Technical Report

Underpensioned: Analysis of Pensions Wealth data

The analysis in this Report is kindly sponsored by now:pensions

About this report

This Technical Report provides details of analysis undertaken for now:pensions as part of the Underpensioned Series of reports**.**

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The PPI is grateful for the input from Samantha Gould of now:pensions, in the production of this paper.

Editing decisions remains with the author, who takes responsibility for any remaining errors or omissions.

Sponsorship has been given to help fund the research, and does not necessarily imply agreement with, or support for, the analysis or findings from the project.

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Section 1: Introduction

In July 2025, the Government announced a new Pensions Commission, to consider the long-term future of the UK pensions system. It has a remit to consider adequacy, especially for those at greatest risk of poverty or undersaving which speaks directly to the adequacy of under-pensioned groups. It is due to report in 2027.

This paper complements the Underpensioned Index 2024 Edition,[1] by examining the accumulated pension wealth held by individuals pre-retirement, rather than current pension income of people in retirement. It presents analysis of the level of pension wealth among groups at risk from being under pensioned using data from the Wealth and Assets Survey (WAS). Since the publication of the Underpensioned Index 2024, the Office for National Statistics has released the microdata for Round 8 of the WAS dataset. This Technical Report gives analysis of the WAS pensions wealth data of working-aged under-pensioned groups.

While income measures show immediate living standards for current pensioners, pension wealth captures the pension specific resources that working age individuals have built up to support themselves in retirement. Examining pension wealth provides a direct indication of future retirement security.

Pension wealth also helps to assess inequalities that emerge over the life course. Groups that experience lower earnings, interrupted employment, or reduced access to workplace pensions tend to accumulate less wealth over time. Understanding these patterns is essential for identifying where people are under-pensioned, meaning they are at risk of inadequate income in retirement relative to the rest of the population.

This Technical Report focuses on groups identified as under-pensioned: women, single mothers, disabled adults, divorced adults, and multi-jobholders. These groups tend to have lower participation in pension saving and lower levels of accumulated wealth. The analysis compares each group with the working-age population as a whole and examines how patterns vary by age to show how disadvantage builds up over the life course.

[1] PPI (2025)

Section 2: Pension wealth in WAS for the underpensioned groups

Overall pension wealth for working-age people

Pension wealth, whether measured by the median or the mean, shows a pattern that under-pensioned groups have lower pension wealth than the general working-age population. For the purposes of this report we present the analysis in terms of the median,[2] this avoids distortion from outliers skewing the results.

When looking at all people in a group there will be some people who have no pension wealth. Excluding those people and considering the median pension wealth of only people in a group who have pension wealth gives a higher pension wealth figure. Both results are useful, the median of the whole group gives an overview of the experience of the group more broadly, while the median of only those with pensions wealth shows how the members of the group are able to accrue pensions when they have the opportunity to save.

Table 1: Median pensions wealth in Wealth and Assets Survey Round 8[3]

	Median Pension wealth (all)	Average age (all)	Median pension wealth (those with pension wealth)	Average age (those with pension wealth)
All	£20,647	43	£60,820	45
Men	£30,410	43	£77,335	45
Women	£13,817	43	£45,852	44
Single Mothers	£3,108	40	£27,036	42
Disabled	£0	46	£47,706	50
Non-Disabled	£23,851	43	£61,392	44
All Divorced	£43,740	53	£94,211	53
Divorced Men	£79,945	54	£150,434	54
Divorced Women	£34,332	52	£65,192	52
All Multi-jobholders	£44,908	55	£65,590	56
Multi-job men	£65,458	53	£71,662	54
Multi-job women	£35,602	56	£47,767	57

[2] The median is the value which the middle person would have if all the people in a group were ranked from lowest to highest result.
[3] PPI analysis of ONS (2025)

The overall median pension wealth for the working-age population is £20,647 (Table 1). However, there is a significant gender pension gap, as women in the working-age population have lower median pension wealth than men at around £13,817, compared to £30,410 for men. 70% of working-aged women have pension wealth, and among those with pension wealth, the median amount for women is £45,852. 74% of working-aged men have pension wealth, men with pension wealth have a median £77,335, compared to the median of people with pension wealth in the general population at £60,820.

Disabled people as a group have significantly lower levels of pension wealth than the general working-aged population. Their median is £0 at an average age of 46, showing that at least half have no pension wealth at all. Among those with pensions, their holdings are lower than those of the non-disabled (£47,706 vs £61,392).

The median pension wealth of single mothers is greater than zero but also very low. They have a median of £3,108 and an average age of 40, slightly below the average age of the general population (43). Among those with pension wealth they are the group with the lowest median level at £27,036 and an average age of 42. This points to a combination of reduced ability to save through lower levels of employment, lower income levels, and reduced opportunities for career advancement. It also suggests that there is some age effect where younger single mothers may be more less likely to have pensions wealth. This group is concentrated in their 30s and 40s which is a period of their life where, in general, contributions have more time to gain from compounding investment returns up to retirement.

These statistics present divorced people and multiple job holders as having higher pension wealth than the general population and that disabled people have no median pension wealth. This is primarily a result of how the age and employment composition of these groups differs from that of the general population.

To properly understand each of these and the ways that under-pensioned groups experience pension wealth is different to that of the wider population we have to dig a little deeper into two areas:

1. How likely it is for people in under-pensioned groups to have pension wealth.
2. How pension wealth changes over age and how comparing like for like is important.

Members of some under-pensioned groups are less likely to have any pension wealth

In the population as a whole, 72% of working-age people have some level of pension saving, with people over age 30 being above this rate. However, people in some under-pensioned groups are significantly less likely to have pension wealth (Table 2). The data in the table sets out the proportion of people who have any pensions wealth. Pensions wealth would include any private pension provision they had built up to the survey date. The Table shows the proportion of people in each group who have at some point participated in saving for a pension.

Table 2: Proportion of working-aged people in under-pensioned groups who hold any pension wealth by age band[4]

	20-24	25-29	30-34	35-39	40-44	45-49	50-54	55-59	60-64	Total
All	36%	68%	72%	75%	75%	77%	80%	80%	78%	72%
Men	36%	67%	75%	75%	78%	78%	80%	82%	85%	74%
Women	36%	68%	68%	74%	72%	76%	80%	78%	72%	70%
Single Mothers	*	44%	52%	60%	66%	70%	73%	71%	*	60%
Disabled	*	19%	27%	40%	29%	45%	46%	46%	45%	37%
Non-Disabled	38%	71%	75%	76%	78%	79%	83%	84%	82%	75%
Divorced	*	*	67%	72%	73%	81%	81%	79%	71%	77%
Divorced Men	*	*	*	*	71%	76%	81%	84%	74%	78%
Divorced Women	*	*	65%	68%	74%	83%	81%	76%	69%	76%
Multi-jobholders	50%	87%	67%	99%	92%	85%	94%	98%	82%	87%
Multi-job men	*	89%	76%	99%	91%	85%	94%	96%	84%	87%
Multi-job women	*	*	57%	100%	93%	86%	93%	98%	79%	87%

* *Figures based on a small number of observations have been suppressed*

Assignment to a particular under-pensioned group is based on their status at the time of the survey so it is possible that an individual was not always a member of a particular group and may have accrued their pension wealth prior as part of the general population.

In general, the proportion of people with any pension wealth increases with age, this is to be expected, the older someone is the greater opportunity they have had during life to have, at some point, saved in a pension. Automatic enrolment has meant that, for over a decade, qualifying employees have been included in pension saving. This has extended pension saving to most employees over this period.

People with disabilities are significantly less likely to have any pension saving likely as a result of labour market exclusion.[5] In each age band less than half of the people in the disabled group have any pension wealth. This is why the median level of pension wealth was zero for people with disabilities in Table 1; only a minority of people with a disability have any pension wealth.

Another group with noticeably lower levels of people with pension scheme savings are single mothers, this is especially noticeable at ages below 45.

[4] PPI analysis of ONS (2025)
[5] PPI (2025)

In contrast, people with multiple jobs stand out with very high coverage: 87% overall compared with 72% for the population. Multi-job holders, by definition, have jobs which makes them different to the other groups in that there are no unemployed people in the group, so they are therefore more likely to have pension wealth. At ages 55–59, almost all multi-jobholders have pensions. Both men and women in this group are widely covered.

The data suggests that groups with more limited access to employment are more likely to have fewer people with any pension wealth.

How pensions wealth changes by age

Pensions wealth levels increase with age (Table 3) as older people have had longer to accrue a pension and for the pension to achieve investment growth. There may be a distortion after Normal Minimum Pension Age (currently age 55), after which people may access their pension saving, so it is important to bear in mind the age profile of groups to ensure we consider like-for-like when comparing the measures of pension wealth.

Table 3: Median pension wealth by age band and under-pensioned group for all working-age people[6]

	20-24	25-29	30-34	35-39	40-44	45-49	50-54	55-59	60-64	Total
All	£0	£4,317	£9,540	£17,888	£28,296	£44,632	£64,521	£124,024	£153,934	£20,647
Men	£0	£4,174	£17,888	£21,172	£46,228	£66,782	£89,441	£207,144	£231,969	£30,410
Women	£0	£4,690	£4,770	£13,985	£20,924	£31,602	£52,472	£76,566	£104,944	£13,817
Single Mothers	*	£0	£239	£4,770	£15,149	£14,245	£41,825	*	*	£3,108
Disabled	*	*	£0	£0	£0	£0	£0	£0	£0	£0
Non-Disabled	£0	£5,426	£11,925	£18,767	£34,361	£53,591	£73,789	£145,640	£190,806	£23,851
Divorced	*	*	£2,743	£17,888	£13,714	£33,566	£57,600	£85,863	£94,228	£43,740
Divorced Men	*	*	*	*	£9,454	£47,956	£75,346	£163,014	£120,564	£79,945
Divorced Women	*	*	*	£7,244	£15,149	£32,891	£48,894	£62,608	£71,400	£34,332
Multi-jobholders	*	£6,834	£12,996	£32,525	£49,572	£60,988	£56,465	£252,355	£140,866	£44,908
Multi-job men	*	*	£24,447	£36,077	£65,590	£69,873	£62,012	£620,121	£164,510	£65,458
Multi-job women	*	*	*	£17,888	£47,767	£33,566	£56,465	£112,305	£107,284	£35,602

* *Figures based on a small number of observations have been suppressed*

Breaking pension wealth down by age allows us to consider whether the differences in pension wealth noted in Table 1 are as a result of age profiles of groups. Pension wealth in the population rises steadily with age, from £9,540 at 30–34 to £153,934 at 60–64.

Men have higher pensions wealth than women at every age. The gender pensions gap therefore persists across the life course.

Age profile is important when ensuring we are considering like-for-like. If we compare two groups, each with the same level of pension wealth at each age group, then a difference in the age profile would lead to the group that has more people at older ages being seen to have a higher overall average pension wealth.

[6] PPI analysis of ONS (2025)

While it was the case in the overall analysis that divorced people tended to have higher pension wealth than the general population (Table 1), this effect can be seen from the age grouped data to be explained as a result of their age (Table 3). The average age for divorced people tends to be higher than the population average at 53 compared to 43. When comparing divorced people against the general population at the same age, the divorced people tend to have lower pension wealth. At 55–59, the median pensions wealth is £85,863 compared with £124,024 for the population. Within the group, men have higher median pension wealth than women, but both fall below the averages for their equivalents in the general population.

Single mothers are concentrated in their 30s and 40s, with an average age of 40, and their pension wealth is significantly lower even when comparing against the general population of the same age group. The ages during which single mothers have lower participation in the workplace and in pension schemes are the years when, for the general population, contributions to pension schemes typically increase. Contributions made in these mid-life years have longer to compound than those made later, so gaps during this stage have a lasting effect on retirement outcomes.

The analysis of only people who have pension wealth helps to distinguish patterns of accumulation from overall coverage (Table 4). It removes people who never had the opportunity to build pension wealth and instead allows us to where the accumulation while in a pension scheme is affected by being in an under-pensioned group.

Table 4: Median pension wealth by age band and under-pensioned group for people with pensions wealth[7]

	20-24	25-29	30-34	35-39	40-44	45-49	50-54	55-59	60-64	Total
All	£4,415	£12,569	£25,840	£35,776	£66,466	£98,390	£123,039	£223,472	£286,210	£60,820
Men	£4,770	£15,553	£32,245	£41,739	£79,945	£138,816	£157,415	£294,558	£323,730	£77,335
Women	£3,816	£11,925	£18,189	£30,441	£49,034	£67,975	£88,355	£157,592	£234,881	£45,852
Single Mothers	*	£27,036	£3,578	£18,767	£30,419	£41,818	£82,300	*	*	£27,036
Disabled	*	*	£22,223	£9,952	£30,649	£29,814	£59,627	£175,625	£125,116	£47,706
Non-Disabled	£4,634	£14,160	£26,236	£35,776	£67,379	£102,562	£129,451	£226,407	£300,333	£61,392
Divorced	*	*	£21,466	£35,300	£33,383	£45,067	£94,211	£172,925	£217,785	£94,211
Divorced Men	*	*	*	£35,984	£29,814	£135,635	£109,872	£245,663	£236,947	£150,434
Divorced Women	*	*	*	£35,300	£43,740	£34,332	£75,488	£95,403	£198,678	£65,192
Multi-jobholders	*	£11,687	£54,369	£32,525	£58,750	£74,436	£71,394	£252,355	£231,590	£65,590
Multi-job men	*	*	£60,244	£36,077	£66,559	£101,366	£67,652	£641,905	£231,590	£71,662
Multi-job women	*	*	*	£17,888	£49,572	£42,931	£71,394	£119,254	£185,629	£47,767

* *Figures based on a small number of observations have been suppressed*

For the working-age population, the median pension wealth, among those with pension wealth, rises from £66,466 at ages 40–44 to £286,210 at 60–64 (Table 4). This reflects the effect of longer periods of saving and compounding as people move through working life.

At ages 50–54, the median pension wealth for women with pension wealth is £88,355, while for men it is £157,415. By 60–64, the figures are £234,881 for women and £323,730 for men. This shows that even among those who have pension wealth, women accumulate smaller balances than men.

[7] PPI analysis of ONS (2025)

For disabled adults with pension wealth, the median pension wealth is consistently lower than for non-disabled adults. This indicates that accumulation is much lower even among disabled adults who do have pension wealth.

Multiple jobholders are, by definition, employed and are more likely to have some level of pension saving than the general population (Table 2). To do a like-for-like comparison of multi-jobholders against the general working-age population, it makes sense to consider only those with pension wealth in both groups. The median pension wealth of multi-jobholders is generally below that for all adults, once age is taken into account. At 60–64, the median for multi-jobholders is £231,590 compared with £286,210 for the general population. Within the group, the median for women is £185,629 and for men £231,590, neither of which exceeds the figure for all adults. However, again there is a very high figure for men with multiple jobs in the age group of 55-59 of £641,905. This is after the minimum retirement age (55) so there could be a distortion as a result of people accessing savings.

Conclusion

The groups considered tend to have lower levels of pension wealth than the general population of working-age people. The Underpensioned Index 2024 report highlighted the lower levels of employment opportunity, as well as lower levels of income from employment, as drivers of lower pension saving.

The data in this paper shows that it can be difficult to tease out the underlying causes if the data is considered only at a high level. Digging in to the data reveals how groups such as divorced people or those with multiple jobs may appear to have higher levels of pension wealth, but when compared on a like-for like basis with the general population, they tend to have lower levels of pension wealth than the population average.

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Technical notes

Data

The analysis uses data from Round 8 of the Wealth and Assets Survey (WAS), which provides detailed information on the financial situation of households, including the value of pensions already built up. WAS is particularly valuable because it covers the entire working-age population, not only those currently contributing to a pension, and distinguishes between different forms of pension wealth. Round 8 is the latest available data from the Wealth and Assets Survey, the data was collated on average in 2021 are presented in 2024 earnings terms.

The Wealth and Assets Survey has seen falling response rates and, as a result, the ONS requested that the “Official Statistics” designation be removed. This does signal some reduction of confidence in the survey, however it does remain the current best source of pension wealth figures.

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References

1. Office for National Statistics, Social Survey Division, 2025, Wealth and Assets Survey, Waves 1-5 and Rounds 5-8, 2006-2022, [data collection], UK Data Service, 20th Edition, Accessed 15/09/2025. SN: 7215, DOI: http://doi.org/10.5255/UKDA-SN-7215-20
2. Pensions Policy Institute (PPI) (2025) The Underpensioned Index 2024 Edition available at https://www.pensionspolicyinstitute.org.uk/underpensioned/