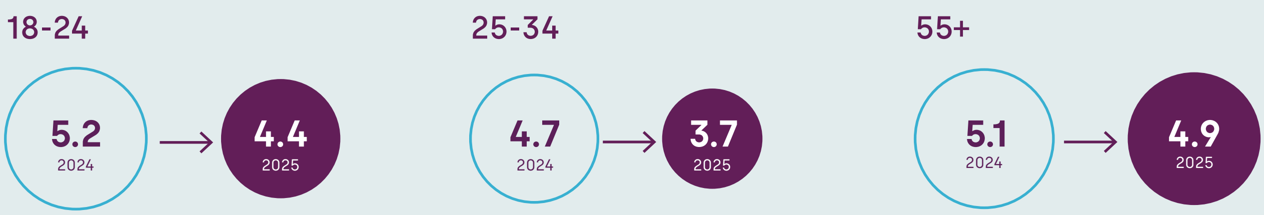
Falling retirement confidence index scores reflect this sentiment: 4.2 down from 4.6 in 2024 and 6.9 in 2023 (50+ only).

A gender gap is evident again this year. Women are generally less confident, less likely to be informed about actual or potential changes which could impact retirement planning and less likely to have taken action where it may be needed.




The difference between men and women remains broadly consistent with both sets of scores falling.

### Confidence scores are down across all age groups from 2024 but with a greater decline in the younger groups




The only confidence score to increase from last year is in those not contributing to a pension (4.2, 2024: 3.8).

When asked about pension contributions, the biggest drop in confidence score (from 4.7 to 3.5) is among those who don't know how much they're contributing to a pension. Curiously next largest drops are in the most confident segments, those contributing more than 20% (0.6 pts) and then those contributing 15-20% (0.5 pts). This could be driven by the proposals to include pensions within IHT which is more likely to affect those with higher savings and may be reducing their confidence.

DB pension holders remain the most confident, but even this has fallen to 6.1 from 6.5 last year. Confidence among those with a defined contribution (DC)/workplace pension fell slightly from 4.8 in 2024 to 4.5.

### Regulated advice and planning supports retirement confidence

**Confidence remains highest among UK adults who take or have taken paid-for financial advice (5.5, 2024: 5.6). This compares to 4.9 (2024: 5.2) for those who manage their own finances and 4.4 (2024: 4.7) for those who make use of free guidance services. Overall, the difference in confidence from last year is minimal across this category.**

## An eventful but challenging year for pension planning

In last year's report[1] we repeated our calls for an independent long-term savings commission.

The launch of the new IPC, tasked with addressing pensions adequacy, is a very positive development but falls short by not including all long-term savings. Retirement is not just about pensions. Cash, investments, property and more can all play an important role.

The separate state pension age review also means a disjointed approach to a core element of retirement planning for many.

The Advice Guidance Boundary Review delivered proposals for targeted support, allowing firms to offer 'people like you' suggestions to groups with common characteristics. Whilst not advice, it will potentially open up some form of assistance to a broader range of people. We'll be watching with interest as the rules are finalised and offerings launch.

We stressed last year that more financial education at an earlier age was essential for growing retirement confidence in future generations. This need is even more evident this year.

Today's UK adults are facing an increasingly challenging landscape when it comes to planning and investing for retirement. Between the announcement that pensions will be included as part of an individual's estate for IHT[2] and speculation around possible cuts to tax-free cash and cash ISA allowances, it's no wonder many are left questioning why they should bother to save for retirement at all.

1 Nucleus - The Nucleus UK Retirement Confidence Index 2024, 14/11/24
2 GOV UK - Reforming Inheritance Tax - unused pension funds and death benefits, 21/07/25

# 2025 data analysis

Auto-enrolment is bringing more people into pension saving but the cost of living represents a massive obstacle for many.

> Perpetuating the species shouldn't mean a penalty.

## Gender

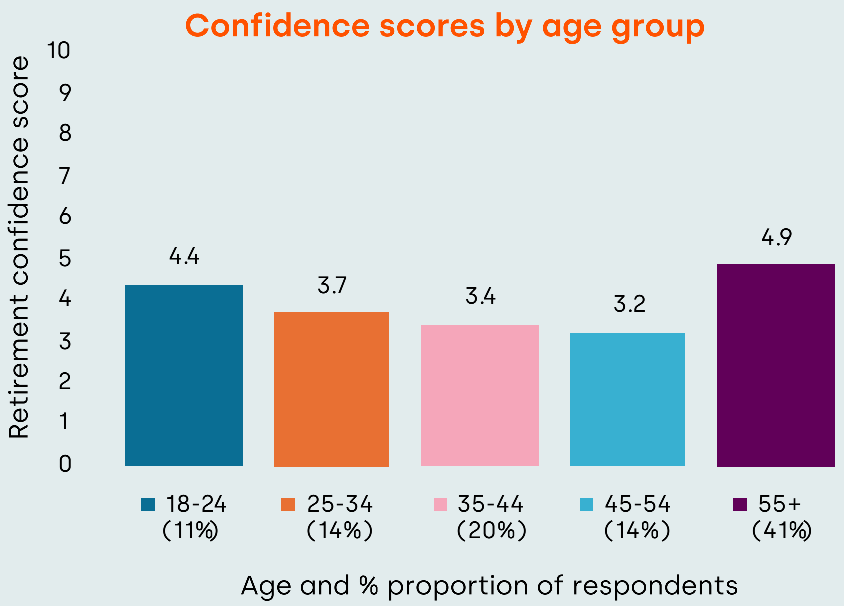
We identified a gender gap throughout this year's research. Men are more likely to be informed on retirement planning issues and/or take action. This suggests a potential communications gap with an opportunity for a more targeted approach around key themes.

There are also the perennial issues of the gender pay gap and women having to take time out of their career or work part-time to raise children and/or care for relatives. Women are more likely than men to not be setting aside anything for retirement. While DC/workplace pension membership is level (37%/36%), women are less likely to have a private pension (22%/30%), cash savings (25%/35%) or an ISA (28%/36%).

## Age

The oldest cohort (55+) leads the confidence scores, suggesting they're either settled into retirement already or are comfortable they're approaching it in good shape. Youthful enthusiasm is heartening but rapidly slips away to gloomier middle years. This appears to be the result of increasingly testing financial pressures and a lack of faith in the future. There's a perception of perpetually shifting goal posts which leaves people wondering why they should make the effort, especially when many feel they don't have much money to work with.

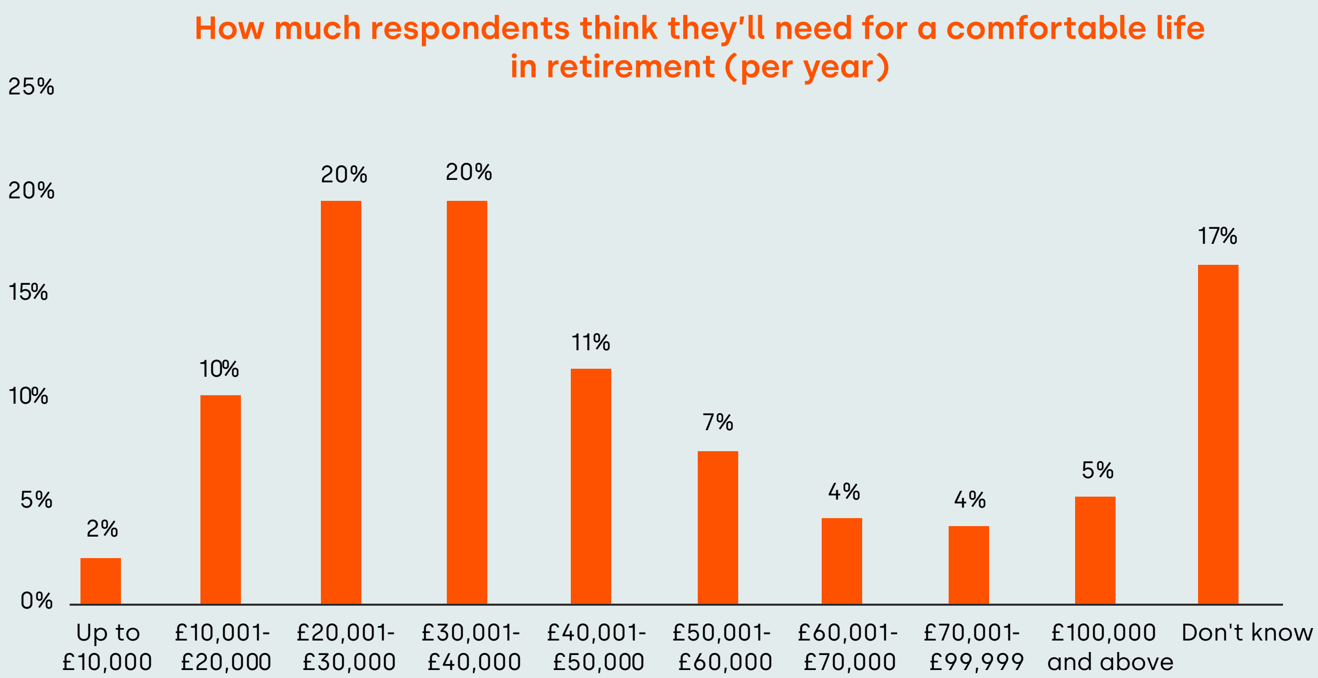
> I'm still 25 years away from retirement (probably), how can I be confident about what will have happened by then?




## Income for a comfortable retirement

In line with 2024, 39% believe they'll need between £20,000 and £40,000 a year for a comfortable retirement. According to Pensions UK a comfortable retirement will cost an individual £43,900 a year (£60,600 for a couple).

This includes a two-week holiday abroad each year, £75 per week for food and £600 a year for home maintenance. It does not however account for paying rent or a mortgage.[3] The 17% who don't know how much they might need reflects uncertainty and a lack of planning.

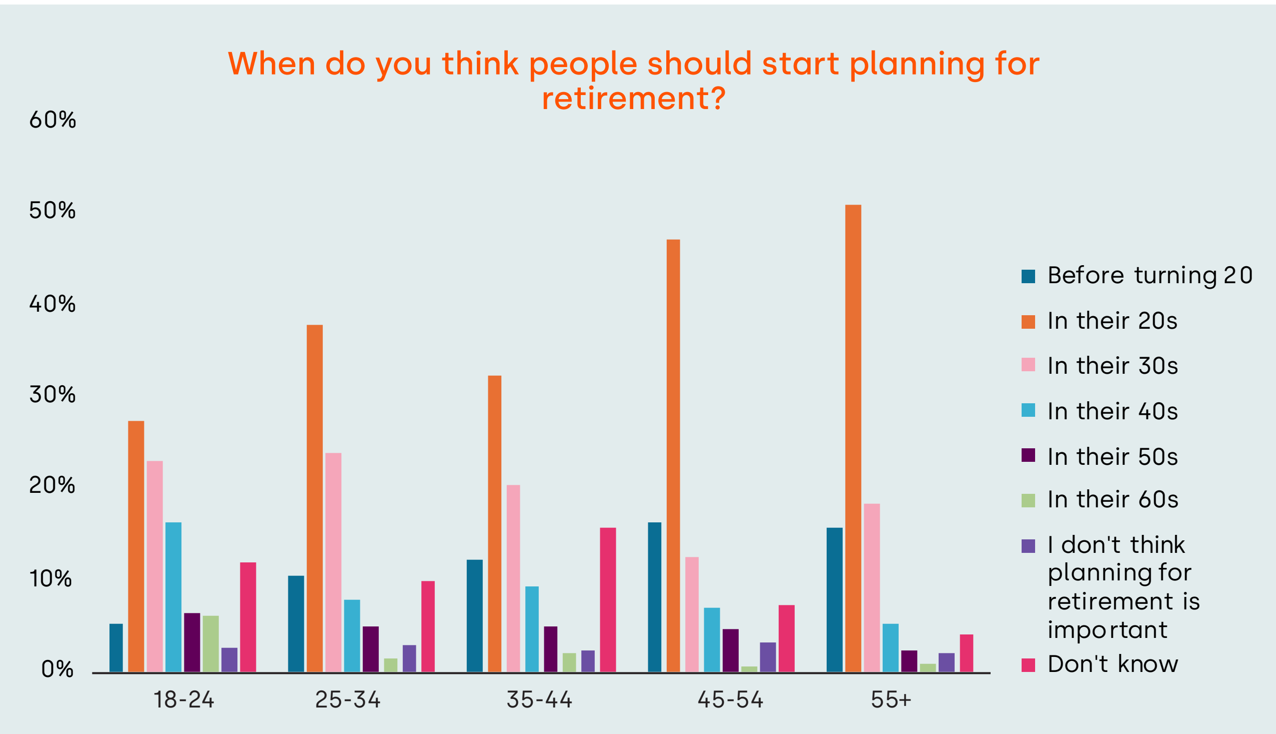



3 Pensions UK – Retirement Living Standards, June 2025

## When to start planning for retirement

Many UK adults (42%) agree people should start planning for retirement in their 20s and 74% say before their 40s. This trend increases with age (47% of 45-54 and 51% of 55+). This could be an expression of what they'd do differently or perhaps encouraging the younger generations to follow their good example.

However, only 28% of 18 to 24-year-olds think they should start in their 20s – although that is the most common answer. There may be an element of the message not reaching them but, as we'll see, affordability is a very real issue.



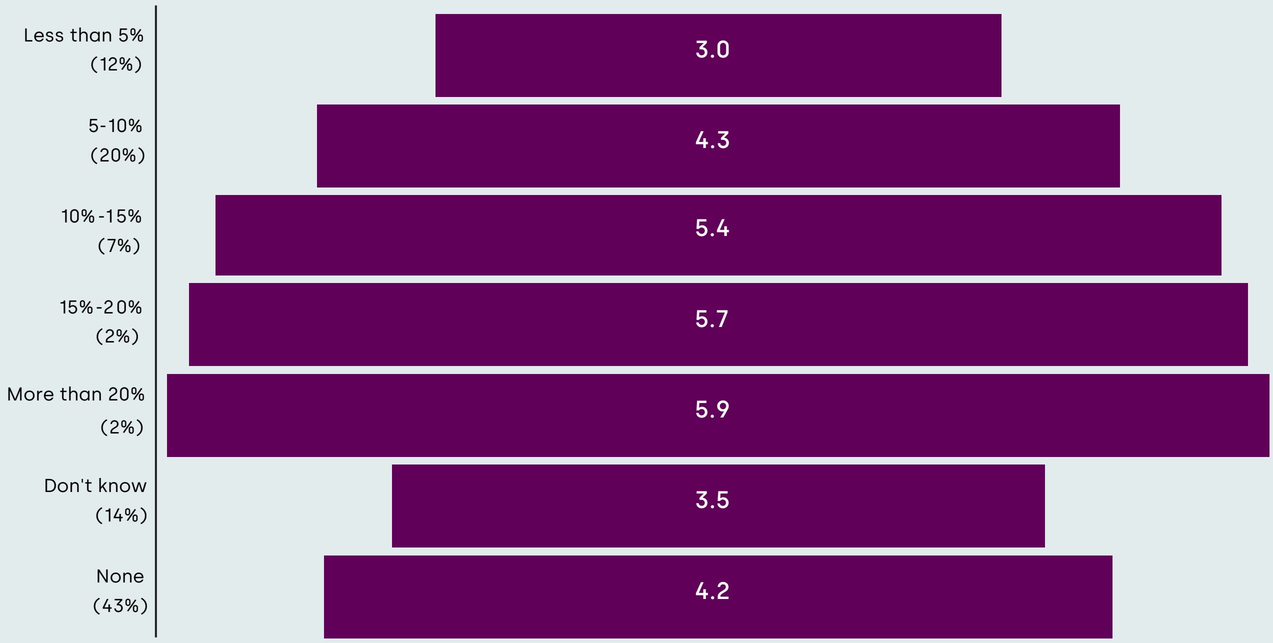

A quarter of those aged 18 to 34 contribute to a DC/workplace pension, thanks to auto-enrolment.

A similar number favour a cash savings account (24%) or an ISA (27%). At least some of these will likely have originated as Junior ISAs or Child Trust Funds set up by their parents. While 37% are setting aside up to 10% of their income for retirement (at least some likely to be funded by their employer), another 37% are contributing nothing at all.

> I just don't know how all this works. I have zero spare money to put away, even if I did.

## Pension contributions

### Confidence in retirement by proportion of income contributed to pensions

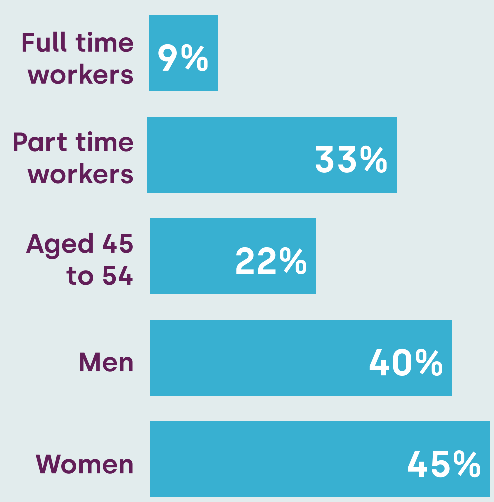



The most common pension contribution is 5-10% of total income (with 20% of people saving this amount), again reflecting auto-enrolment levels but generally not sufficient for a comfortable retirement. Confidence for this cohort is 4.3, in line with the overall 2025 index score.

Confidence scores are, as we'd expect, higher among those who are contributing more, although only 2% of people contribute 15-20% (confidence of 5.7) and the same percentage are contributing more than 20% (confidence of 5.9).

> I am not earning enough to save for a pension in addition to daily costs.

### Not contributing to a pension

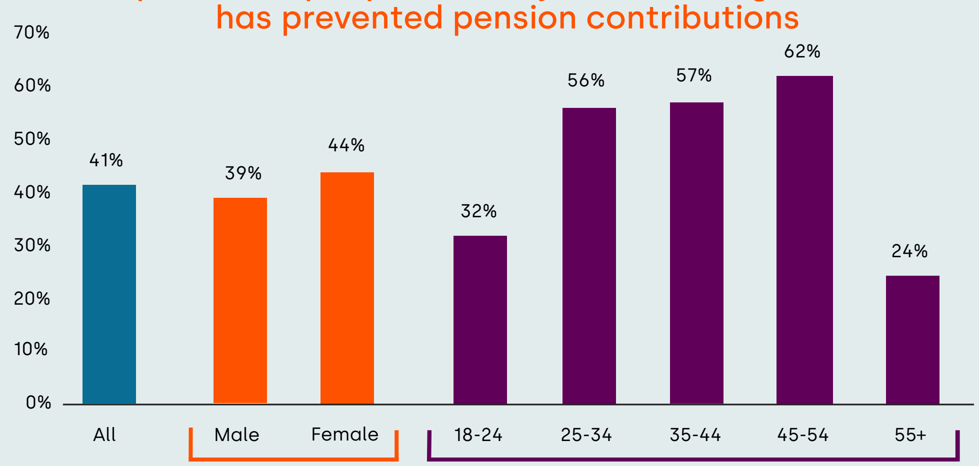


## What's preventing people saving?

Increased daily cost of living is the biggest blocker of saving more in workplace or private pension savings with 41% citing this as a reason. Rent/mortgage payments (24%) and paying off debts (16%) complete the top three.

This is the first year we've asked specifically about the impact of increased living costs and the response was overwhelming.

Proportion of people who say cost of living increases has prevented pension contributions




> I'm balancing saving for retirement with enjoying life now.

Those with other forms of savings and investments are more confident (5.4), but confidence is low among respondents paying off debt (2.9), dealing with increased living costs (3.0), mortgage/rent (3.1) or student loan repayments (3.2).

The lack of motivation to save into a pension is underpinned in many by a belief that they'll never be able to retire, either because they cannot afford to or because the government keeps changing retirement age and other rules.

“I have children so not much left at the end of the month. I'd rather overpay my mortgage if I had a bit more money.”

“Hello? Life?”

## Saving vehicles

### Confidence remains higher among those with a DB pension (6.1) compared to workplace DC (4.5) with private/SIPP/stakeholder pensions in the middle at 5.0.

Only 9% report having a DB pension compared to 36% for DC/workplace, itself a reflection of auto-enrolment coverage, and 26% who have a private pension. ISAs and cash savings accounts are also popular (31% and 30% respectively) with holders of each reporting an RCI score of 5.3. Confidence is extremely low (2.4) in UK adults with no savings or investment products.

There were also numerous mentions in the comments of using a Lifetime ISA for retirement planning as well as crypto, Bitcoin and National Savings products.

# Pensions and inheritance tax

## From 6 April 2027 most unused pensions will form part of an individual's estate for IHT purposes.

We found clear evidence of low awareness among UK adults. Just under one-third (32%) of UK adults were already aware of this proposed change in the rules. Men were more likely to have heard than women (35%/29%).

Fewer than three in ten (29%) of those aged 45 to 54 have heard that pensions will soon fall within IHT, rising to 42% for respondents 55+.

Many of our sample were learning about the IHT proposals for the first time.

Those who hadn't previously been aware reported consistently lower confidence than those who had, even where they don't think it'll apply to them.

- **16%** had heard and are worried (with a confidence score of 3.9)
- **28%** had not previously heard but are now worried (confidence of 2.7, the lowest group)
- **24%** of 55+ had not heard but it worries them now they are aware
- **25%** of men had not heard but are worried vs 32% of women
- **16%** of respondents aren't worried, whether or not they had already heard about the proposals

**46%** of respondents have not taken any action in response to the proposed changes. They have the lowest confidence score in this category at 3.8. Not surprisingly older cohorts are more likely to be taking steps.

**15%** have spoken to an adviser (and these people have the highest confidence score of 6.4). Confidence is generally high (just under 6.0) where respondents have taken or are planning action.

> After reading this I'm reluctant to set up a private pension now. Just imagine my poor kids being made to pay tax on it.

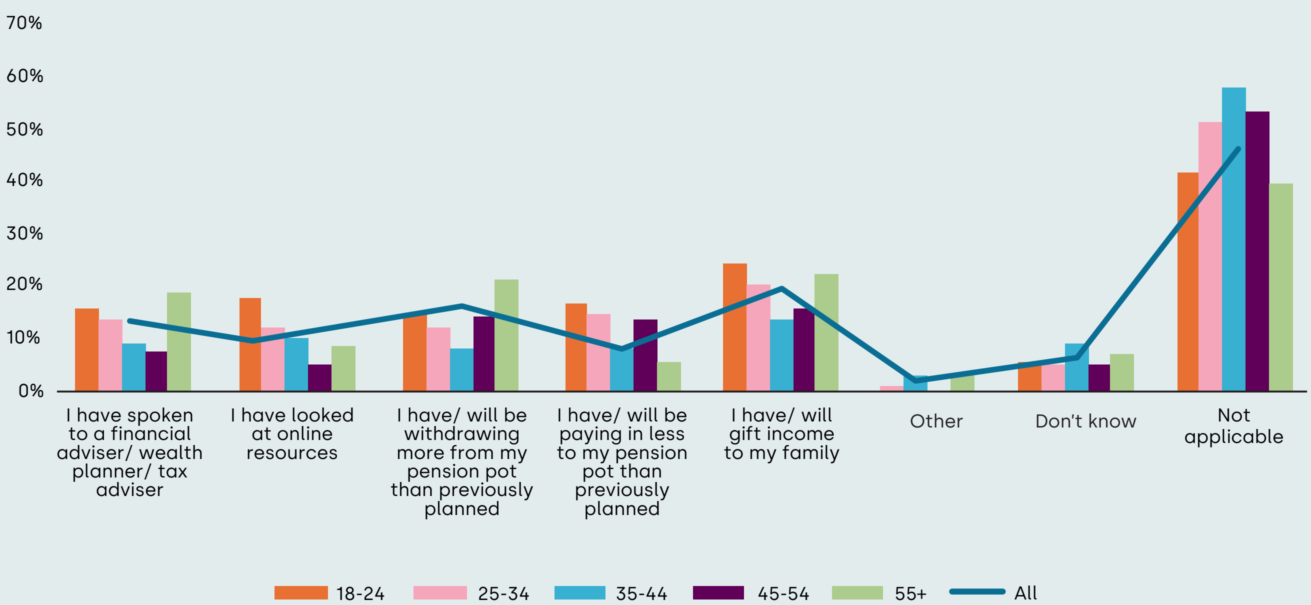
> Have calculated my assets and plan to spend and/or gift more to reduce my liabilities.

However, our findings indicate the proposals around IHT and pensions may be driving unwanted and potentially damaging behaviour. It's worrying to see that 15% of 25-34, 14% of 45-54 and 5% of 55+ are paying or will pay less into their pension because of the proposals. This is in sharp contrast to the majority view that the 20s are when people should start planning for retirement.

Many others suggest they are, or intend to, withdraw more from their pension to spend or gift to family.

Taken together, these lower contributions, alongside higher withdrawals (21% of over 55s) and gifting of income (22% of over 55s) demonstrate that policy changes can have significant behavioural impacts even on those who may not be affected by the change.

## Steps taken as a result of the IHT proposals



# Tax-free cash

## We believe long-term planning needs certainty. Speculation can harm confidence and lead to potentially self-destructive behaviours.

There's a definite sense of déjà vu as for the second year in a row the UK has faced a lengthy run-up to the Autumn Budget with speculation about potential changes to tax-free cash rules. 2024 saw many investors taking lump sums from their pensions only to then try and unwind those actions, and here we are again.

When asked in early September whether they'd heard of these rumours and whether they were concerned, 21% had heard and were concerned, while 38% hadn't heard but were now concerned. Men were more likely to fall into the former group and women the latter.

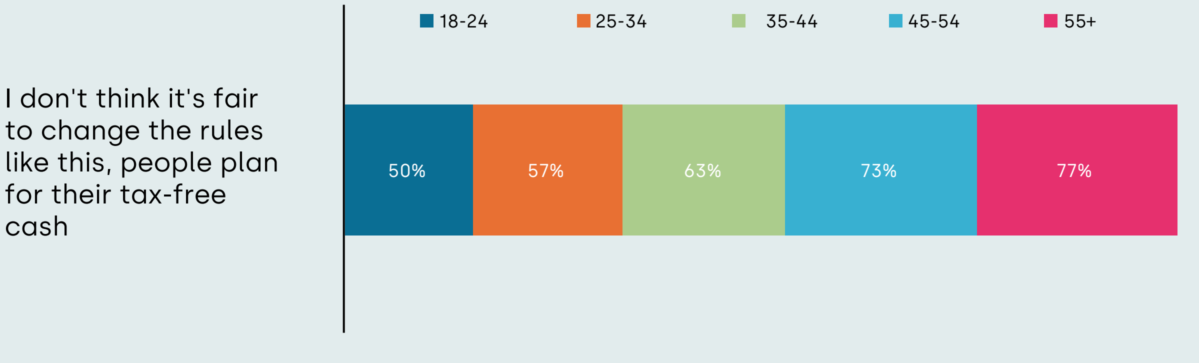
The level of concern generally increases with age, peaking at 45-54, which makes sense as this is potentially going to impact planning for those approaching retirement.

Here too lower confidence is aligned with a lack of awareness and understanding. In this case those who answered 'don't know' have the lowest confidence ranging between 2.9 (25-34) and 2.4 (45-54).

People clearly feel strongly about tax-free cash. It's synonymous with retirement for many. This is reflected in some 68% of respondents stating that they don't think it's fair to change the rules in this way as people have planned for their tax-free cash. Just 16% agree that it's reasonable as nothing is guaranteed until you have the money in your hand.

Age plays an important role here with younger cohorts more accepting of any potential changes to tax-free cash rules. A quarter of those aged 18 to 24 think it's fair compared to 13% of those aged 55 and over. Given their younger ages, they may have more time to adjust their plans or have lower expectations for receiving tax-free lump sums.

### Perceptions of the tax-free cash rule change across age groups



> The government has to stop changing the rules.

> Tax changes make it difficult to plan for the future.

Confidence is higher in all age groups where respondents think it's reasonable to change the rules compared to those who don't think it's fair. The difference peaks at 35 to 44 (4.9 versus 3.2).

Recent FCA data highlighted there was a 29% increase in people taking only tax-free cash from their pension during 2024/25 when compared to 2023/24.[4] That increase is likely to have been driven by last year's Budget speculation.

4 FCA – Retirement income market data 2024/25, 16/9/25

# Financial education

## Learning about financial planning at an early age is crucial to future retirement confidence.

In one of the strongest responses across the research, 68% of people agree they'd be more confident about retirement if they'd learnt more about financial planning, investing and decision making when they were younger.

This peaks at ages 25-34 (73%) and 35-44 (74%), where it's widely agreed that people should at least be starting to think about retirement planning.

Women are slightly more likely to agree with this statement than men (69% vs 66%).

Both men and women who agree are less confident than those who don't, with the difference more pronounced for women (confidence scores of 3.5 for women who agree vs 4.1 for those who disagree, and 4.5 for men who agree vs 4.6 for those who disagree).

## What would help to improve retirement confidence?

"Teaching how to prepare in schools and offer guidance at community centres, libraries and government websites."

"Better financial education from an earlier age"

"Teaching young people about pensions. More information available from school age."

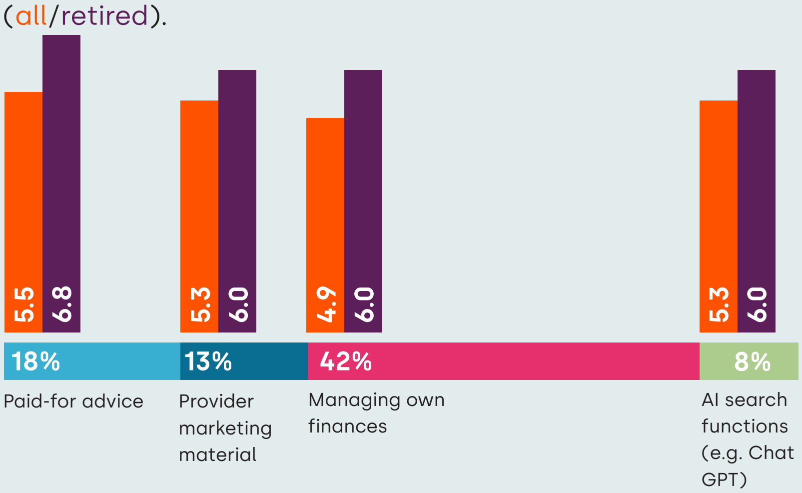
# Advice and guidance

## Not enough UK adults are engaging with financial advice, but many are generally confident regardless.

Sources of information for retirement planning are broadly consistent with last year with 'managing my own finances' the most popular approach (42%). This is followed by use of 'free guidance services' which could include Money Helper or Citizens Advice (29%), 'internet resources' (28%) and 'family and friends' (26%). Just 18% (2024: 17%) are engaging with paid-for financial advice/planning or have done in the past.

For many their workplace is a primary source of information and advice. There were numerous comments around material, webinars, pre-retirement courses and access to advice from employers or via a union.

Confidence is highest among those who use paid-for advice (all/retired).




In a year where retirement confidence is generally so low it's hard to escape the conclusion that we're seeing some misplaced confidence here. It is, however, reassuring that confidence remains highest among those who benefit from regulated advice.

## Finfluencers

55% of UK adults never look to finfluencers, 31% do occasionally and 8% do regularly. Women are more inclined towards finfluencers than men.

Confidence tends to be higher among those who use finfluencers:

- Never or don't know 3.9
- Occasionally 4.4
- Regularly 5.1
- Always 5.0

It's a broad term which spans some mainstream journalists to more esoteric sources on channels such as TikTok or Facebook. The UK adults relying on these sources may be more financially savvy in the first place, or we may be looking at misplaced confidence again.

Those who are older are less likely to use finfluencers. They're more likely to use paid-for advice, free guidance services or manage their own finances.

# The state pension

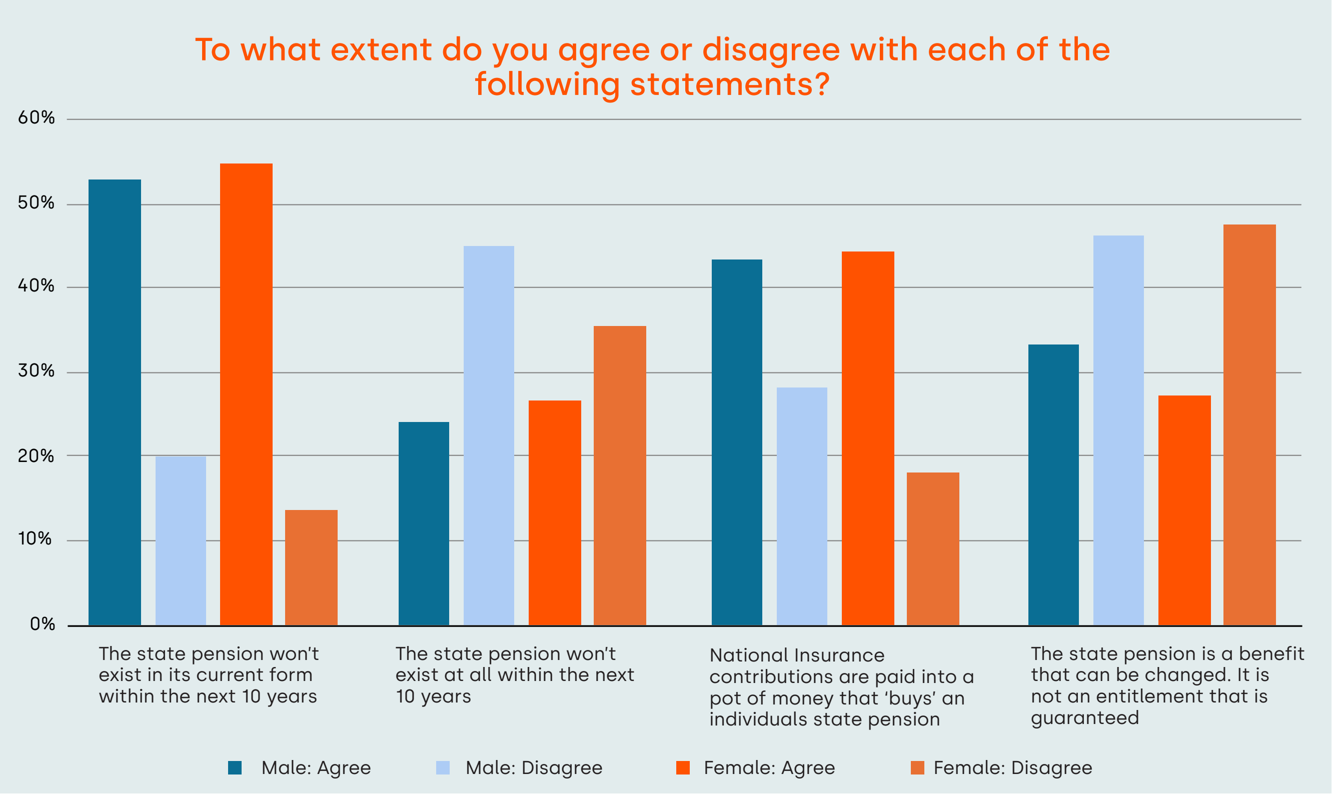
## It's a primary income source for many retirees but understanding of how the state pension works and confidence in its future role are both low.

Overall, 54% believe the state pension won't exist in its current form in 10 years while 25% think it won't exist at all. Those figures dip to 51% and 19% respectively for retired adults.

Lower retirement confidence goes hand-in-hand with pessimism:

| | Agree (won't exist) | Disagree (will exist) |
|---|---|---|
| The state pension won't exist in its current form in 10 years | 4.0 | 5.0 |
| The state pension won't exist at all in 10 years | 3.3 | 4.9 |

Men are generally more optimistic about the future of the state pension than women but only 20% believe it will look the same in 10 years' time.



> I'll live on my state pension (for which I paid National Insurance contributions.)

> I need to know that the state pension will continue in its current form.

The lack of understanding of how the state pension works is a concern. Half (51%) of retired adults (44% overall) believe that National Insurance (NI) contributions go into a pot that 'buys' an individual's state pension. Just a quarter of those in retirement (30% of all respondents) understand that the state pension is a benefit paid for by today's taxpayers and not an entitlement.

There's a more obvious gender gap here with 28% of men clear that NI contributions don't directly buy their state pension compared to 18% of women. A third of men understand that the state pension is a benefit (33%) versus just over a quarter (27%) of women.

Understanding of the state pension appears to increase with age to some extent. Just 10% of 18 to 24-year-olds correctly stated that it's not directly linked to individual NI contributions, increasing to 28% of 55+. However, the oldest cohort had the lowest level of agreement (26%) that it's a benefit, which perhaps is related to stigmas around receiving benefits.

# Independent Pensions Commission

It has great potential but there's a real lack of optimism around the new IPC.

The response among UK adults is underwhelming. Overall, only 16% agree the IPC will make a meaningful positive difference to how people plan and prepare for retirement while 42% don't.

'Neither agree nor disagree' was most common response across the board (43%), likely highlighting a lack of awareness of this new body. Nearly half of (48%) women made this response compared to 38% of men. Age did not make a marked difference.

Those who believe the IPC will make a positive difference are more confident overall. This trend is consistent across gender and age groups highlighting some of the larger differences in the research.

| | Male | Female | 18-24 | 35-44 | 45-54 | 55+ |
|---|---|---|---|---|---|---|
| Agree | 6.1 | 5.2 | 5.9 | 5.5 | 5.2 | 5.9 |
| Disagree | 3.8 | 3.2 | 2.9 | 2.7 | 4.3 | 2.9 |

**"The government has to stop changing/moving the bar. You can't plan for something that is always a moving target."**

There are numerous issues potentially at play here: a lack of awareness, poor understanding of the IPC's remit and a deep-rooted lack of faith in government and regulation. While this is not a government body, that is something else which is probably not at all clear.

It's early days but there's a lot of work to do here. This is one to come back to over the coming years. The IPC has real potential, if it can make a difference and get the public onside.

# Conclusions

## Separating long-term pension planning from politics is the only way to develop confidence.

## The decline in retirement confidence in UK adults over the last twelve months is undeniable. A deep-rooted lack of trust in the system is clearly a major driver. The level of resentment and frustration aimed at government particularly in respondent comments is clear.

Pensions are a long-term investment; planning is a long-term process. Confidence to make and then work to achieve plans, without fear of the rug being pulled from under those plans, is essential for retirement confidence. A lack of certainty can destroy it and that's where many people currently are.

Constantly tinkering with pensions policy has no constructive outcome. Even speculation around change can prove highly detrimental. For example constant rumours of cuts to tax-free cash has the potential to be hugely damaging, eroding even further incentives to save into a pension.

However, change is necessary for pensions and the UK economy to flourish. But those changes must be clearly thought through and far removed from what may be seen as political manoeuvring. That's where the IPC could be impactful.

For this to happen it mustn't shrink from making the difficult decisions:

**Auto-enrolment** – contribution rates are generally agreed to be inadequate and there are calls for a timetable to be agreed to set out how and for which cohorts contributions may increase in future. Mandatory rate increases over time is another point for consideration, as are how to bring in those groups currently missing out (women, the self-employed, part-time workers and ethnic minorities). While now may not be an ideal time to introduce increases, plans and timetables need to be considered so people and their employers know of these longer-term objectives.

**State pension age** – accelerating the planned increases is a discussion no-one will welcome but which must take place. There is also need for a broader review of state pensions, including how much it should be and whether everyone receives the same amount or not.

**Triple lock** – the affordability of maintaining the triple lock must be scrutinised. If it isn't affordable then there's a need for alternatives.

**Public sector pension schemes** – an evaluation of affordability and alternatives. The private sector is being decimated with IHT changes which are removing incentives to contribute, but public sector schemes remain untouched.

**Increasing engagement with pensions** – people need to start planning and saving for retirement sooner. Broadening access to financial education for young people has the potential to support this outcome, contributing to greater retirement confidence.

**Meaningful positive change in UK retirement confidence requires more adults who:**

1. Save more into their pensions
2. Understand what they're saving for and why
3. Are empowered to save for retirement in an environment of trust and stability

The most confident age cohort in our research is 55+, those who're already retired or are preparing to. The least confident are 45 to 54-year-olds, followed closely by those aged 35 to 44. That means the next generations approaching retirement are doing so in a poor frame of mind.

It's clear that something has gone very wrong here, but we've an opportunity to address that and improve things for subsequent cohorts.

Curiously the youngest cohort (18-25) follows 55+ for confidence, as it did in 2024. While this may be naivety or misplaced confidence, it also presents an opportunity.

Creating a secure, reliable and consistent retirement planning landscape would engender a long-term view, encouraging greater saving with a valid sense of certainty around what people get back. As a result, we could see misplaced confidence evolve into valid, deserved confidence. This is how to plan well for retirement.

One of the strongest data points in the research is that people should start planning for retirement in their 20s, but collectively we're a long way from making that a reality. Many are in a DC/workplace pension, thanks to auto-enrolment, but with contributions so low there can be little hope of a comfortable retirement based on those alone.

The level of misunderstanding around the state pension is, while not surprising, deeply concerning. It's a core pillar of retirement income for a vast number of UK adults and yet there are persistent misconceptions around how it works.

Giving future generations clarity around when they will receive the state pension and how much that will be is crucial. We need to set some certainty and communicate that widely. Around future increases to state pension ages, when and how they can rise, how much notice is given. On what a reasonable state pension is - related to average earnings - and how much it should increase by each year.

That in turn will mean making some hard decisions around:

- Age it starts to be paid
- Who it's paid to
- The future of the triple lock

These are unavoidable truths, however unpalatable. But people need to understand how much they will get from the state as that bedrock of retirement. With that certainty they can begin to plan from there.

Changes to the state pension are inevitable. The next increase in age starts to come into effect next year which will be a shock to many. A far-reaching education programme is an urgent requirement to give people clarity and certainty.

Given that the state pension is so integral to retirement it would seem logical that it falls under the remit of the IPC, rather than the separate review. And the fact the future of the triple lock appears to be out of scope of either review is a significant anomaly.

Gender is only one part of the IPC's remit but one which needs urgent attention. There's a striking gender gap. Women are not investing enough for a comfortable retirement, they are less informed about key topics and are less likely to have acted in response. No wonder they fear the future and resent perceived inequalities.

Pensions adequacy is a starting point but it's not the end point, it's not the goal. A comfortable retirement and informed, earned confidence are the goals. As an industry and as a country we are a long way from that.

Whatever the IPC does or does not achieve, we still need the industry to work together, focusing on growing awareness and understanding to help people plan confidently for a comfortable retirement.

# The last word

"Property and hobbies that can create an income."

"I save and have investments as I know relying on the state pension won't be enough."

It's just my gut feeling. Currently, I am energetic and can work hard to get promotion and then I can confidently retire or plan for it.

Regular meetings with my financial adviser.

"I've been saving all my life and unless the government robs me, I should be fine."

## Why confident?

Prioritising saving for the future.

"Understanding your finances – what you have, what you'll need, and how to manage them – is a major confidence booster."

"Saving into a workplace pension since early 20s. Plus extra savings when I can."

"I have looked at lots of guidance online."

I will probably inherit some money or property.

# What needs to change?

More information needed, more support from the government/employer to help understanding of pensions. If you know, you know. If you don't you are totally blind to the facts.

The government to actually pay out equal to what people pay in. People who've paid NI and taxes for 60+ years should receive access to that money TAX FREE in retirement.

I think everyone needs to start planning earlier for their pension.

Have more sense when you're younger and remember you get old.

The government should stop changing the rules and fiddling with retirement age. Financial education should be introduced in schools.

I'm in my 40s and I don't own property. Even if I am able to buy in the next few years, I will still be paying a mortgage in retirement. Most likely I'll still be renting.

My wage needs to go up in line with inflation. It hasn't been for the last 10 or so years, so I'm getting poorer and poorer and can't afford to save.

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